WE ARE SHAPING TOMORROW

SCC EMEA LIMITED AND SUBSIDIARY UNDERTAKINGS

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
COMPANY NUMBER: 04279856

SCC.COM

SCC

WE HELP CLIENTS SUCCEED THROUGH IT TRANSFORMATION AND EXCEPTIONAL CUSTOMER EXPERIENCES.

THAT'S OUR PURPOSE. THE REASON WE EXIST.

CONTENTS

WE SIMPLIFY THE COMPLEX

The directors present their Annual Report for the Year Ended 31 March 2024 for SCC EMEA Group comprising SCC EMEA Limited and its Subsidiary Undertakings

FINANCIAL HIGHLIGHTS. 2024

TURNOVER

£3.4 BN
+5%

FY23 £3.3bn

OPERATING PROFIT

£37.2M
-46%

FY23 £68.9m

PROFIT BEFORE TAX

£42.4M
-37%

FY23 £67.1m

CASH GENERATED FROM OPERATIONS[1]

£23.5M
-82%

FY23 £131.6m

NET ASSETS

£209.4M
4%

FY23 £201.1m

[1]Cash generated before income tax, refer page <82>

PASSION +VALUES

CHAIRMAN’S STATEMENT

Next year marks 50 years in business for SCC; a business that I founded in 1975 and has grown into the technology led £3.7bn turnover group that it is today.

50 years is a long time. We’ve seen how much the world has changed in the past four years alone and the pandemic, significant as it was, is the latest in a long line of global events that have reshaped the face of business. Over the past five decades, we have witnessed everything from the very first microprocessor to the power of new technologies such as AI and machine learning.

The secret to longevity is passion, reinvestment, embedding your values, and working with high-performing teams within a structure that enables quick and decisive decisions on long and short-term strategies.

These are the foundations on which our business is built, and while the fiscal year 2024 brought its challenges in some areas of the Group, the work we have done over the past 50 years – and in particular over the past 2-3 years – keeps SCC in a strong position with a clear strategy and vision for the future.

The continued progress of SCC has been marked by significant challenges and opportunities this year, and I am proud to say that our team has navigated through them with resilience, innovation, and unwavering commitment.

SCC’s leadership team, which we have continued to invest in during the course of FY24, have continued to demonstrate agile management, delivering strategic initiatives that align with this long-term vision we have for the business.

SCC remains at the forefront driving digital adoption and empowering organisations across various sectors to thrive in a rapidly evolving world. Through our dedication to service excellence, we have solidified our position as a trusted partner in delivering cutting-edge solutions that drive growth, efficiency, and digital transformation.

Despite challenging economic conditions impacting the financial performance of SCC in the UK, we have continued to reinvest this year, developing more innovative new business initiatives and investment opportunities, including key acquisitions to help us scale and modernise our service offering.

SCC France continued on its growth trajectory in FY24 and I am extremely pleased that the decisive actions and strategic initiatives of recent years are delivering tangible results. We have also achieved growth in SCC Spain, once again showing resilience against a backdrop of socio-economic challenges.

In a group where our people have always been and always will be at the heart of everything we do, many extremely difficult decisions have to be made. While often painful, these have been proven to have served the long-term best interests and welfare of our people.

Investment has continued to increase and has seen us make great strides towards the completion of our committed work programmes. We have also continued to develop and implement innovative new business initiatives in cyber and hyperscale activities and undertaken investment opportunities during the year with the addition of Nimble Delivery Limited and Vohkus group to strengthen our UK portfolio.

SCC is the driving force behind the Rigby Group, a family of many different companies in 9 countries worldwide, with more than 8,000 people. We still see as much opportunity for growth and expansion today as we did when SCC was first established, and there are positive signs of tangible, long-term recovery and a return to optimism and growth for business leaders across Europe.

Investment is essential to a healthy future, and we remain firmly committed to investing in our business, our people and new technologies for strategic and sustainable growth as we look ahead to FY25.

The Rigby Group's established charity, The Rigby Foundation, continues to proactively support charitable initiatives through donations and corporate social responsibility programmes in our operating businesses. Over the coming year, our developing ESG strategy will seek to enshrine these initiatives and many more within the heart of the group, ensuring that the values developed over almost fifty years remain in place for the next fifty.

Looking ahead, SCC France has kicked off its next financial year as an official sponsor of the Paris 2024 Olympic and Paralympic Games, the biggest ever sporting event to be hosted in France. Aside from sponsoring, SCC has also won the contract to provide and service all the technology for the event, including procurement and supply of IT, audiovisual, print and mobile equipment, with a full recycling service in line with the digital responsibility and circular economy.

We are deploying more than 500 people from SCC France, with our sponsorship bringing employees, technology partners and customers together to celebrate the sponsorship, which is a high point in the history of our group.

My family and myself remain committed to SCC and the Rigby Group for the long term – with Technology at its heart – and maintain our core principles of hard work, entrepreneurship, good governance and philanthropy. It is an ethos I have been proud to foster throughout my business life and can assure you that this will not change as the group and its management continue to evolve.

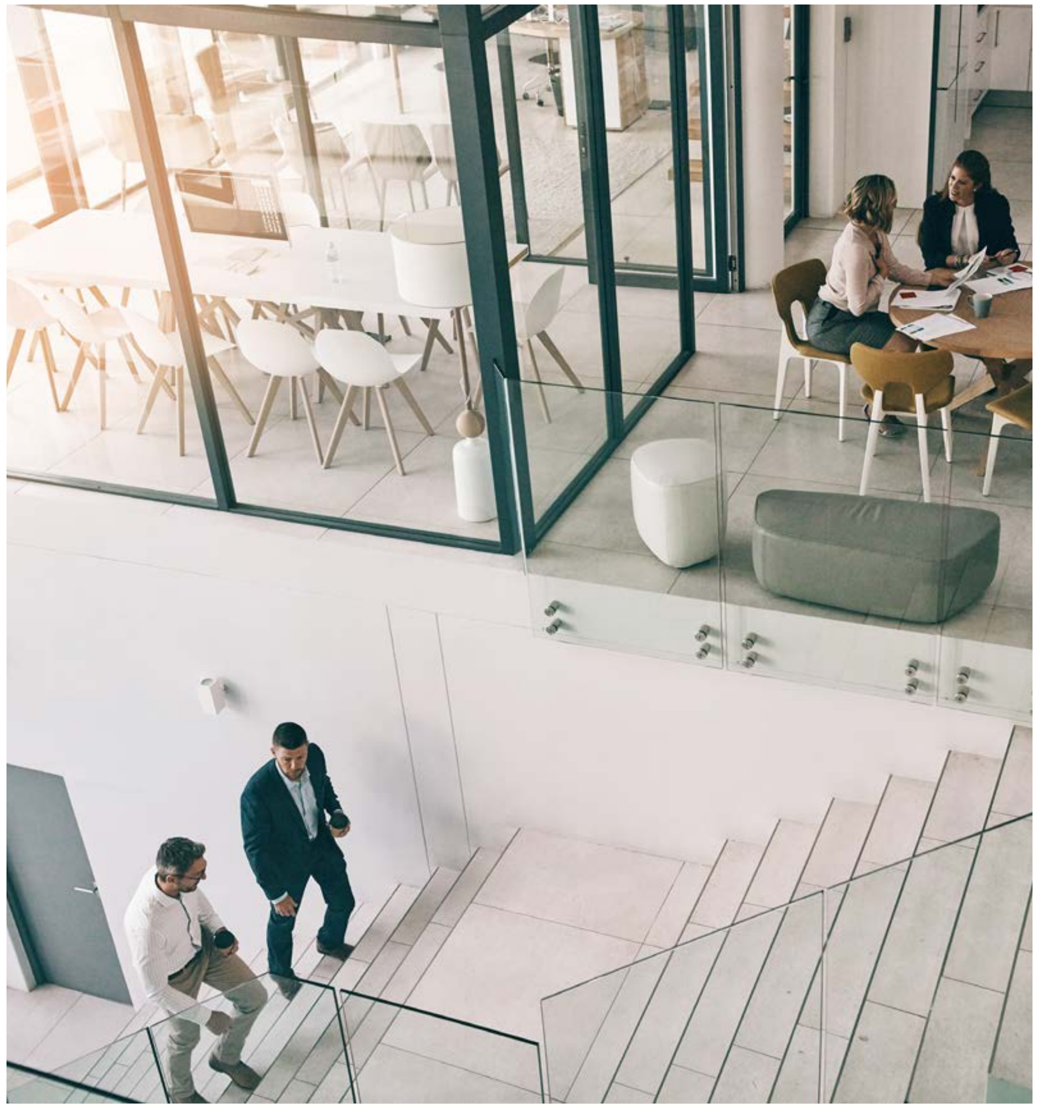
We also remain committed to working within Europe, paying tax in Europe and other countries as appropriate. We will continue to support the European economy as European governments have supported us in the past, and we are proud of the work which we have done with governments across the continent over the past decades.

And most of all, we will continue to value our people, their skills and the loyalty they have shown as part of our family business. I would like to thank them for their exceptional support during what must feel like a very long period of difficulty and doubt and promise them that our commitment as a group will also remain true to the personal and professional development of our people, and the importance of enabling them to unleash their potential.

Peter Rigby

Sir Peter Rigby
Chairman

My family and myself remain committed to SCC and the Rigby Group for the long term – with Technology at its heart – and maintain our core principles of hard work, entrepreneurship, good governance and philanthropy.



SCC EMEA
CHIEF EXECUTIVE'S REVIEW

Following on from two record financial years FY24 has again delivered a 5% growth in revenues which now exceed £3.4bn.

GROWTH+ STABILITY

Gross profit performance also delivered a 4% growth over last year and we have seen stability in our gross profit margin % which, against the backdrop of the current European economic climate has been very encouraging.

Our overhead cost base was flattered last year following the gain on the sale and leaseback of our French warehouse, but we have still seen an 11% increase in our underlying overhead base as we continue to invest in people to support our growing business.

