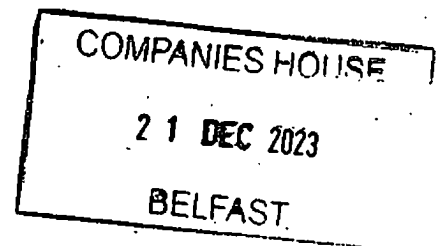
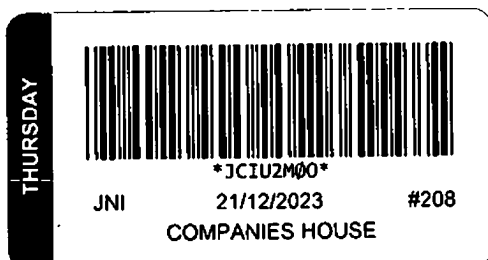


**Concentrix SREV Europe UK Limited**

Directors' report and financial statements  
31 December 2022  
Registered number 07253138



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**Directors' and Other Information**

**Directors**

Andrew Albert Farwig  
Jane Catherine Fogarty

**Secretary**

Jane Catherine Fogarty

**Auditors**

KPMG  
The Soloist Building  
1 Lanyon Place  
Belfast, BT1 3LP

**Solicitors**

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

**Registered Office**

Tower 42, Level 23  
25 Old Broad Street Road  
London  
EC2N 1HQ

**Bankers**

JPMorgan Chase Bank  
25 Bank Street  
London  
E14 5JP

## Strategic Report

The directors present their strategic report for the year ended 31 December 2022.

### Principal activities

The principal activity of the company is the provision of sales, marketing and other account management services.

### Business review

The profit for the period, after taxation, amounted to £1,660k (2021: £898k).

During the year the ultimate parent company and all subsidiaries were acquired by Concentrix Corporation (NASDAQ: CNXC) and divisionalised within the Concentrix business as the B2B Sales division. There was no change in the overall operational activities of the company as a result. However, the company has changed its name during the year from SSI Europe UK Limited to Concentrix SREV Europe UK Limited.

### Key performance indicators

The directors have determined that the following financial key performance indicators (KPI's) are the most effective measures of progress towards achieving the company's objectives:

	2022 £000	2021 £000
Turnover	11,485	9,330
Gross profit	3,150	2,768
Gross margin	27.4%	29.7%
Operating profit	1,992	1,120

Turnover has increased by 23.1% as a result of increased service delivery. Gross margin has decreased by 2.2 percentage points as a result of the increased service delivery being at a lower margin that has diluted total margin. The company has seen an increase in operating profit of £872k, which is predominantly driven by increased foreign exchange gains of £1,354k (2021: £769k).

### Principal risks and uncertainties

The company's strategy is to follow an appropriate risk policy, which effectively manages exposures related to the achievement of business objectives. The key risks which the company faces are detailed as follows:

#### Business performance risk

Business performance risk is the risk that the company may not perform as expected either due to internal factors or due to competitive pressures in the markets in which the company operates. This risk is managed through several measures: ensuring that the appropriate management team is in place; budget and business planning; monthly reporting and variance analysis; financial controls; key performance indicators and regular forecasting.

#### Business continuity risk

The company does ensure that there is adequate knowledge throughout the management team and sufficient IT support available should an unforeseen event occur. Management are in the process of identifying and implementing business continuity and IT disaster recovery plans to ensure that any increase in risk arising from

#### Health and safety risk

The company is committed to ensuring a safe working environment. The risks arising from inadequate management of health and safety matters are the exposure of employees and third parties to the risk of injury, potential liability and/or loss of reputation. These risks are managed by the company through: the strong promotion of a health and safety culture and well defined health and safety policies.

## **Strategic Report (continued)**

### **Principal risks and uncertainties (continued)**

#### ***Staff and management development***

Long-term growth of the business depends on the company's ability to retain and attract personnel of high quality. This risk is managed through development plans which are regularly reviewed and updated. These are accompanied by specific policies in areas such as training, management development and performance

#### ***Financial and business control***

Strong financial and business controls are necessary to ensure the integrity and reliability of financial and other information on which the company relies for day-to-day operations, external reporting and for long term planning. The company exercises financial and business control through a combination of: qualified and experienced financial teams; performance analysis; budgeting and cash flow forecasting and clearly defined approval limits.

