

Azlan Group Limited

Reports and Financial Statements
For the year ended 31 January 2019
Registered number 2767939

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Reports and financial Statements

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Strategic report

The Directors present their Strategic report, their Directors' report and the financial statements for the year ended 31 January 2019.

Principal activities and review of the business

The principal activity of the Company is to act as a holding company.

The Company's key financial indicators during the year can be summarised as follows:

	2019	2018	Change
	£m	£m	%
Net current liabilities	(8.0)	(8.0)	-
Shareholders' funds	551.1	551.1	-

There has been no income statement activity in the year.

Principal risks and uncertainties

There is a liquidity risk if the investments underperform and do not provide sufficient dividends to cover the Company's short term liabilities as they fall due. The company therefore relies upon the ongoing support of its ultimate parent company, Tech Data Corporation.

There is a risk that if the value of underlying investments falls below carrying value that these assets may be impaired, resulting in a charge through the Income Statement.

There is also a foreign currency risk as a significant proportion of the subsidiaries' trade is in currencies other than GBP, therefore should exchange rates move adversely, the GBP value of any dividend income may be affected.

The Company's ultimate parent company, Tech Data Corporation, has confirmed that it will provide financial support to the Company to meet its liabilities as and when they fall due. The directors therefore consider that it is appropriate to draw up these accounts on a going concern basis.

The potential risks arising as a result of the United Kingdom leaving the European Union at a future date cannot currently be quantified due to the level of uncertainty inherent in the process.

Future developments

The directors expect the Company to continue as an intermediate holding company for the foreseeable future.

By order of the Board



H Tuffnail
Director

23 OCTOBER 2019

Directors' Report

Directors & Directors Interest

The Directors who held office during the period are listed below;

H Tuffnail
A Gass

The Directors had no beneficial interest in the share capital of the company during the year.

Going concern

The ultimate parent company (Tech Data Corporation) has provided a formal letter of support for a period at least until 31 October 2020. The Directors therefore consider that it is appropriate to draw up these accounts on a going concern basis.

Dividend

Dividends of £nil (2018: £nil) have been paid for the year ended 31 January 2019.

Post balance sheet events

It is proposed that a dividend of €86.0m will be received from Tech Data (Netherlands) B.V. prior to 31 October 2019 and that a dividend of €86.0m will then be paid to TD United Kingdom Acquisition Limited.

Disclosure of information to auditors

At the date this report is approved, as far as each director is aware, there is no relevant information of which the Company's auditors are unaware and they have taken all the steps they ought to take as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with section 487 of the Companies Act 2006, a resolution to dispense with the obligation to appoint auditors annually was passed on 27 January 2006. Accordingly, Ernst & Young LLP will be deemed to be reappointed as auditors.

By order of the Board



H Tuffnail
Director

28 OCTOBER 2019

Registered office:
Redwood 2
Crockford Lane
Chincham Business Park
Hampshire
United Kingdom
RG24 8WQ

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, Directors' report and the financial statements in accordance with applicable UK laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) FRS 101 Reduced disclosure framework. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing these financial statements, the directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AZLAN GROUP LIMITED

Opinion

We have audited the financial statements of Azlan Group Limited for the year ended 31 January 2019 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 9, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 January 2019 and of its result 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 below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 4, 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.

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.

Ernst & Young LLP

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

30/10/19

Statement of changes in equity
for the year ended 31 January 2019

	Share capital	Share premium	Revaluation reserve	Capital redemption reserve	Merger reserve	Profit and loss account	Total Equity
	£m	£m	£m	£m	£m	£m	£m
As at 1 February 2017	5.8	-	0.5	0.1	1.1	83.1	90.6
Total comprehensive income	-	-	-	-	-	-	-
Ordinary shares issued	-	460.5	-	-	-	-	460.5
At 31 January 2018	5.8	460.5	0.5	0.1	1.1	83.1	551.1
Total comprehensive income	-	-	-	-	-	-	-
At 31 January 2019	5.8	460.5	0.5	0.1	1.1	83.1	551.1

Registered number 2767939

Statement of Financial Position

as at 31 January 2019

	<i>Note</i>	2019 £m	2018 £m
Fixed assets			
Investments	5	559.1	559.1
Current assets			
Debtors	6	49.9	58.5
Creditors: amounts falling due within one year			
Trade and other payables	7	(57.9)	(66.5)
Net current liabilities		(8.0)	(8.0)
Net assets		551.1	551.1
Capital and reserves			
Called up share capital	8	5.8	5.8
Share premium account		460.5	460.5
Revaluation reserve		0.5	0.5
Capital redemption reserve		0.1	0.1
Merger reserve		1.1	1.1
Profit and loss account		83.1	83.1
Total equity		551.1	551.1

These financial statements were approved by the board of directors on 28 October 2019 and were signed on its behalf by:


H Tuffnail
Director

Notes to the financial Statements

1 Authorisation of Financial Statements and Statement of compliance with FRS101

Statement of compliance:

The financial statements for the year ended 31st January 2019 were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The Company is exempt from the requirement to prepare consolidated financial statements, on the grounds that it is a wholly-owned subsidiary of Tech Data Corporation, incorporated in the USA, whose consolidated accounts are publicly available and are prepared on an equivalent basis (see note 9).