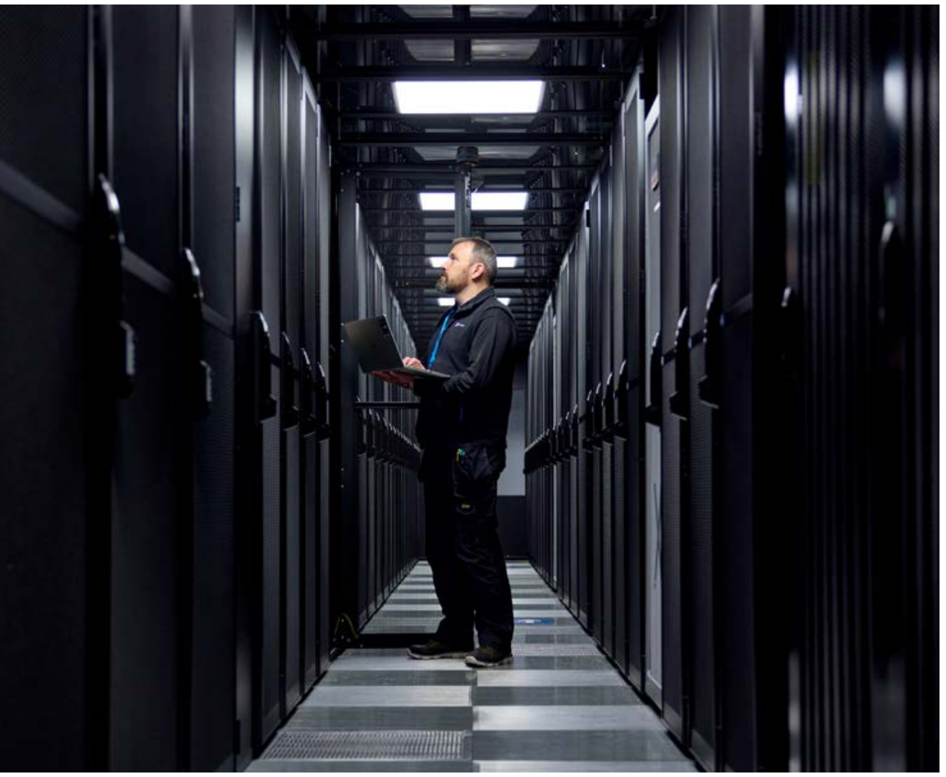
Our underlying operating profit of £37.2m this year compares to £58.1m last year after adjusting for the gain on disposal, a reduction of £10.8m, which has largely been because of our UK business which has experienced challenging trading conditions reflecting the weakness of the UK technology sector, particularly in the enterprise space.

Our French business showed growth year on year all driven by the strength of our distribution product business and public sector relationships.

In Spain SCC has delivered another record year with an operating profit of €4.5m and revenues of €111m.

Rigby Capital, our payment solutions business, also performed strongly with an operating profit of £1.3m.

During the year we have continued with our Digital Solutions and Service Provider (DSPP) strategy adding targeted acquisitions which complement our organic growth investments.



The addition of Nimble Delivery Solutions alongside our organic investments in cloud, cybersecurity and digital workspace enhances our UK capabilities to deliver digital transformations services to our customers.

Our acquisition of Resonate UCC, a Microsoft Teams specialist and leading global provider of cloud voice collaboration, further enhances our managed services offering to customers.

The integration of our previous acquisitions of Visavvi and Vohkus has been a priority for this current year and we are pleased with the contributions that both have made to the UK performance generating operating profits of over £4.0m combined.

We have continued our major systems development programme with a further £6.8m invested during the year. These investments will improve our interaction with customers with more efficient and cost-effective processes from customer enquiry to order to cash and we have gone live with our new CRM systems, with finance systems following early in this next financial year.

As a family-owned group, we want to help our planet thrive for generations to come. We are committed to being a responsible business that puts our planet, people, prosperity, and principles at the heart of what we do to support our colleagues, customers, and communities. In November we published our sustainability report which details how we brought forward our net zero target to 2040 and put a firm focus on offering products, services, and solutions that put sustainability front and centre. It also provides information on how we aim to reduce our environmental impact to the lowest possible level, to invest in, and support, our people, and communities.

During the year in the UK we have completed our Ecovardis Bronze accreditation which builds from our Platinum status in SCC France, and we will continue to monitor our performance against our goals and industry standards.

I am very proud that SCC France is an official sponsor of the Paris 2024 Olympic and Paralympic Games. We are providing, and servicing, all event technology and providing a full recycling service in line with digital responsibility and to support the circular economy.

Our people continue to be the backbone to our success, and we have continued to work towards creating a culture across all our workspaces where everyone is treated with dignity and respect and where everyone can thrive. I'd like to take this opportunity to thank them for their continued effort and commitment to our success.

Looking forward

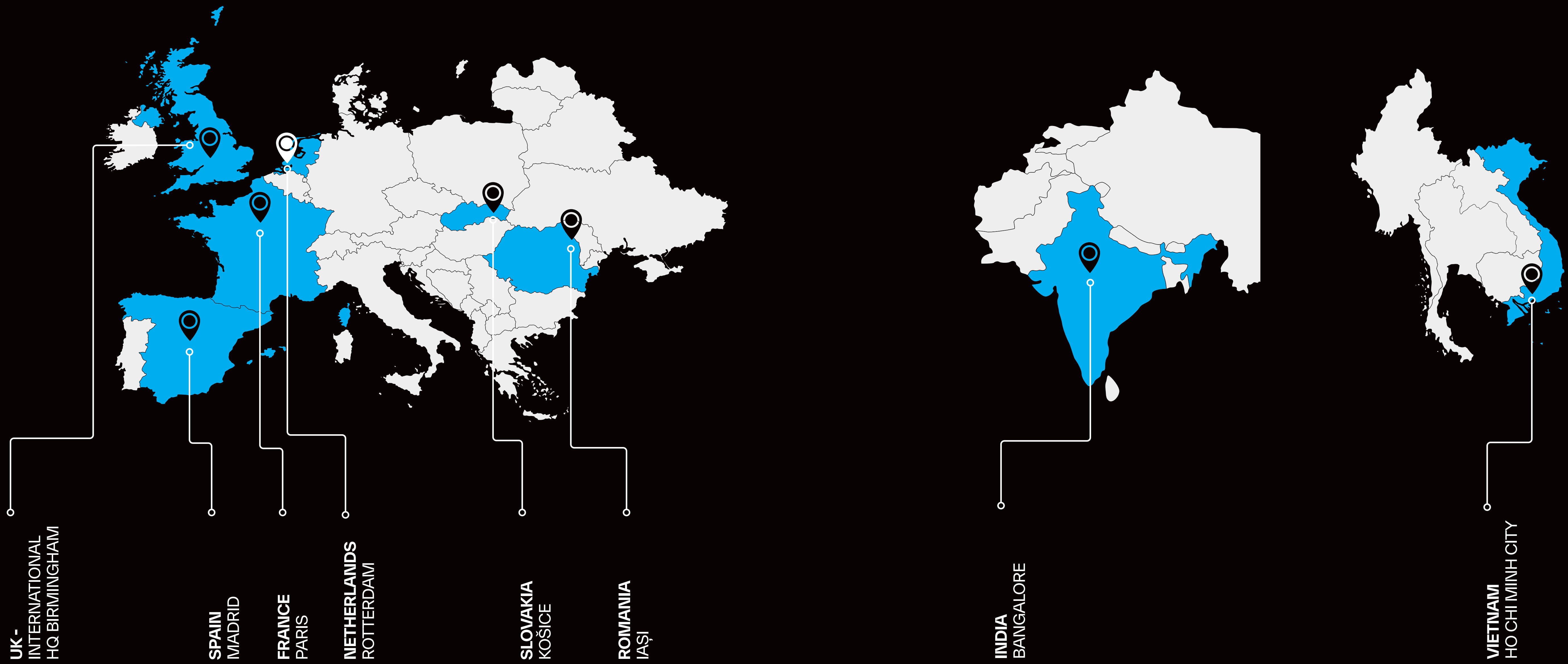
Whilst we knew that the FY24 fiscal would be challenging there are signs that FY25 will see new confidence from our customers as they continue in their strategies to modernise and digitise their organisations. As well as the macroeconomic backdrop showing signs of improvement, further demand drivers are expected in Workplace with the arrival of Windows 11 and where devices refreshed during Covid now need replacing. The continued adoption of AI is also driving demand for infrastructure and services amongst our clients, and we expect to benefit from this new wave of technology adoption.

James Rigby
SCC EMEA Group
Chief Executive Officer

I am very proud that SCC France is an official sponsor of the Paris 2024 Olympic and Paralympic Games. We are providing, and servicing, all event technology and providing a full recycling service in line with digital responsibility and to support the circular economy.

WORLD CLASS SOLUTIONS

SCC AT A GLANCE



Supporting customers across Europe

Leading strategic partner to 50+ leading vendors

Multi-award winning Managed Services & Data Centres

Multi lingual global delivery centres

More than 5,500 employees

45+ offices in the UK, France, Spain, Romania & Vietnam

SCC EMEA Limited Group (SCC) is an independent family IT services business partnering with industry leaders to deliver world class solutions. We enable people to do business by planning, supplying, integrating and managing IT for leading public and private sector businesses across our operations in the UK, France and Spain.

We are the technology division of Rigby Group (RG) plc, a diversified private group with interests in technology, airports, hotels and property development.

Our global headquarters is in the UK at our Birmingham Technology Campus and is complemented by regional head offices in Paris, Madrid, Iași and Ho Chi Minh City.

Our Operations

We support our customers in seven key areas:

- Enterprise Infrastructure
- Data Centre Hosting and Cloud Infrastructure
- IT Outsourcing
- Digital Workplace
- Software and Software
- Asset Management
- Network and Security and Flexible Resourcing.

Our capability across the Infrastructure extends from Data Centre Services through the network to the PC and printer devices at the edge. We work to support our customers with their digital transformation with our key skills in Digital Workplace, Hybrid Cloud, Security, as well as helping them to consider the impact of emerging technologies around Data Management and Artificial Intelligence.

We offer Hyperscale and Cyber Security services to support customers in these important areas. Working with our people, customers and partners to help champion sustainable IT, we help to deliver competitive advantage through reduced costs, improved efficiency and enhanced brand value and reputation.

The Global Delivery Centres in Romania and Vietnam provide our customers with 24x7 access to over 1,000 staff dedicated to flexible support solutions to meet their needs. These centres complement our in-country delivery centres in the UK and France enabling national and global support solutions.

SCC Always Evolving

During the year we acquired Resonate UCC, a leading global provider of cloud voice collaboration, which further enhances our managed services offering to customers, and we also completed the acquisition of Nimble Delivery, extending our UK capabilities to deliver digital transformations services to our customers. In addition, we acquired Rigby Capital in the UK, a technology finance partner solutions specialist, from within the Rigby Group to ensure much closer alignment for our customers in our financing propositions.

Our continued success comes from our ability to develop lasting partnerships with our customers and partners, as well as being able to think ahead and invest strategically. We help companies and government organisations optimise their IT infrastructure to reduce cost and increase organisational agility.

We have been trusted to run IT infrastructure services for leading businesses for nearly 50 years. SCC has a comprehensive end-to-end service offering through to the cloud and is a long-term business with a strong and stable long-term investor.

STRATEGY

OUR PURPOSE

We help clients succeed through IT transformation and exceptional customer experiences.

OUR AMBITION

To be the most customer and employee centric IT systems integrator in the UK, France and Spain.