#### ***Loss of key customers***

Long-term growth of the business depends on the company's ability to retain key customers. The risk of customer attrition is managed by developing and maintaining strong relationships with customers through regular contact and striving for continuous improvement.

#### ***Social, ethical and environmental risk***

Due to the company's nature and size no significant social, ethical or environmental risks have been identified by management.

#### ***Financial risk management policy***

The company's principal financial instruments comprise cash, trade debtors and creditors. The main risks associated with these financial assets and liabilities are set out below.

#### ***Foreign currency risk***

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

#### ***Credit risk***

Credit risk arises principally on revenues. Company policy is aimed at minimising such risk and requires that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure that the company's exposure to bad debts is not significant.

#### ***Liquidity risk***

The company's liquidity risk is managed by the company's directors through daily assessment of required cash levels and resultant utilisation of various available facilities if required. The directors do not believe that the company has significant exposures arising from liquidity risks.

#### ***Interest rate and price risk***

The directors do not believe that the company has significant exposures arising from interest rate or price risks.

## Strategic Report (continued)

### Section 172 (1) Statement

The directors have acted in a way that they considered, in good faith, to be most likely to promote the success of the company for the benefit of its stakeholders as a whole (having regard to the stakeholders and matters set out in s172 (1) of the Companies Act 2006) in the decisions taken during the year ended 31 December 2022.

In particular:

- The Directors regularly reviews and updates the long-term strategic plans of the business. Operational and financial performance is monitored against budget in detail throughout the financial year.
- The Directors is aware of the importance of the Company's employees to the long-term success of the business and our people form a key part of our strategy. Please refer to Risk Management section within the Strategic Report for further details on employee engagement.
- The Directors regularly reviews how the Company maintains relationships with all our stakeholders including suppliers, customers and others. The strategic objective of the Company is to develop staff, customers and supplier relationships while having a positive impact on other stakeholders.
- The Company seeks to minimise our impact on the environment by reducing our environmental and carbon footprint
- As directors, our intention is to behave responsibly and ensure that management operate the business, in a responsible manner maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the Company.

The Directors have had regard to the matters set out in sections 172(1)(a) – (f) when discharging their section 172 duties.

On behalf of the board



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Jane Catherine Fogarty  
Director

19 December 2023

## Directors' Report

The directors present their report for the year ended 31 December 2022.

### Dividends

No dividend has been paid during the year (2021: £nil).

### Directors

The directors who held office during the period and thereafter were as follows:

Chad Lyne	- resigned 21 July 2022
Megan Fine	- resigned 21 July 2022
Andrew Albert Farwig	- appointed 21 July 2022
Jane Catherine Fogarty	- appointed 21 July 2022

The company secretary who was in office during the period and up to the date of signing, unless otherwise stated,

Taylor Wessing Secretaries Limited	- resigned 21 July 2022
Jane Catherine Fogarty	- appointed 21 July 2022

### Political contributions

The company made no political contributions during the year (2021: £Nil).

### Future developments

Management's objectives are to grow the core services to UK and internationally based markets within the overall operation of the Concentrix brand.

### Going concern

The company's business activities, together with the factors likely to affect its future development, are set out in the Directors' Report and Strategic Report. Keeping in view the current year's performance and future forecasts, the directors have prepared the accounts on a going concern basis as there are no indicators to suggest that there will be a departure from the going concern presumption.

### Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG will therefore continue in office.