2 Accounting policies

2.1 Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

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

- a) The requirements of IFRS 7 Financial Instruments: Disclosures;
- b) The requirements of IAS 7 Statement of Cash Flows;
- c) The requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- d) The requirement of IAS 8 in regards to standards issued but not effective;
- e) The requirements under IFRS 13 in regards to fair value disclosures; and
- f) The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1 January 2018. The company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. The nature and the impact of each amendment is described below:

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting. The application of IFRS 9 has not led to any material adjustments to the financial statements for either the current or prior year and therefore no disclosures on the effect of the adoption of IFRS 9 are provided.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset. For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

2 Accounting policies (continued)

2.1 Basis of preparation (continued)

The financial statements present the information about the entity as an individual and not as a group. Azlan Group Limited is a limited liability company and is incorporated in England. The company's financial statements are presented in Sterling and are rounded to the nearest million except where otherwise indicated. The functional currency is GBP.

Going Concern

The ultimate parent company (Tech Data Corporation) has confirmed that it will provide financial support for a period at least until 31 October 2020. The Directors therefore consider that it is appropriate to draw up these accounts on a going concern basis.

2.2 Judgements and Key Sources of estimation uncertainty

Impairment

Investments are assessed at each reporting date for impairment through a review of impairment indicators. Given the non-trading (holding company) nature of the investments in Tech Data (Netherlands) B.V., Azlan GmbH and ManeBoard Limited, a key indicator is the underlying net assets of these subsidiaries. Where the carrying amount of the investment exceeds the underlying net assets of a subsidiary, this is an indicator of impairment. An impairment test is then performed based on the recoverable amount as defined by IAS 36. Impairment charges, where the carrying value of the investment exceeds its recoverable amount, are recognised in the Income Statement.

2.3 Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Investments

Investments in subsidiaries are held at historical cost less any applicable provision for impairment.

Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into GBP at the rates ruling at the Statement of Financial Position date. Transactions expressed in foreign currencies are translated into GBP at the rates ruling at the transaction date. Exchange gains and losses arising are recognised in the Income Statement.

Taxation

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

Income tax is charged or credited to Other Comprehensive Income if it relates to items that are charged or credited to Other Comprehensive Income. Similarly, income tax is charged or credited directly to Equity. Otherwise income tax is recognised in the Income Statement.

Dividend income

Dividend income is recognised when the Company's right to receive payment is established. Any income that is not settled in the period is included with inter-company debtors at the balance sheet date.

2 Accounting policies (continued)

2.3 Significant Accounting Policies (continued)

Intercompany receivables

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

The Intercompany balances have not been reviewed as a part of IFRS 9 changes as all inter-company payables and receivables are with wholly owned fellow group companies and therefore the Company has no risk against these balances.

Intercompany payables

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

3 Directors' remuneration

The directors received remuneration for the period estimated at £5,000 each (2018: £5,000) in relation to qualifying services as a director of this Company, all of which was borne by other group companies.

4 Audit fees

Fees of £8,000 (2018: £8,000) were paid by another group company to the auditors in respect of the audit of the Company's financial statements.

5 Investments

Cost or valuation

Investments in subsidiary undertakings £m

At 1 February 2018

559.1

Additions during the year

-

At 31 January 2019

559.1

5 Investments (continued)

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows (all shares held in direct and indirect subsidiaries are ordinary shares):

The percentage of equity owned by the group is 100% unless otherwise noted below.