STRATEGIC INITIATIVES

- Acquire more customers
- Sell more to existing customers
- Elevate the Digital Workplace
- Cyber Security and Public Cloud
- Expand Hybrid Infrastructure

ENABLED BY

- People + Culture
- Intelligent Systems
- Compelling Offerings
- Excellent Customer Experiences

OUR VALUES

We help clients succeed through IT transformation and exceptional customer experiences. That's our purpose. The reason we exist.

Our ambition is to be the most customer and employee centric IT systems integrator in the UK.

RESPONSIBILITY

We take responsibility for our customers, each other, our community, and environment. We take accountability and lead by example. We can all make a difference independently, and collectively, and always bring solutions to problems with a can-do attitude.

PASSION

We're passionate and excited about what we do, and how we do it. We nurture ideas and inspire excellence.We find creative solutions to challenges and have fun doing it.

CUSTOMER FIRST

We always put our customers first. We make decisions, and measure outcomes, based on providing exceptional customer service. We work hard to establish long-term, trusted partnerships.

AGILITY

We think broadly, act quickly, and thrive on change. We're agile and responsive to the needs of customers and our business. As a family-owned business, we're both measured and decisive.

FAMILY

Our business is built on family values, entrepreneurship, and togetherness. We're open, honest, supportive and inclusive. Our people are our family and we know that we're stronger together.

OUR SOLUTIONS

CLOUD SERVICES
GROWTH THROUGH INNOVATION

CYBER SECURITY
CREATING CYBER CONFIDENCE

OUR BRANDS

VOHKUS · nimble · visavvi · SCC

DIGITAL WORKPLACE
UNLOCKING THE POTENTIAL OF YOUR WORKFORCE

SOFTWARE
SAVE TIME
SAVE MONEY
MAINTAIN CONTROL

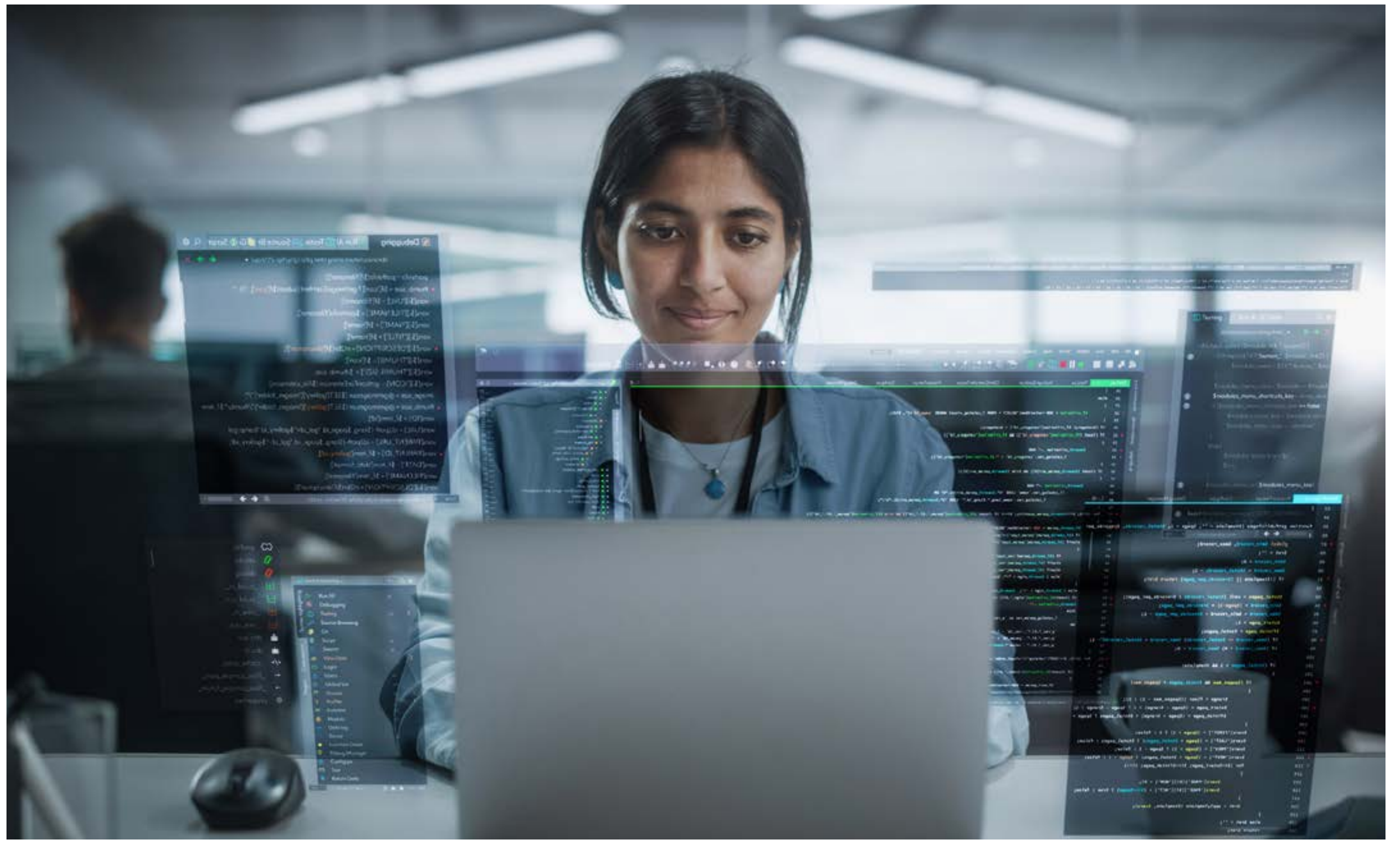
RIGBYCapital · SCC Recyclea · RESONATE · Altimancea

UGAP

UGAP, a national central purchasing agency in France, partnering with SCC to deliver IT solutions.

SCC delivers solutions for UGAP, across 5 key areas:

- Dedicated solutions for education sector, incorporating digital class market.
- Software & SAM solutions with over 2,300 solutions available to us, as well as Microsoft products and associated services.
- IT User environment solutions to enhance IT and office automation and optimise audio-visual and multimedia.
- Infrastructure solutions that covers servers, storage, backup, and hyperconvergence, as well as LAN and WiFi network and Oracle Solutions.
- IT services including office outsourcing, deployment, and user assistance.



NHS FIFE

“NHS Fife working with SCC have delivered innovation by becoming the first board in Britain to offer the GP Print Mobility Solution”.

JAMES MAVOR, ENDPOINT MANAGER,
DIGITAL AND INFORMATION – NHS FIFE

GP practices in Scotland operate independently although work collaboratively with Health Boards on their digital infrastructure, including print systems. Challenges relating to printing were identified within Fife due to the agile nature of various multi-disciplinary teams working within practices.

The movement between practices, rooms and areas meant that printing was only available in specific rooms, which caused countless operational challenges.

NHS Fife sought a print-ready solution that would minimise set-up time, cut print errors, improve print security and allow workstation numbers, and therefore costs to be reduced. The objective was to deploy a solution that would allow any user connecting their laptop to a docking station to pick up their local printers automatically.

This fully vendor-agnostic solution enabled users to print to a ‘single queue’, with printing completed on the device in their room, to ensure confidentiality of sensitive patient data. SCC in partnership with Cirros worked together to develop a bespoke software solution utilising a SaaS-based print management platform.

BROWNE JACOBSON

Browne Jacobson are a leading full-service law firm working across business and society. The law firm came to SCC as it was looking for a Data and AI partner to help them socialise a secure Generative AI tool across their organisation to enable its lawyers with the right knowledge to help its clients with their own understanding of GenAI.

Browne Jacobson recognised that GenAI was becoming more important for its clients and therefore needed the ability not just to give advice around the technology, but also to empower its team of lawyers to understand it for themselves. The most effective way to do that was to build a secure, in-house tool that the team could use to build first-hand knowledge of the technology.

SCC helped Browne Jacobson build JAC, a secure GenAI tool built on Microsoft Azure using Azure OpenAI technology. The law firm was particularly proactive in rolling out an adoption and socialisation programme to ensure all users had access to the tool and understood its capabilities.

JAC has been a great success across the firm and delivered on the outcomes Browne Jacobson set to achieve both, in terms of the security and socialising the technology. After a successful adoption plan across the firm, there is now widely felt confidence in using the tool meaning that lawyers can directly deliver value to their customers when talking about GenAI.

Browne Jacobson

“Working with SCC, we were really at home. We felt like we had a similar culture in the way that we approached the problem and very quickly we understood what needed to be done. There was a really good conversation about how practically we could take that forward to deliver the solution against the goals we had.”

CHRIS FENTON, HEAD OF DATA AND ARCHITECTURE, BROWNE JACOBSON

GROUPE ADP (AÉROPORTS DE PARIS)

Groupe ADP is the largest airport management group in the world, in terms of passenger numbers, and owns and manages the 3 main Paris airports as well as operating 26 international airports.

Groupe ADP was supported by SCC for the provision of user support service desks (user support) with a very short transition period.

SCC's objective in this project was to help the client enjoy the benefits of an outsourced service centre.

SCC has been able to guarantee the continuity and quality of services whilst also optimising the overall operating costs.

Now the concept has been realised, additional service desk operations such as application support can be utilised as well as other planned extensions.

GROUPE ADP

"Thanks to SCC, we have not only an IT operations support centre but a strategy to support overall operational improvements".

NICOLAS APCHIÉ, IT OPERATIONS MANAGER, GROUPE SDP

WILSON JAMES

Wilson James has a team of over 5,200 people who deliver security, construction logistics, aviation and technology solutions to their clients.

Our collaboration with Wilson James began with a funded pathfinder aimed at unlocking the full value of their Microsoft investment. Together, we crafted a Microsoft-first strategy to consolidate their security solutions and streamline their operations.

Wilson James, being a 24/7 organisation, faced the challenge of needing constant protection against new threats that emerged daily. They required assistance in prioritising these threats and optimising their security posture to ensure comprehensive protection across their operations.

During the pathfinder, we presented our MXDR service, leveraging key Microsoft tools. We highlighted the advantages of our 24/7/365 Security Operations Centre (SOC) service, complimented by our threat intelligence expertise, to enhance the data insights gained through the Microsoft ecosystem.

"We are excited to have SCC as our trusted cybersecurity partner, benefitting from their ongoing investment in their Security Operations Centre. SCC's commitment to evolving their services and providing a strong defence for customers in a complex landscape gives us the confidence to move forward."

DARREN SALMON, IT DIRECTOR,
WILSON JAMES

Wilson James

EXCEPTIONAL ALLIANCES

SCC partners with over 300 established and emerging technology leaders from across the globe. By partnering with the largest, fastest-growing and most innovative tech pioneers, we share responsibility and a passion for service excellence. We work in collaboration to achieve a common goal: putting our customers first and creating truly bespoke solutions to meet diverse IT needs. Our 50 strategic partnerships and long-term relationships with major distributors enable continuous improvement and agile evolution.