On behalf of the board



Jane Catherine Fogarty  
Director

19 December 2023

## Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

The directors are responsible for preparing the directors' report, strategic 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 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 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 controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the board



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Jane Catherine Fogarty  
Director

19 December 2023





KPMG

Audit  
The Soloist Building  
1 Lanyon Place  
Belfast BT1 3LP  
Northern Ireland

## **Independent Auditor's Report to the Members of Concentrix SREV Europe UK Limited**

### **Report on the audit of the financial statements**

#### ***Opinion***

We have audited the financial statements of Concentrix SREV Europe UK Limited ('the Company') for the year ended December 31, 2022 set out on pages 12 to 26, which comprise the Profit and Loss Account and Other Comprehensive income, Balance Sheet, Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 1.

The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at December 31, 2022 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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***

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.



**Independent Auditor's Report to the Members of Concentrix SREV Europe UK Limited**  
*(continued)*

**Report on the audit of the financial statements** *(continued)*

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

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

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

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

**Detecting irregularities including fraud**

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes. We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The 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. Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.



**Independent Auditor's Report to the Members of Concentrix SREV Europe UK Limited**  
(continued)

**Report on the audit of the financial statements (continued)**

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 (irregularities) 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 remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**Other information**

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information 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 other information.

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

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report 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.



**Independent Auditor's Report to the Members of Concentrix SREV Europe UK Limited**  
(continued)

**Respective responsibilities and restrictions on use**

***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for: the preparation of the financial statements including 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 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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

Our 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.

*Eamon Dillon*

**Eamon Dillon (Senior Statutory Auditor)**  
for and on behalf of  
**KPMG, Statutory Auditor**  
The Soloist Building  
1 Lanyon Place  
Belfast  
BT1 3LP

**20 December 2023**

**Profit and Loss Account and Other Comprehensive Income**  
for the year ended 31 December 2022

	<i>Note</i>	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Turnover	2	11,485	9,330
Cost of sales		<u>(8,335)</u>	<u>(6,562)</u>
<b>Gross profit</b>		<b>3,150</b>	<b>2,768</b>
Administrative expenses		<u>(1,158)</u>	<u>(1,648)</u>
<b>Profit on ordinary activities before taxation</b>	3	<b>1,992</b>	<b>1,120</b>
Tax	6	<u>(382)</u>	<u>(222)</u>
<b>Profit for the financial year</b>		<b><u>1,610</u></b>	<b><u>898</u></b>

The company has no other comprehensive income in the current or previous financial year other than those dealt with in the profit and loss account and accordingly, a statement of other comprehensive income has not been presented.

All amounts above relate to continuing operations of the company.

The notes on pages 15 to 26 form part of these financial statements.

**Balance Sheet**  
at 31 December 2022

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	7	140	137
		<u>140</u>	<u>137</u>
<b>Current assets</b>			
Debtors	8	19,132	7,514
Cash at bank and in hand		85	667
		<u>19,217</u>	<u>8,181</u>
<b>Creditors: amounts falling due within one year</b>	9	(10,766)	(1,335)
<b>Net current assets</b>		<u>8,451</u>	<u>6,846</u>
<b>Total assets less current liabilities</b>		<u>8,591</u>	<u>6,983</u>
Provision for liabilities	10	(20)	(14)
<b>Net assets</b>		<u><u>8,571</u></u>	<u><u>6,969</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	1	1
Share based payment reserve	12	2,485	2,493
Profit and loss account	12	6,085	4,475
<b>Shareholders' equity</b>		<u><u>8,571</u></u>	<u><u>6,969</u></u>

The financial statements were approved by the board of directors on 19 December 2023 and were signed on its behalf by:



Jane Catherine Fogarty  
Director

Company registered number: 07253138

The notes on pages 15 to 26 form part of these financial statements.

**Statement of Changes in Equity**  
at 31 December 2022

	Called up share capital £000	Share based payment reserve £000	Profit and loss account £000	Total equity £000
<b>At 31 December 2020</b>	<b>1</b>	<b>2,355</b>	<b>3,577</b>	<b>5,933</b>
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	898	898
Total comprehensive income for the period	-	-	898	898
<b>Transactions with owners of the company</b>				
Share based payment expense	-	138	-	138
Total transactions with owners of the company	-	138	-	138
<b>At 31 December 2021</b>	<b>1</b>	<b>2,493</b>	<b>4,475</b>	<b>6,969</b>
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	1,610	1,610
Total comprehensive income for the period	-	-	1,610	1,610
<b>Transactions with owners of the company</b>				
Share based payment expense	-	9	-	9
Share based payment settlement	-	(17)	-	(17)
Total transactions with owners of the company	-	(8)	-	(8)
<b>At 31 December 2022</b>	<b>1</b>	<b>2,485</b>	<b>6,085</b>	<b>8,571</b>

The notes on pages 15 to 26 form part of these financial statements.