Name of company	Address
Direct	
Azlan GmbH	Kistlerhofstrasse 75, 81379, Munich, Germany
ManeBoard Limited	Redwood 2 Crockford Lane, Chincham Business Park, Chincham, Basingstoke, Hampshire, RG24 8WQ, United Kingdom
Tech Data (Netherlands) B.V.	Tolnasingel 2, 2411 PV, Bodegraven, Netherlands
Indirect	
Azlan Limited	Redwood 2 Crockford Lane, Chincham Business Park, Chincham, Basingstoke, Hampshire, RG24 8WQ, United Kingdom
Horizon Technical Services (UK) Limited	Redwood 2 Crockford Lane, Chincham Business Park, Chincham, Basingstoke, Hampshire, RG24 8WQ, United Kingdom
Azlan European Finance Limited	Redwood 2 Crockford Lane, Chincham Business Park, Chincham, Basingstoke, Hampshire, RG24 8WQ, United Kingdom
Azlan Logistics Limited	Redwood 2 Crockford Lane, Chincham Business Park, Chincham, Basingstoke, Hampshire, RG24 8WQ, United Kingdom
Managed Training Services Limited	Redwood 2 Crockford Lane, Chincham Business Park, Chincham, Basingstoke, Hampshire, RG24 8WQ, United Kingdom
Tech Data Canada Corporation	1958 Upper Water Street, Suite 900, Halifax NS B3J 2X2, Canada
Tenva TS Canada ULC	1959 Upper Water Street, Suite 900, Halifax NS B3J 3N2, Canada
Exit Certified ULC	6950 Creditview Road, Unit 2, Mississauga ON L5N 0A6, Canada
Tech Data France Holding	5, avenue de l'Europe, Bussy Saint-Georges, F-77611, Marne-La-Vallee Cedex 3, France
Tech Data France	5 Avenue de l'Europe, 77600, Bussy-Saint-Georges, France
Tech Data Marne	5, avenue de l'Europe, Bussy Saint-Georges, F-77611, Marne-La-Vallee Cedex 3, France
Tech Data Lux Finance S.a.r.l.	TMF Management Luxembourg SA, 46A, Avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg
Tech Data Luxembourg S.a.r.l.	TMF Management Luxembourg SA, 46A, Avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg
Tech Data Nederland B.V.	Tolnasingel 2, 2411 PV, Bodegraven, Netherlands
Tech Data bvba/sprl	Assesteenweg 117/1, 1740 Ternat, Belgium
Tech Data Denmark ApS	Bregnerødvej 144, 3460, Birkerød, Denmark
Tech Data Norge AS	Stålfiara 20, Oslo, 0975, Norway
Horizon Technical Services A/B	Box 56 - Fagerstagatan 18B, S-16391, Stockholm-Lunda, Sweden
Tech Data Europe Services and Operations, S.L.	Avenida de la Vega 1, 28108, Alcobendas (Madrid), Spain
Tech Data International S.a.r.l.	Route des Avouillons 30, 1196, Gland, Switzerland
Tech Data Europe GmbH	Kistlerhofstrasse 75, 81379, Munich, Germany
Tech Data Deutschland GmbH	Kistlerhofstrasse 75, 81379, Munich, Germany
Tech Data Information Technology GmbH	Kistlerhofstrasse 75, 81379, Munich, Germany
Tech Data Midrange GmbH	Kistlerhofstrasse 75, 81379, Munich, Germany
Tech Data GmbH & Co. OHG	Kistlerhofstrasse 75, 81379, Munich, Germany
Tech Data Espana S.L.U.	Avenida de la Vega 1, 28108, Alcobendas (Madrid), Spain
TD Tech Data Portugal, Lda	Avenida da Boavista, n° 3.265, , piso 7, sala 2, 4100-137, PORTO, Portugal
Azlan Scandinavia AB	Box 56, Fagerstagatan 18B, 16391, Spånga, Solna, Sweden
TD Tech Data AB	Box 56 - Fagerstagatan 18B, S-16391, Stockholm-Lunda, Sweden
Tech Data (Schweiz) GmbH	Birkenstrasse 47, CH-6343, Rotkreuz, Switzerland
Tech Data Italia S.r.l.	Via Tolstoj 65 cap, 20098, San Giuliano Milanese (MI), Italy
Tech Data Polska Sp.z.o.o.	Batory Office Building II, Al Jerozolimskie 212, 02-486, Warszawa, Poland
Tech Data Distribution s.r.o.	Libalova 2348/1, Chodov, Praha 4, 14900, Czech Republic
Tech Data Hungary KFT	Budafoki út 91-93, IP West Irodaház. ép. 6. em, Budapest, 1117, Hungary
Tech Data Management GmbH	EURO PLAZA, Gebäude K, Kranichberggasse 6, 1120, Wien, Austria
Tech Data Service GmbH	EURO PLAZA, Gebäude K, Kranichberggasse 6, 1120, Wien, Austria
Tech Data Österreich GmbH	EURO PLAZA, Gebäude K, Kranichberggasse 6, 1120, Wien, Austria
Tech Data Finland OY	Sokerilinnantie 11 C, Espoo, 02600, Finland
Tech Data European Management GmbH	Kistlerhofstrasse 75, 81379, Munich, Germany
Tech Data Uruguay SA	Calle Rio Negro 1370/601, Montevideo, Uruguay
Investment in associate held indirectly	
Nexiona Connectocrats SL (29.64%)	Carrer de Sant Joan de la Salle, 42, 08022 Barcelona

6 Debtors

	2019 £m	2018 £m
Amounts owed by group undertakings	49.9	58.5

The amounts owed to group undertakings relate to subsidiaries, are at nil rates of interest and are repayable on demand.

7 Creditors; amounts falling due within one year

	2019 £m	2018 £m
Amounts owed to group undertakings	57.9	66.5

The amounts owed by group undertakings relate to subsidiaries, are at nil rates of interest and are payable on demand.

8 Called up share capital

	2019 Number	£m	2018 Number	£m
Equity share capital:				
<i>Allotted, called up and fully paid</i>				
Ordinary shares of 5p each	116,659,406	5.8	116,659,406	5.8

9 Ultimate parent undertaking

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

The company's ultimate parent undertaking and controlling party is Tech Data Corporation, which is incorporated in the USA. Copies of its group financial statements, which include the company, are available from Tech Data Corporation, 5350 Tech Data Drive, Clearwater, FL33760, USA.