Cloud Services

Providing the expertise in technology, people and processes to support hybrid infrastructure across on-premise data centre and public cloud and private cloud computing.

Cyber Security

Guiding organisations on how to defend against cyber-attacks, reshaping cybersecurity as a facilitator of business goals.

Digital Workplace

Creating and structuring work environments to foster agility, collaboration, and productivity within the business.

Software

We simplify software procurement, offering a range of essential tools, specialised apps, and connections to independent software vendors.

Collaboration and AV

Facilitating smooth communication, igniting team synergy, and cultivating a collaborative culture our collaboration capabilities enable seamless teamwork.

Networking

Enhancing networking capabilities to boost business productivity, foster innovation, and fuel growth.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

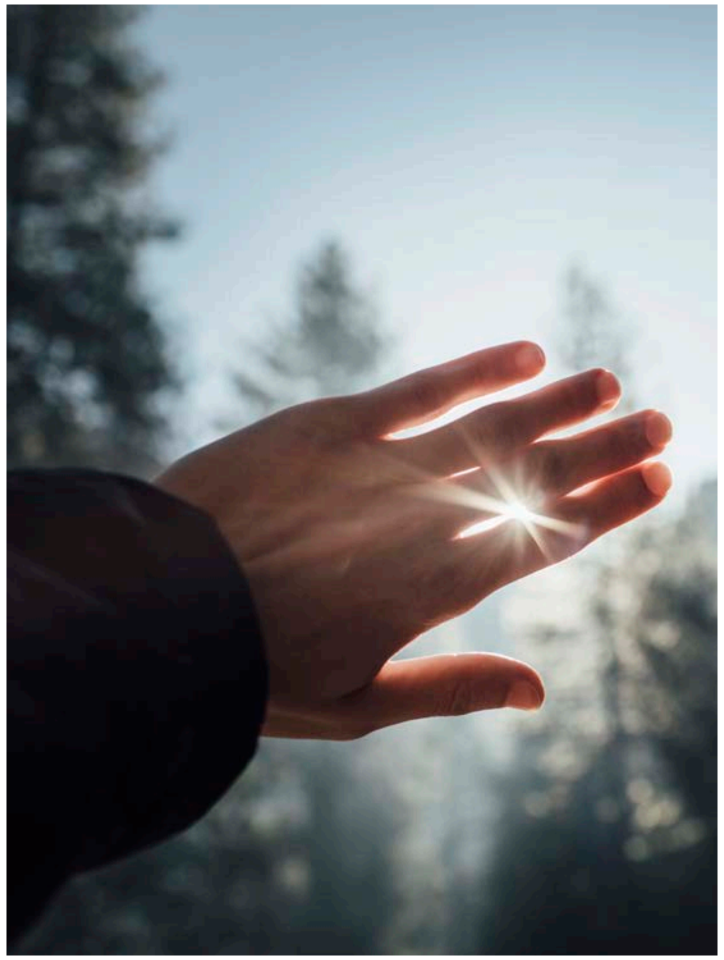
Climate-Related Financial Disclosures.

Climate Related Financial Disclosure Regulations (2022) have been introduced in the UK to report on material climate related matters and the impact on the group.

The following sections set out how climate change is addressed in the corporate governance activities across the group, the impact on strategy and how climate-related risks and opportunities are managed, and the performance targets and metrics that are applied in managing them.

"SCC is committed to being a responsible business that puts our planet, people, prosperity, and principles at the heart of what we do to support our colleagues, customers, and communities. We know technology can have a massive impact on helping to make the world a more sustainable place, and, as a family-owned group, we want to help our planet thrive for generations to come."

James Rigby



GOVERNANCE

SCC EMEA forms part of the Rigby Group (RG) plc and is aligned to the Group's overall corporate governance policies and procedures.

The Rigby Group Board has delegated responsibility to the Audit, Risk and Remuneration (ARR) Committee for the monitoring and reporting of all enterprise risks. The ARR has prescribed the annual Enterprise Risk Management Process for the whole of the Rigby Group which considers emerging risks and opportunities, climate related or otherwise. The SCC EMEA Divisional Board is responsible for identifying and mitigating risk for the SCC division and for compliance with the group's annual risk reporting requirements. Each territory within SCC EMEA has nominated Enterprise Risk Officer's (ERO) responsible for co-ordinating their local submission into the SCC EMEA Board and the ARR.

Environmental Social Governance (ESG) across the Rigby Group continues to evolve with the RG Head of Sustainability responsible for the Group's sustainability strategy across all divisions. SCC EMEA's ESG commitee comprise senior employees and executives with specific interests in environmental matters and are responsible for ensuring climate related risks and opportunities are identified and managed.

They are tasked within the operation to ensure:

- development and delivery of a coherent strategy including initiatives to meet carbon reduction targets.
- identification and assessment of climate related risks and opportunities.
- appropriate resources allocated to mitigate climate related risks and to realise climate related opportunities.
- accurate and timely information to measure progress against our adopted climate related targets.

Topics that are considered by the ESG committees include, but are not restricted to, the following areas: buildings and infrastructure; internal travel policy, net zero strategy, circular economy considerations, fleet policy and emissions tracking.

STRATEGY

SCC EMEA strives to deliver the very best services for our customers remaining at the forefront of innovations, supporting our employees and the wider community in a sustainable way.

We'll keep challenging ourselves around our environmental commitments, promote sustainable innovation and digital inclusion, and continue to give back. SCC EMEA follows the Rigby Group's strategy to cultivate longevity, growth and prosperity, while enriching the environment, society, and the lives of future generations through four pillars; Planet, People, Prosperity and Principles.

The SCC EMEA Board is responsible for its own carbon footprint and to take reasonable steps to reduce this in line with the Rigby Group's overall target to be net zero by 2040.

PLANET
PEOPLE
PROSPERITY
PRINCIPLES

CLIMATE RELATED RISK IMPACT ON FINANCIAL STATEMENTS

Planet

Our goals are to continue to comply with or exceed where possible the requirements of global standard frameworks

Standard / Framework	UN global compact	Climate-related Financial Disclosures	Carbon Disclosure Project (CDP)	Science Based Targets initiative (SBTi)	EcoVadis

Resource Circularity

Our resource circularity strategy focuses on the principles of reduce, reuse, and recycle. We emphasise these principles to our employees, suppliers, and partners. In our own operations, we seek to extend the lifespan of products and minimise waste across the Group. We buy recyclable products and equipment wherever possible and prioritise working with organisations who share our commitment to sustainability.

In the UK we have been a zero-landfill business since 2019 and are ISO 14001 accredited. SCC France is a member of the Alliance Green IT (AGIT) committed to sustainable development and responsible IT.

In France, SCC sources and promotes products with lower environmental impacts. We communicate our priorities to our suppliers, for example to decrease the frequency of deliveries, asking key suppliers to complete the CDP climate change assessment as a supply chain member. On-site Initiatives include waste management

where we work with our waste supplier to improve recycling of glass, paper, cardboard, plastic, and food waste. We have also introduced food waste bins, a water dispensing unit, and recycled milk cartons to reduce plastic waste.

SCC France is an official supporter of the Paris Olympic and Paralympic Games in 2024. Our role in the games sees us providing securely configured end user devices which will be used by all of the Olympic IT partners. SCC's role is to configure, deliver and maintain these end user devices during the games, then recover these assets and refurbish them, ready to be redeployed for the Paralympic games. SCC Recyclea will play a pivotal role in meeting the sustainability and legacy impacts of the games.

Our purpose is to help clients succeed through IT transformation and exceptional customer experiences enabling them to reduce their impact on the planet. We are also committed to ensuring that we retain our carbon neutral status and targeting net zero by 2040.

Transport and Travel

Electrification of the UK car fleet continues as lease vehicles continue to be replaced by electric or hybrid models at the end of their lease term and we are on track for a fully electric or hybrid fleet by 2030.

In the UK we continue with our Cycle to Work scheme encouraging our colleagues to swap their car commute for a bike ride. We also continue to make extensive use of remote meeting technology reducing the need for business travel where possible.

Carbon Emissions

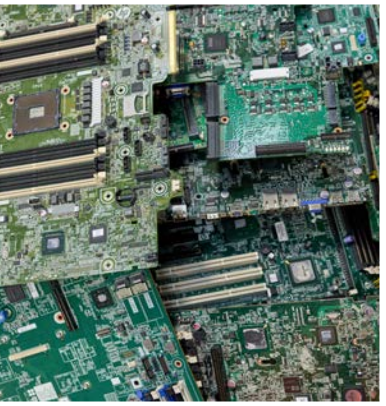
To accelerate our path towards net zero emissions by 2040, we have been making changes in our operations and supply chains and collaborating with stakeholders to curb our GHG emissions footprint and energy use. SCC has purchased 100% renewable, REGO-backed electricity since 2018 where we are responsible for the supply and have requested all our landlords do the same.

The installation of solar panels on our flagship UK data centres in Birmingham back in 2023 has created c130 tonnes of carbon savings per year. We have also undertaken a program of work to implement energy-saving measures, such as LED lighting, smart thermostats, and occupancy sensors.

In France we are committed to FRET21 to deliver a 6% reduction in carbon emissions over a 3 year period to 31 March 2024.

	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Emissions from combustion of gas (tCO2e)	237	233	230
Emissions from purchase of electricity (tCO2e)	4,044	3,900	4,616
Emissions from combustion of fuel for transport purposes (tCO2e)	1,632	1,650	1,461
Total gross tCO2e	**5,913**	**5,783**	**6,307**

	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Scope 1 (tCO2e)	1,490	1,503	1,547
Scope 2 (tCO2e)	4,044	3,900	4,616
Scope 3 (tCO2e)	379	380	144
Total gross tCO2e	**5,913**	**5,783**	**6,307**



The GHG protocol methodology has been used to calculate our emissions values for all UK businesses in scope of the SECR requirements.

Our GHG emissions for Scope 1, Scope 2 (location) and Scope 3 (business travel) amount to 5,913 tCO2e (2023: 5,783 tCO2e) with equivalent energy use of 27,883,603 kWh (2023: 28,416,141), this equates to 6.46 tCO2e/£m of revenue (2023: 6.56 tCO2e/£m).

Water Consumption

We do not use water in the operation of our business, but we have introduced water meters, flow control and water catchment which continues to reduce our domestic water consumption.

Recyclea

We have been refurbishing and recycling IT equipment for several years and the investment in our new UK state of the art investment recycling facility, Recyclea has enabled us to further extend this offering to our customers. In France, we will be investing further in our capability during 2024 with the extension of recycling facility at Lieusaint. Recyclea UK consists of three core services: recycling, refurbishment and remarketing, all with a focus of securely maximising the output from customer IT equipment. Alongside these are a number of associated services which help maximise the security and sustainability of IT recycling, as well as contributing to the circular economy. All our services are extensively accredited, according to stringent Government, National Cyber Security Centre, and Ministry of Defence criteria.