## Notes

(forming part of the financial statements)

### 1 Accounting policies

Concentrix SREV Europe UK Limited (the "company") is a private company limited by shares, incorporated, domiciled and registered in the UK. The registered number is 07253138 and the registered address is Tower 42, Level 23, 25 Old Broad Street, London, EC2N 1HQ. These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The company's ultimate parent undertaking, Concentrix Corporation includes the company in its consolidated financial statements. The consolidated financial statements of Concentrix Corporation are prepared in accordance with US GAAP, which is considered to be an equivalent GAAP. The consolidated financial statements of the Concentrix Corporation are available to the public and may be obtained from its registered office situated at 39899 Balentine Drive, Newark, California 94560. Copies of these group financial statements are also available to the public from [www.concentrix.com](http://www.concentrix.com). In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Concentrix Corporation include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1 of Companies Act 2006.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 15.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

The company's business activities, together with the factors likely to affect its future development, are set out in the Directors' Report and Strategic Report. Keeping in view the current year's performance and future forecasts, the directors have prepared the accounts on a going concern basis as there are no indicators to suggest that there will be a departure from the going concern presumption.



**Notes (continued)**

(forming part of the financial statements)

**1 Accounting policies (continued)**

**1.3 Foreign currency**

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

**1.4 Basic financial instruments**

*Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade and other debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

**1.5 Classification of financial instruments issued by the company**

In accordance with FRS 102.22, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. Transaction costs are allocated between the debt component and the equity component on the basis of their relative fair values.

**Notes (continued)**

(forming part of the financial statements)

**1 Accounting policies (continued)**

**1.6 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

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

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Leasehold improvements 5 to 15 years
- Fixtures and fittings 5 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

**1.7 Impairment excluding deferred tax assets**

*Financial assets (including trade and other debtors)*

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.

**Notes (continued)**

(forming part of the financial statements)

**1 Accounting policies (continued)****1.7 Impairment excluding deferred tax assets (continued)***Non-financial assets*

The carrying amounts of the company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

**1.8 Employee benefits***Defined contribution plans and other long term employee benefits*

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

*Termination benefits*

Termination benefits are recognised as an expense when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

*Share-based payment transactions*

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured based on the ultimate parent company market data, taking into account the terms and conditions upon which the awards were granted.

**Notes (continued)**

(forming part of the financial statements)

**1 Accounting policies (continued)**

**1.9 Turnover**

Turnover is the total amount receivable by the company for services provided, excluding VAT and trade discounts. The company supplies services to customer under contractual relationships. Under these contracts, revenue is recognised on performance by the company of all contractual obligations. Where contracts require performance of a number of different services, the contract is accounted for as two or more separate transactions only where the commercial substance is that the individual components operate independently of each other.

**1.10 Expenses**

*Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

*Finance lease*

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Leases in which the company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease.

*Interest receivable and Interest payable*

Interest payable and similar charges include interest payable and finance leases recognised in the statement of comprehensive income using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

**Notes (continued)**

(forming part of the financial statements)

**1 Accounting policies (continued)**

**1.11 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**1.12 Related party transactions**

As the company is a subsidiary of Concentrix Corporation, the company has taken advantage of the exemption contained in FRS 102 and has not disclosed transactions with other wholly owned subsidiaries of Concentrix Corporation. There are no other related party transactions requiring disclosure.

**Notes (continued)**  
(forming part of the financial statements)

**2 Turnover**

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Europe	11,485	9,330
<b>Total turnover</b>	<b>11,485</b>	<b>9,330</b>

All turnover relates to the rendering of services.