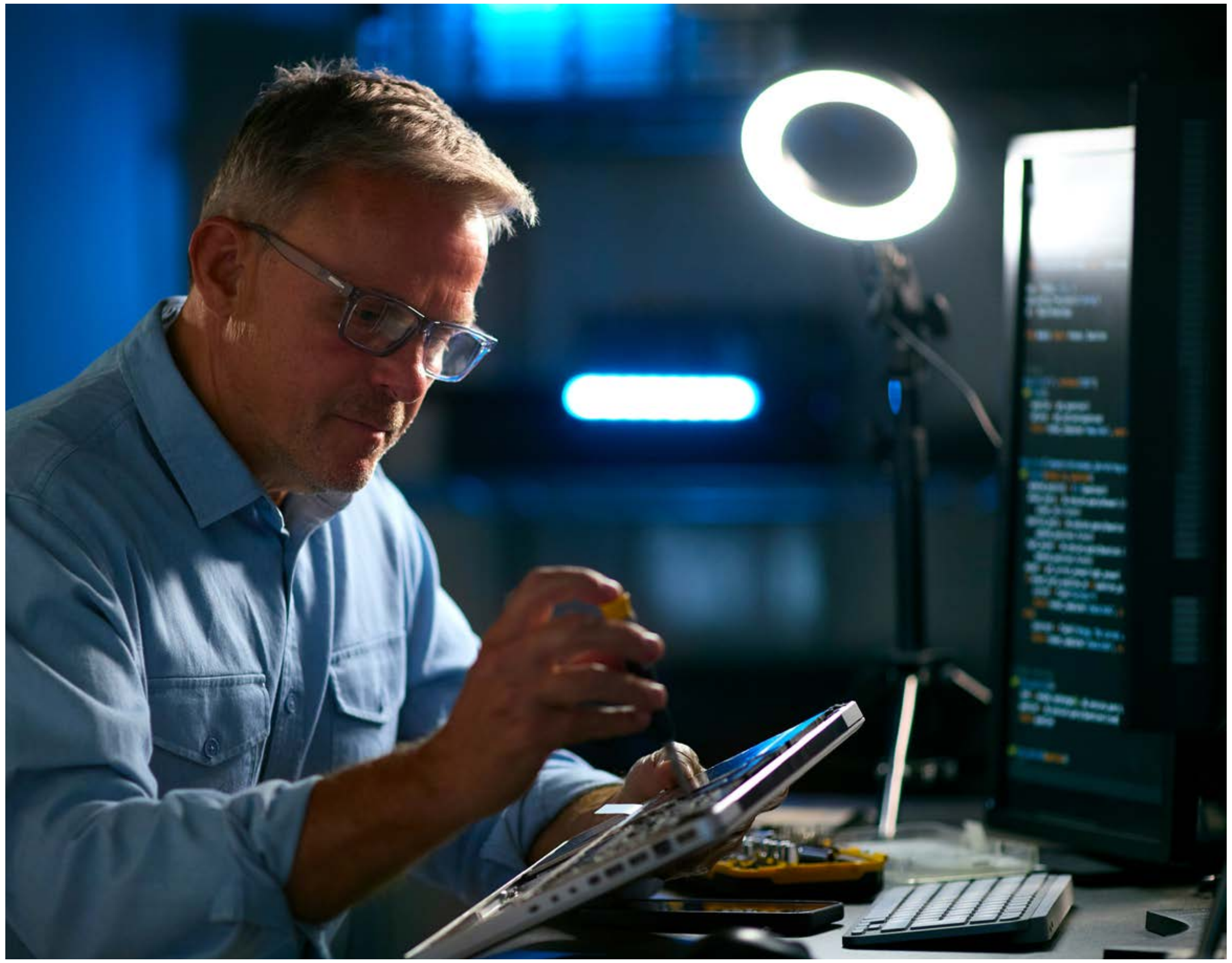
Our recycling facility sorts and processes waste electrical and electronic equipment (WEEE) for our businesses and customers into more than 20 waste streams for recycling and disposal using our bespoke recycling system, Radius, to audit and track end-to-end processing of each processed item.

In FY24 SCC UK recycled 195,343 units (FY23 206,266 units) of IT equipment, of which 95,369 units were re-marketed and 99,974 disposed of, whilst SCC France recycled 285,000 units (FY23 332,066 units).

Raising Awareness

SCC staff are engaged through our internal communications platform EVIE so we can offer the best possible working environment for our employees.

SCC France supports Bee Responsible, an initiative that has installed 20 beehives on the campus of Rouen's Neoma Business School. The project has been used to raise awareness about bees and biodiversity amongst the 2,000 people on campus.



RISK ASSESSMENT

During the year the Rigby Group has undertaken a review of physical risks across all operations using a diagnostic tool provided by Aon.

The tool provides 4 climate scenarios under the following Shared Socioeconomic Pathways (SSP) with estimated increases in global temperatures by 2100 as follows:

- SSP 1 – within 1.5 degrees of target global average surface temperatures
- SSP2- up to 2.0 degrees
- SSP3 – up to 4 degrees
- SSP 5 over 4 degrees.

These scenarios have been overlayed with our physical locations and then we assessed the likelihood of increases in chronic risks (drought, extreme heat, wildfires, rainfall and severe cold).

This review highlighted the following climate related risks for the SCC EMEA group and our response to climate related matters focuses on transitional and physical risks and opportunities is detailed below.

We assess risk over the short-term to 2030, medium term to 2040 and long term beyond 2040 looking at the potential impacts on our business, strategy, and financial planning.

	Risk	Timeline	Opportunity	Response
Transitional Risks and Opportunities	Accelerated timelines to reduce emissions and changes to reporting requirements.	Mid-Long	For the business to become more sustainable.	Our carbon reduction objectives are clearly defined and we have a number of initiatives in place to work towards reducing our own carbon emissions.
	Reputational risk from perceived in-action	Mid-Long	Increased public reporting allows us to enhance the reputation of the Rigby Group.	Publication on our website.
	Increase in supply chain, power and utility costs.	Mid-Long	Reduced stocking levels improves working capital management. Device as a Service (DAAS) provides opportunities for customers to manage the cost of ownership.	In the short term we work closely with the major vendors and the supply chain to manage the cost of goods sold which includes the move to direct shipping of goods from vendors to end customers. Electrification of our commercial fleets. Move to sustainable courier partnerships.
	Changes to customers behaviour and demand for more energy efficient hardware and recyclable products.	Short-Long		During the year we opened our state of the art recycling facilities “Recyclea” in Birmingham.
Extreme Weather Events	Flash flooding. Whilst our Birmingham warehouse site is vulnerable the overall risk assessment is relatively benign.	Mid-Long		Improvements made to racking and security within the warehouse are considered sufficient to mitigate any risks and insurance remains in place for any loss exposure.
	Extreme Heat: All of our major operations continue to be based in the UK which is not considered to be at major risk of severe heat.	Mid-Long		Our head office and other sites across the UK have been modernised to ensure efficient air conditioning systems are in place to secure a comfortable working environment for our colleagues.
	Extreme Heat: Our Data Centre operations will be impacted by increases in temperature and will require increased effort to ensure appropriate cooling is in place.	Mid-Long		Continued investment to ensure appropriate efficient systems remain in place to keep our Data Centres operational.

Having considered both the risks and the opportunities of the possible impacts of climate change in the context of our group wide risk management process, and the resilience of our strategy and business model, the Directors are satisfied that there are no implications on the Group’s going concern assessment.

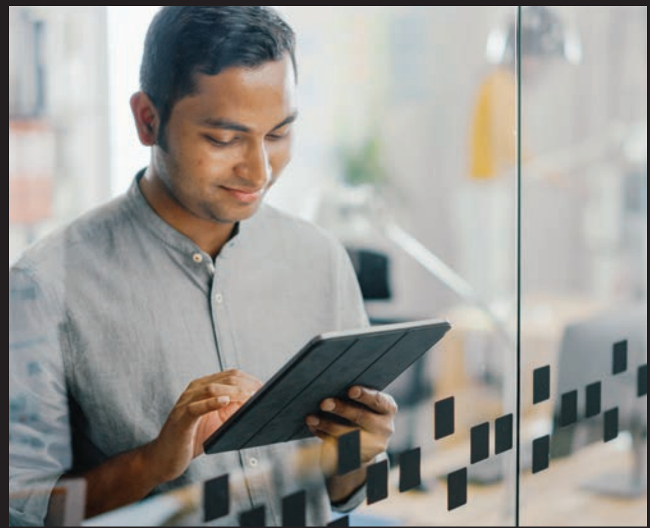
TARGETS

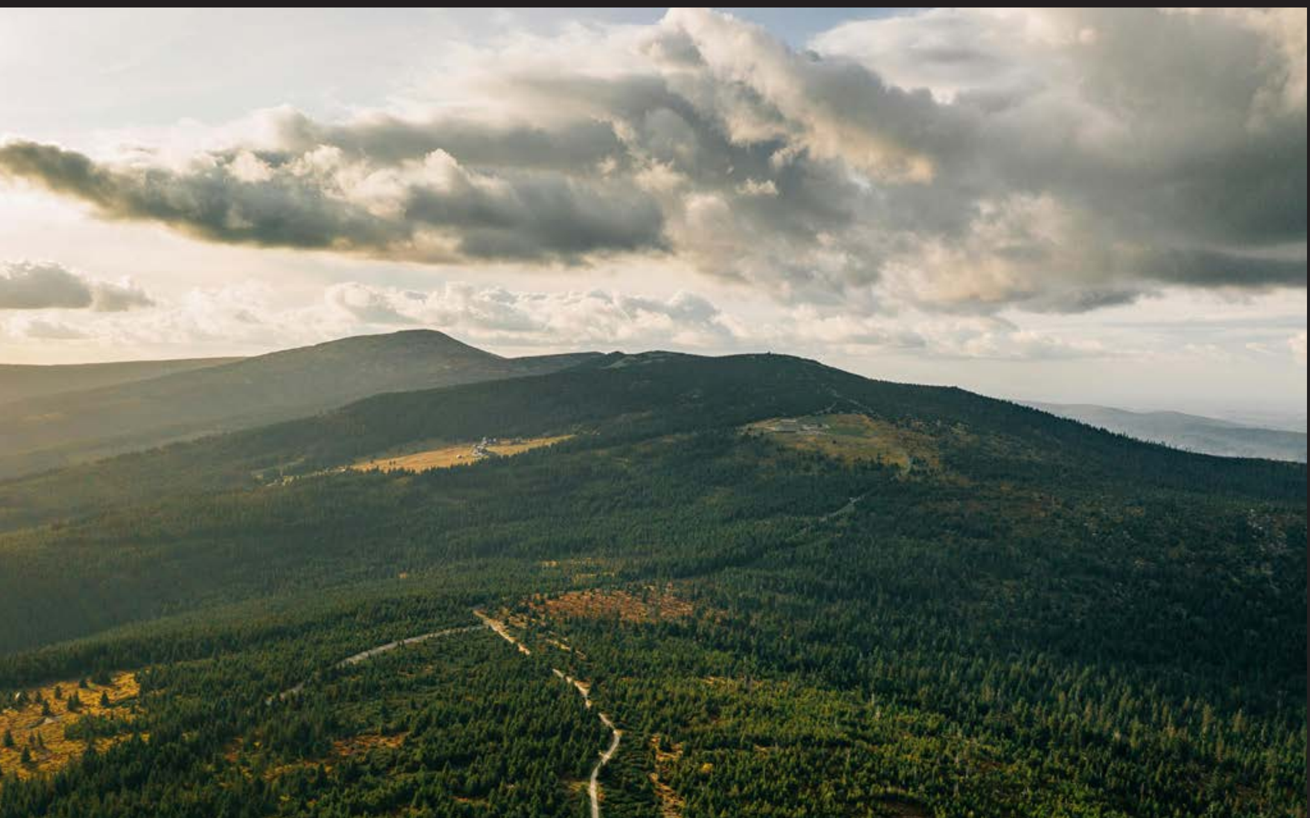
At SCC we believe that doing what is ethically right gives our business the best foundation for our future success.

We are committed to meet, or where possible exceed EN ISO 14001 and our comprehensive Environmental Management System (EMS), which operates across all company sites, is subject to an external audit to demonstrate compliance with this standard.

Identifying appropriate environmental targets and accreditations provides a basis for structured programmes of activity enabling engagement of our employees and partnerships with other organisations.

The journey to become more sustainable is not straightforward and SCC has aligned itself to the following external standards and frameworks in order to monitor progress and commitment to sustainability goals. These include the UN Sustainability Goals, Science Based Targets Initiative, CDP and Ecovadis.





- 3 GOOD HEALTH AND WELL-BEING — By ensuring our employees feel safe and protected in the workplace and promoting physical and mental well-being
- 4 QUALITY EDUCATION — By ensuring our employees have access to learning opportunities and by promoting continued improvement
- 5 GENDER EQUALITY — By continuing to work towards a balanced gender mix across our organisation
- 8 DECENT WORK AND ECONOMIC GROWTH — By promoting inclusive and sustainable economic growth
- 10 REDUCED INEQUALITIES — By ensuring equal opportunity and reducing inequality
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION — By continuing to collaborate with our value chain to ensure sustainable technology sourcing
- 13 CLIMATE ACTION — By continuing to reduce the impact of our operations on the environment
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS — By continuing to operate with the highest levels of ethical standards

Other Standards and Frameworks

United Nations Global Compact	Science Based Targets	CDP	ecovadis	FRET 21
SCC France SAS has been a UN Global Compact (UNGC) signatory since 2014, supporting the ten UNGC principles regarding human rights, labour, environment, and anti-corruption. SCC France subsidiaries, Recyclea, Altimance and Flowline, along with SCC UK, are now also signatories.	SCC has committed to setting targets in Line with the Science Based Targets Initiative (SBTI) to help us assess and reduce our emissions. We plan to replicate this process across the rest of the group.	CDP (previously called the Carbon Disclosure Project), is an international non-profit organisation that helps companies disclose their environmental impact. SCC progressed to level C in the CDP global carbon disclosure system in FY23 and is targeting level B In FY24. We are also supply chain members of CDP which allows us to monitor our partners commitment to climate action.	SCC France Is Ecovadis platinum accredited, and we made our SOC UK submission in September 2023, and were awarded bronze status. We are engaging with soc's value chain to standardise this framework.	SCC France has committed to FRET 21, with the aim to reduce GHG emissions by 6% over a 3-year period, starting from 2021. Emissions reductions to date total 5.4%.
We remain committed to the 10 UN principles where they are relevant to our business.	SBTi targets set out.	We were downgraded to level D in 2024. Our ambition is to reacquire level C in 2025 and agree the 2026 plan to attain level B.	SCC France achieved platinum status in 2013 which they still maintain. OUR UK BUSINESS was awarded Bronze status in FY24.	

S1+S2 Emissions

SCC commits to reduce absolute S1+S2 emissions 50% by FY30 from a FY20 base year.

Suppliers Science Based Targets

SCC commits that 75% of suppliers by spend covering purchased goods and services, upstream transport and the use of sold products will have science-based targets by FY28.

GHG Emissions

SCC commits to reduce absolute S1+S2+S3 GHG emissions 90% by 2040 from a FY20 base year.

SCC revenues will be impacted by the choices that our customers make. The demand for technology product and services has not historically been impacted by climate related factors.

However, there are signs of customer demand switching to more sustainable solutions, as a service subscription models, more focus on lifetime ownership and asset component recycling.

This presents revenue opportunities to SCC as a value-added reseller (VAR), and we are seeing a shift in revenue patterns which are becoming more annuity based. Energy consumption costs remains the most significant environmental impacting cost and we have invested in solar in our data centres to reduce reliance on the main grid and to reduce our costs. Energy by the group has been purchased under green credentials for a number of years with carbon offset programmes.

Following the investment in our recycling centre, Recyclea in Birmingham, our fixed asset base has increased and we are seeing higher depreciation charged through the P&L as a result.

With respect to financing costs, we do not have any green covenants in place on our finance facilities. Within our current balance sheet, we do not consider that there are any assets or liabilities that would be impacted by the climate risks that could impact our business. The Solar PV Array on our datacentre which was installed last year is being funded by variable rates agreed with our supplier.

People

Our success relies on our talented, diverse, passionate, and committed employees who come from all backgrounds. We work hard to create an environment where everyone can thrive whilst enjoying work, and where everyone is treated with dignity and respect in line with our family values.

During 2023 our UK division launched their people strategy, the Employer Value Proposition (EVP) and People Plan. The EVP outlines the business's commitment to ensuring meaningful work and contribution for all individuals, growth and development, and sustaining a collaborative culture.

The People Plan outlines what we will do to keep that promise, including work on talent acquisition and attraction, onboarding and induction, modernisation of talent development, performance management, colleague engagement and retention.

Diversity, Equity and Inclusion

SCC has continued to promote and invest in diversity, equity and inclusion (DEI) groups this year, relaunching our networks collectively as "SCC Belong". These networks have grown and developed over the past 12 months leading to many positive outcomes. Thanks to our REACH group, we signed the Race at Work Charter, a public commitment to improving the experiences of employees from ethnic minority backgrounds in the workplace. We also provided more colleagues with menopause support through our updated policy and menopause event, thanks to work by our internal Wellbeing Network.

Network	Focus	Successes
ACCESS	Ability, not disability. Member of Neurodiversity in Business. Participate in the Disability Confident Scheme.	Disability Confident Level 2 certification.
Network of Women (NOW):	Women at SCC, and our allies, are given a voice to share ideas, opportunities, and experiences	Encourage more women to join SCC and offer support to reach their full potential
Rainbow Network:	Supporting the LGBTQ+ community at SCC.	Winner of the prestigious Founder's Award.
Race, Ethnicity, and Cultural Heritage (REACH):	Celebrates the diversity of our colleagues along with raising awareness and implementing positive changes into our business.	Development and signature of the Race at Work charter.
Science, Technology, Engineering and Mathematics (STEM):	Promote IT as a fun and exciting sector to work in and use their knowledge and experience to help engage future talent.	Connecting SCC employees to become STEM learning ambassadors.
Wellbeing Network	To support the ongoing mental and physical health of SCC employees we have a team of Mental Health Champions.	Implementation of an Employee Assistance Programme (EAP).
Young Professionals	Making SCC a better place to work for existing, and future young professionals.	Owain Perkins, an apprentice Security Operations Analyst in our Cyber team won Apprentice of the Year at the Young Professional Awards.

In France, with over 2,400 employees spread across 15 sites, our people strategy has three focus areas: enriching employees' skills and offering future opportunities; guaranteeing a healthy and safe environment for our employees and a commitment to diversity. The key focus for the development of our people this year in France is to implement monitoring of the Annual Program for the Prevention of Occupational Risks and the Improvement of Working Conditions (PAPRIPACT); train all of our employees in responsible digital technology, and maintain the gender equality index score above 90 points.

As a signatory of the Diversity Charter in France and a member of the Foundation for Diversity in Spain we are committed to act in favour of diversity and to provide future and current employees with a fair working environment offering women and men the same opportunities and have measures in place to support this.

Employee Engagement

Effectively communicating with our workforce is an essential part of colleague engagement, which is why we introduced regular All Hands meetings for the UK business. The first meeting, held on 14 September and broadcast to the UK business, was attended by 200 people in person and watched by more than 1,000 people live. These valuable meetings, which take place once a quarter in a different SCC location each time, are hosted by CEO UK Dennis Badman and invite open questions from the audience.

Talent Development

We want our people to continue growing their knowledge, sharpening their skills, and enriching their talents. To assist people in carving out the careers they crave, we've launched initiatives and tools this year through our Talent Team.

STAR

Sustain, Thrive, Attract, Retain

STAR is our brand-new talent development platform powered by Skillsoft. Colleagues have access to 18,000 pieces of learning content and can choose different mediums of learning (podcast, video, quiz etc.) to suit their learning styles. STAR provides AI-driven recommendations to offer relevant courses based on a person's role & interests, live courses and seminars and bite-sized pieces of content to easily consume during work.

ACE

Accelerating Career Excellence (through apprenticeships)

Everyone at SCC is welcome to apply for an apprenticeship at any stage in their career. We use our apprenticeship levy fund to not only support new recruits to the business but also upskill our current workforce. The Talent Team meets with individuals to discuss suitable programmes that are relevant to a person's role and development and offer everything from an entry level (Level 2) to a master's degree equivalent (Level 7). We've had more than 50 people start an apprenticeship in the past year.

PEAK

Performance Evaluation Assessment Kit

We are launching PEAK, designed to revolutionise the performance development review process. With a new platform and process, all colleagues can expect regular one-to-one reviews with their managers, clear objectives to work towards and an improved one-to-one discussion experience. PEAK will from a huge part of next year's people investment.

Live our values

Support our diverse and inclusive culture

Ensure all our people have a voice

Take action

Recognise and champion our people

Encourage talented people

Raise awareness

Prosperity

The business has been built on family values, operating on the principle that success in business goes hand-in-hand with giving back to society and communities.

Giving back

In our capacity as both an international business and a significant employer, we recognise that we have a part to play in improving the sustainability challenges facing the world today. These challenges have an impact on us all and we are committed to taking positive steps to help deliver a sustainable, ethical, and responsible future.

Communities

Our business plays a critical role in the communities in which we operate by creating jobs, driving innovation, and providing goods and services.

We actively seek to contribute to society by supporting communities and promoting social and economic development.