**3 Expenses and auditor's remuneration**

Included in operating profit/(loss) are the following:

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Depreciation	49	76
Operating lease rentals - land and buildings	244	276
Net gain on foreign currency	(1,354)	(769)

*Auditor's remuneration*

Audit of these financial statements

Tax compliance services.

iXBRL services

24	21
-	6
-	-

**4 Staff numbers and costs**

The average number of employees during 2022 was 276 (2021: 198).

The aggregate payroll costs of these persons were as follows:

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Wages and salaries	8,716	6,914
Social security costs	760	676
Pension costs	264	223
Share based payments	9	138
<b>Total payroll costs</b>	<b>9,749</b>	<b>7,951</b>

**Notes (continued)**

(forming part of the financial statements)

**5 Directors' remuneration**

The directors' total emoluments for the year were paid by various companies within Concentrix Corporation. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as employees and directors of other companies within the group.

**6 Taxation****a) Total tax expense recognised in the profit and loss account, other comprehensive income and equity**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<i>UK corporation tax</i>		
Current tax on income for the year	379	226
Adjustment in respect of previous years	(3)	-
Total current tax	<u>376</u>	<u>226</u>
<i>Deferred tax (see note 14)</i>		
Origination and reversal of timing differences	6	(4)
Utilisation of tax losses	-	-
Adjustment in respect of previous years	-	-
Total deferred tax	<u>6</u>	<u>(4)</u>
<b>Total tax</b>	<b><u>382</u></b>	<b><u>222</u></b>

**b) Reconciliation of effective tax rate**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Profit for the financial year	1,610	898
Tax	382	222
<b>Profit on ordinary activities before taxation</b>	<b><u>1,992</u></b>	<b><u>1,120</u></b>
Tax using the UK corporation tax rate of 19% (2021: 19%)	378	213
<i>Effects of:</i>		
Capital allowances in (excess)/deficit of depreciation	2	-
Expenses not deductible for tax purposes	(1)	13
Change in rate of corporation tax and deferred tax	-	(4)
Origination and reversal of timing differences	6	-
Adjustments in respect of prior periods	(3)	-
<b>Total tax (credit) / charge included in profit or loss</b>	<b><u>382</u></b>	<b><u>222</u></b>

**c) Factors affecting future tax charges**

The UK Budget on 3 March 2021 announced a rise in the Corporation Tax rate to 25% on 1 April 2023, with the rate remaining at 19% until then.

**Notes (continued)**  
(forming part of the financial statements)

**7 Tangible fixed assets**

	Leasehold improvements £000	Furniture and equipment £000	Computer equipment £000	Total £000
<b>Cost</b>				
At 1 December 2021	291	372	589	1,252
Additions	-	-	52	52
Reclassification	20	(4)	(16)	-
At 31 December 2022	<u>311</u>	<u>368</u>	<u>625</u>	<u>1,304</u>
<b>Depreciation</b>				
At 1 December 2021	291	370	454	1,115
Depreciation charge for the period	-	-	49	49
Reclassification	20	(3)	(17)	-
At 31 December 2022	<u>311</u>	<u>367</u>	<u>486</u>	<u>1,164</u>
<b>Net book value</b>				
At 1 December 2021	-	2	135	137
At 31 December 2022	-	<u>1</u>	<u>139</u>	<u>140</u>

**8 Debtors**

	2022 £000	2021 £000
Trade debtors	-	-
Amounts owed by group undertakings	18,991	7,370
Prepayments and accrued income	141	132
VAT recoverable	-	12
Deferred tax asset (note 10)	-	-
<b>Total Debtors</b>	<u>19,132</u>	<u>7,514</u>

Amounts due from group companies are non-interest bearing and repayable on demand.