SCC Academy – digital skills training for the community

The SCC Academy was established by a charitable foundation created by Sir Peter Rigby. The SCC Academy is an employer-led training hub for the West Midlands community, specifically for those who are digitally excluded, or who have not traditionally had access to digital skills provision. SCC UK sponsors the SCC Academy which is based on the SCC UK technology campus, and helps partner the Academy which works with local community groups and organisations to give their communities access to structured training from entry level courses through to higher level technical qualifications, apprenticeships, and employment opportunities.

Since its launch the Academy has enrolled over 400 students on Level 1 Essential Digital Skills Course, 60 students on the Level 2 course, 50 students on GCSE-level courses, and 18 students have completed a foundation degree level Data Engineering course. It has also hosted Princes Trust workshops to provide complete CV writing training and has worked with the Young Adults Foundation Trust, DWP and domestic violence charities which has involved learning sessions and presentations to over 120 people.

James Rigby, Chief Executive of SCC said: "SCC is committed to supporting social inclusion and providing unique learning opportunities through the SCC Academy, as part of our ongoing investment in diversity and inclusion."

Aston University Partnership

In March 2023, SCC formed a strategic partnership with Aston University, a renowned university focussed on science, technology and enterprise, through the new Aston Digital Futures Institute (ADFI). The aim of the ADFI is to drive high impact research in digital technologies and create innovative solutions that transform industries and improve business and lives. SCC will be contributing industry expertise to the research programme in the areas of data analytics, cloud computing, cybersecurity and digital transformation.

The newly announced strategic partnership is also set to deliver training programmes for students and professionals in digital skills and emerging technologies, with a focus on health and digital innovation across a range of priority industry sectors in West Midlands.

"Through partnering with Aston University, we will be led by real-world challenges and opportunities to deliver better digital solutions – with an immediate focus on healthcare, industry 4.0 and delivering digital skills in partnership with the SCC Academy."
Sir Peter Rigby, Founder and Chairman of SCC

Earthwake

Every year 11 million tonnes of plastic waste are dumped into the ocean. Earthwake's mission is to recycle plastic waste by transforming it into a source of energy. SCC France supports Earthwake by developing projects to install Chrysalis, equipment that transforms plastic waste into fuel using pyrolysis.

Inclusive Coding

In order to improve the presence of women in digital technology and their inclusion, SCC supports the Inclusive Coding association through financial sponsorship. The association trains on average 1,200 students from CP to CM2 in order to degender tech.

The Prince's Trust

Supporting young people across the UK, The Prince's Trust helps those facing the greatest adversity to build the confidence and skills to live, learn and earn.

In partnership with the Rigby Foundation, we support a range of their initiatives through donations, fundraising and volunteering, including facilitating CV workshops as part of the charity's Team programme. "The students were so motivated and focused on our return. Four days after the CV workshop at SCC, one of my students was complimented on his new CV and invited for an interview."

Molly Ollys

We continue to fund two wishes a month to children with life-limiting illnesses and their families as part of the Rigby Foundation's support. Each wish provided means a child with a life-threatening illness receives equipment, an experience, or gifts that can help them with their emotional wellbeing during extremely challenging times.

The 2024 Paris Olympics and Paralympics

In 2023 SCC France became an official sponsor of the Olympic and Paralympic Games held in Paris in the summer of 2024.

SCC were also appointed to the role of technology provider to the games. The Olympics project is one of the most complex projects that SCC has ever undertaken. The games will attract four billion viewers and some thirteen million unique visitors to the games to watch fifteen thousand athletes compete. We will provide equipment for 870 sport competitions at 120 venues/sites covering some 32 Olympic sports. SCC will supply 65,000 devices and accessories supporting a whole range of services to the smooth running of the games including, venue support, accreditation, medical, competition information systems, interpreting, command centre, corporate IT and commentating.

300 of our employees are working directly or indirectly on supporting the Olympic Games.

6,000 square meters of our distribution facility located at Lieusaint, France, has been dedicated to the Olympic Games.

The facility was opened by officials of the International Olympic Committee, the International Paralympic Committee and the Organising Committees for the Olympic Games.

In preparation for the Olympic Games, SCC designed and built three command centres for both the Olympics and Paralympics, supported 22 real test events in the summer of 2023 and a technology rehearsal in March 2024.

1,500 scenarios at 40 venues were simulated involving SCC and more than 700 people from other technology providers. During the games we will support the venues with our own IT engineers. On conclusion of the games we will decommission all the IT equipment through our recycling facilities and SCC will ensure a Green Games, net zero carbon, and provide a second life for all IT devices.

Board of Directors

The company's Board of Directors comprises the following individuals as at the date of this report:

Sir Peter Rigby
Rigby Group
Chairman

James Rigby
Rigby Group
Co-Chief Executive Officer and
SCC EMEA Chief Executive Officer

Steve Rigby
Rigby Group
Co-Chief Executive Officer

Peter Whitfield
Rigby Group
Chief Financial Officer

Patricia Rigby
Rigby Group
Director (resigned 30 April 2024)

Board Activity and Decision Making

Operational decision making is largely delegated under agreed delegation of authority arrangements to the executive boards of the operating businesses which meet at least monthly. A quarterly SCC EMEA Group Board meeting provides for a strategic review of progress and a formal escalation board meeting where appropriate to discuss matters which are reserved for the SCC EMEA Board.

ARR Committee

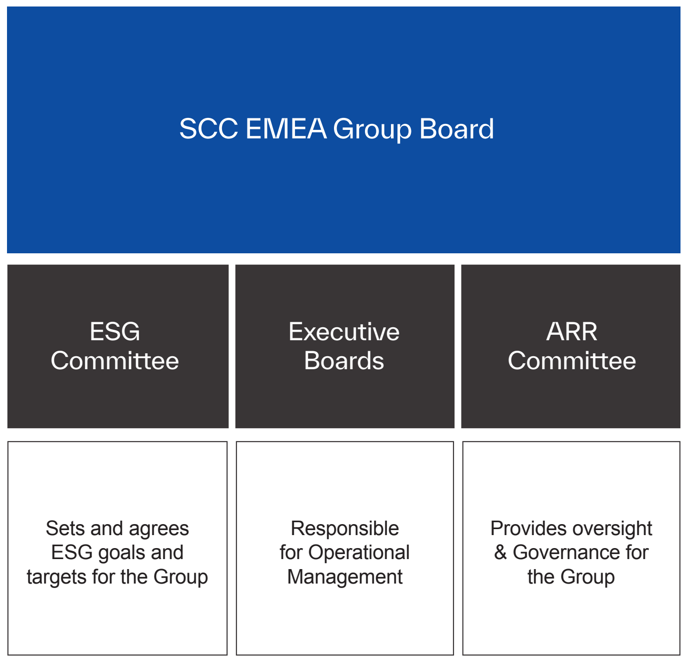
The audit, risk and remuneration (ARR) committee comprises Rigby Group Board members, chaired by the Rigby Group Non-Executive Director, George Campion and provides oversight and governance for the group on matters associated with risk and assurance.

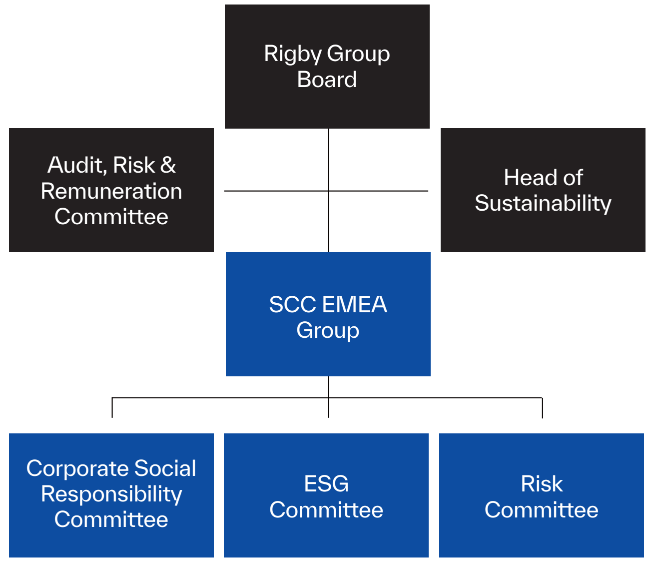
ESG Committee

The internal governance of our ESG activities is undertaken by our ESG Committee.

Our ESG Committee is a group of cross functional subject matter experts (SMEs) and members of our Executive Team who discuss, review and approve our ESG targets and objectives.

Once agreed, the operational delivery and monitoring of our targets is implemented by our functional teams which incorporate our SMEs.





Board Activity and Decision Making

Operational decision making is largely delegated under agreed delegation of authority arrangements to the executive boards of the operating businesses which meet at least monthly. A quarterly EMEA Board meeting provides for a strategic review of progress and a formal escalation board meeting where appropriate to discuss matters which are reserved for the EMEA Board. At board meetings of the operating businesses and at the quarterly meetings of SCC EMEA, the board receives reports from the executive directors covering the financial performance, sales and commercial activities, legal matters, strategy updates and the general business environment. Members of the executive provide relevant updates from their area of operation and decisions are made considering risk and the impact that those decisions have on stakeholders. Key decisions taken during the year have considered the stakeholders and how they would be impacted. Key decisions are made with consideration of both short and long-term objectives, and these considerations are continually reviewed and changed by the Board as the general business environment changes.

Key Decision	Focus	Which Stakeholders considered
	Strategy	
Investment in Transformation	Confirmed further investment in core operational systems to improve customer experience, employee satisfaction and operational efficiency. We consider the ongoing investment to be central to long term shareholder value and improved experiences for all our stakeholders.	Customers, Vendors, Employees, Shareholders
Approved Acquisitions	Approved and completed the acquisition in the UK of Nimble Delivery Limited and the Resonate Group.	Customers, Shareholders
Olympics 2024	Approved the decision for sponsorship, and delivery of IT equipment to Paris 2024 Olympic Games, a significant operational commitment for our France division.	Customers, Vendors, Employees, Shareholders
	Operations and Financial Performance	
Approved a Dividend Programme	Considered our obligations to shareholders to generate cash returns and approved a programme to declare dividends in relation to the prior year performance, taking into account the cash needs of the Group and the decision in the prior year not to make dividend payments.	Shareholders
FY25 Financial Plan	Approved the financial plans for the next financial year, taking into account the performance objectives inherent in the Strategic planning undertaken in the year and the expectations of shareholders. Setting financial objectives following a thorough planning process has improved employee engagement and motivation, supplier objective alignment.	Customers, Vendors, Employees, Shareholders
Cost Management Programme	Reviewed and approved proposals for the reduction in costs and reorganisation of elements of the UK business.	Employees, Shareholders

Modern Slavery

To ensure we operate in accordance with UK legislation, our modern slavery commitments cover three principal areas: policies and procedures, risk assessment and due diligence.

We do not tolerate any form of modern slavery in our business and our supply chain.