**9 Creditors: amounts falling due within one year**

	2022 £000	2021 £000
Trade creditors	6	57
Amounts owed to group undertakings	9,486	-
Social security and other taxes	167	249
Corporation tax payable	259	226
Accruals and deferred income	848	803
<b>Total creditors: amounts falling due within one year</b>	<u>10,766</u>	<u>1,335</u>

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



**Notes (continued)**

(forming part of the financial statements)

**10 Deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

	<b>Assets</b>		<b>Liabilities</b>		<b>Net</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Accelerated capital allowances	-	-	(20)	(14)	(20)	(14)
	<u>-</u>	<u>-</u>	<u>(20)</u>	<u>(14)</u>	<u>(20)</u>	<u>(14)</u>

**11 Employee benefits****Defined contribution plans**

The company operates a number of defined contribution pension plans. The total expense related to these plans in the current year was £264k (2021: £223k).

**Share based payment awards**

The previous ultimate parent company operated a share-based employee compensation plan whereby options and restricted stock units ("RSU's") were granted to employees of the Company to subscribe for shares in the parent company.

This previous plan was terminated on 20 July 2021 following the acquisition of the previous ultimate parent company by Concentrix Corporation. The unvested RSU's at acquisition were converted to a cash value to be settled over the remaining life of the original RSU's.

The ultimate parent company operates a Share Incentive Plan: the 2020 Share Incentive Plan. The plan provides for the direct award or sale of common shares, restricted share awards and restricted share units, the grant of options to purchase common shares and the award of share appreciation rights to employees.

The plans are available to eligible employees of the company for the grant of non-qualified share options, share appreciation rights, restricted share grants and restricted share units. The outstanding share options and restricted share awards granted to qualified employees generally vest over a four to five-year period. The holders of restricted share awards are entitled to the same voting, dividend and other rights as the company's common shareholders. Certain restricted share units could vest subject to the achievement of individual, divisional or company-wide performance goals.

Employees of the company have been awarded shares in the Share Incentive Plan for which £9k has been expensed in 2022 (2021: £nil).

The terms and conditions of the grants awarded and outstanding are as follows:

<b>Grant date</b>	<b>Method of settlement accounting</b>	<b>Number of instruments</b>	<b>Vesting conditions</b>	<b>Contractual life of awards</b>
2022	Equity	8	Continued employment	4 years

**Notes (continued)**  
(forming part of the financial statements)

**12 Capital and reserves**  
*Called up share capital*

	2022 £000	2021 £000
Authorised 100,000 Ordinary shares of £ 1.00 each	100	100
	<u>100</u>	<u>100</u>
Alotted, called up and fully paid 1,000 ordinary shares of £ 1.00 each	1	1
<b>Total capital and reserves</b>	<u>1</u>	<u>1</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

*Share based payment reserve*

This reserve records the fair value of the share based payment awards granted to employees, recognised over the period in which the employees become unconditionally entitled to the awards.

*Profit and loss account*

This holds the accumulated profit of the company.

**13 Operating leases**

*Non-cancellable operating lease rentals are payable as follows:*

	2022 £000	2021 £000
Less than one year	127	265
Between one and five years	724	-
More than five years	-	-
<b>Total operating leases</b>	<u>851</u>	<u>265</u>

During the year, £244k (2021: £276k) was recognised as an expense in the profit and loss account in respect of operating leases.

**Notes (continued)**

(forming part of the financial statements)

**14 Ultimate parent undertaking and controlling party**

The immediate parent undertaking is Concentrix SREV Europe Limited a company incorporated in the Republic of Ireland.

The ultimate parent undertaking, and the only company within the group of undertakings to consolidate these financial statements, was Concentrix Corporation, a publicly listed company (NASDAQ: CNXC) incorporated in the United States of America, and with its registered office situated at 39899 Balentine Drive, Newark, California 94560. Copies of these group financial statements are available from [www.concentrix.com](http://www.concentrix.com).

**15 Accounting estimates and judgements**

The preparation of financial statements in conformity with FRS 102 required management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed and revised on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management have assessed that there are no estimates or judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognised in the financial statements.

**16 Subsequent events**

There were no events subsequent to the balance sheet date which require disclosure in these financial statements.

**17 Financial statement approval**

The financial statements were approved on 19 December 2023.