Supply Chain Ethics

We are committed to the highest standards of business ethics and integrity. We expect our supply chain to maintain the same high standards.

We use the Ethical Trading Initiative base code as the minimum standard regarding our assessment of suppliers or partners. As a global enterprise this standard is the most relevant as it encompasses all the countries we do business with, directly or indirectly through our supply chain.

Our supplier code of conduct provides our supply chain with clear guidance on our commitment and the importance of applicable laws, regulations, and standards on how we monitor and evaluate compliance.

Whistleblowing

We update our whistleblowing policy annually and share this with our people via our intranet. Should any of our stakeholders need to raise concerns around safety, business practices or other suspicious behaviour or activity, we have a confidential reporting mechanism. During this reporting year, there have been no recorded incidents.

Distributing Economic Value to Stakeholders

Economic value, represented by our turnover generated in the year, has grown by 5% to £3,440m. Of the value generated 84% is consumed by operating costs paid to suppliers and the remainder is distributed between shareholders, people and communities or retained for the future investment in the business. Shareholder distribution has reduced from prior year since profit after tax has declined.

Tax Policy

As part of the Rigby Group (RG) plc we adhere to the Rigby Group Tax Policy.

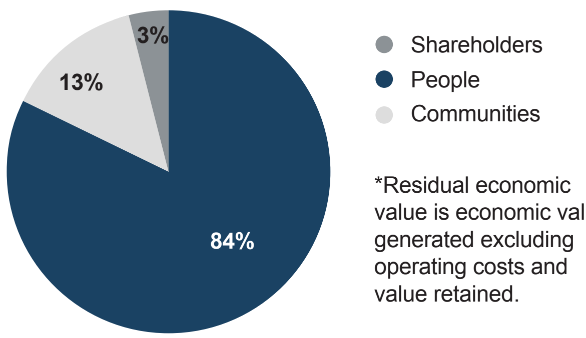
The Group's financial results reflect the economic substance of the underlying commercial transactions and we do not make artificial adjustments to the profit or losses in order to benefit one tax jurisdiction over another. All of our transfer pricing is consistent with approved programmes. We pay taxes within the countries in which we operate and have no appetite for tax motivated planning, creation of artificial tax structures or offshore activities which do not reflect the economic substance of our businesses.

Transfer pricing policies are implemented through the group to ensure compliance with the base erosion and profit shifting requirements of the Organisation for Economic Co-operation and Development (OECD). There have been no changes to policies in the year or in the prior year.

We are owned by Rigby Group (RG) plc, a family-owned diversified business, which in addition to the SCC division headed by SCC EMEA, has divisions in Technology Investments, Airports, Real Estate, and Hotels.

Our shareholders are closely involved in the management of the business, hold executive positions, and ensure the business and shareholder goals are closely aligned. As part of a long standing financially strong group, SCC benefits from shareholder commitment to the long-term future of the business.

Residual Economic Value Distributed*



*Residual economic value is economic value generated excluding operating costs and value retained.

£'000	Growth	FY24	Restated FY23
Economic Value Generated	+4%	**3,439,812**	**3,287,073**
Shareholders	-55%	12,750	19,800
People	+11%	298,761	265,599
Communities	+0%	80,712	80,411
Operating Costs	+5%	2,999,390	2,851,026
Value Retained	-46%	**48,199**	**70,236**

People costs are wages and salaries excluding social security costs. Community includes Charity, Corporation Tax and Employment social security costs. Value retained is profit for the year adjusted for depreciation (£9,809,000) and amortisation (£8,689,000). Operating costs are gross revenues less retained value and social spend reflected in the table

STAKEHOLDER ENGAGEMENT AND S172 STATEMENT

Engaging with our stakeholders is an important aspect of the way we manage our Group and a key element of our governance framework.

Our directors are central to stakeholder engagement and are expected to meet their obligations under the Companies Act and to use all reasonable skill, care and diligence in doing so. To support them we provide training for new directors and refresher support for all existing directors.

Section 172 of the Companies Act 2006 requires directors to promote the success of the Group for the benefit of the members as a whole and in so doing to act fairly between members and to have regard to the interests of stakeholders.

Under Section 172, directors have other obligations to:

- consider the likely impact on stakeholders of decisions in the long term,
- consider interests of employees,
- foster relationships with suppliers and customers,
- consider the impact which the Company has on the wider community and the environment,
- recognise the desirability of maintaining high standards of business conduct.

Within this report we discuss who our stakeholders are and summarise here how we have engaged with them, describing the main elements of our relationship, how we have considered what is important to them and how we have responded to address those needs in the way we have managed the Group.

With a shareholder committed to the future of the business and with individual shareholders holding executive positions, we have always been able to take a long-term view and our ethical approach comes from those family values which underpin our culture. Having ethical policies and respect for stakeholders and the wider community is an established principle for the Company and for the group.

We recognise how important ethical behaviour is to all of our stakeholders as a key element of strong long-term relationships which deliver value.

Our Stakeholders are important to us: We consider their needs and value feedback on our engagement with them. Directors monitor the health of our stakeholder relationships at board meetings through a review of the feedback on these key relationships.

Shareholders: We have a relationship with our Shareholders which allows us to take a long-term view in the management of the business. Their close involvement in the operation and in setting the strategy for the Group is central to ensuring we can balance all of the needs of other stakeholders.

People: Our Employees are central to our success and we engage wherever possible to support their development and contribution to the Group. Providing opportunity to improve our workplace and to be part of defining our culture is important to keep our employees at the centre of our business.

Suitable procedures are in operation to support the Group's policy that disabled persons (whether registered or not) shall be considered for employment and subsequent training, career development and promotion on the basis of their aptitude and abilities, including existing employees who become disabled.

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

Customers are our focus. Understanding their needs and the challenges they face to adapt solutions to support them is key to our success. Our ability to respond quickly requires us to maintain close contact and builds lasting relationships.

Our **Suppliers** are our providers of technology and are world leaders in the IT industry supplying the products and services we need to create the right solutions for our customers. Success as an independent technology solutions provider depends on maintaining the right level of relationships with our suppliers.

Community: Our community and the environment is important to our shareholders, our people and to our customers. It is important that we meet our legal and moral obligations in protecting our environment, support the wider community within which we operate and support our people and their desire to engage with charitable activities.

	Shareholders	Customers	Suppliers	People	Communities
How we engage	Shareholder participation in board and executive meetings Strong internal governance	Close Executive relationships Regular Account reviews Key account management Customer feedback	Close Executive relationships Strategic Relationship reviews Clearly defined supplier engagement policy Technical forums & collaboration	Updated Internal Intranet Monthly CEO Vlog "Ask Dennis" SCC plc CEO SCC UK All Hands Meetings Management Briefings	Well defined Environmental policies CSR committee and Collaboration with local community charities Close relationships with schools and universities
What's important to them	Long Term Return Dividend Flow Cash Generation and Gearing Financial Discipline Ethical Behaviour, Respect for family values	Quality of Technical Expertise Relevance of Services and Solutions Service Levels Technical relevance and Vision Trusted Partnership	Long Term Collaborative Partnership Proactive Communication Aligned Commercial Objectives Technical Expertise Ethical Behaviour	Opportunity for development Diversity to enrich working practises Equality and fairness Working Environment Participation	Ethical Behaviour Actively supporting local communities Environmental Awareness and Actions
How we respond	Long term strategic planning framework Annual Budgeting and planning Regular performance reporting Dividend and Cash planning Shareholder board representation	Senior Executive engagement Focused Relationship Management Maintaining technical expertise Investment in new technology Monthly board reviews of customer pipelines, new business and challenges.	Strategic Relationships with senior execs tracking technology change. Engagement with our sales teams and at our key sales meetings Supplier Code of Conduct Skills training and investing to maintain accreditations Dedicated relationship management	Clear Employment Policies Active engagement programmes Involvement in developing our values framework Commitment to inclusive culture Flexible employment packages Access to skills and technology training	Developing our sustainability policy Employee volunteering days Support for the Rigby Foundation and for local charities Apprenticeship and graduate trainee programmes

CFO REPORT
2024 FINANCIAL HIGHLIGHTS

GROUP TURNOVER

£3.4 BN
+5%

OPERATING PROFIT

£37.2M
-46%

CASH GENERATED FROM OPERATIONS*

£23.5M
-82%

SERVICE TURNOVER

£415.5M
+4%

PROFIT BEFORE TAX

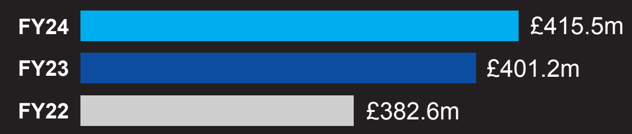
£42.4M
-37%

NET ASSETS

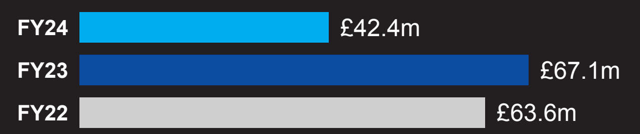
£209.4M
+4%

Turnover £bn

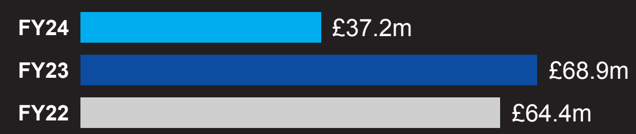
Services Turnover £m



Profit before Tax £m



Operating Profit £m



Cash Generated by Operations* £m

Net Assets £m

*Cash generated before income tax paid, refer page 82

Group turnover grew by 5% for the year however operating profit declined in total due to a decline in the UK trading and reduced profit in France due to one-off property disposals in the prior year.

Included in the results for the Group this year is the performance of Rigby Capital Limited, the financial services specialist which was acquired during the year from another Rigby Group company. This acquisition has been treated as a merger, so the comparatives are restated to include the company as if it was owned throughout both periods.

Turnover

At £3.4bn Group turnover has grown by 5% following growth in the prior year of 24%. There was growth in the UK, in France, in Spain and in the UK albeit the UK headline growth of 4% mainly reflects the impact of acquisitions, as poor UK economic conditions restricted UK core growth.

The largest component of turnover is that generated in our French business which accounts for 69% (2023: 70%).

In France another strong year has seen turnover grow by 4% to €2.7bn (2023: €2.7bn), through higher product reselling of which software sales are a key component.

Growth in the UK business has been delivered principally by recent acquisitions which include Nimble Delivery, Vohkus and Visavvi.

Those acquisitions made in the prior year contributed an additional £105.8m in their full year of ownership whilst acquisitions made in the year just ended added £9.7m. Rigby Capital grew by £29m to £66.6m.

Our Spanish operations continue to grow both product and services turnover. Following growth of 22% in the prior year, this year we have grown by 5% to €111.1m, a new high and increased profitability.

Group services turnover increased by 10% to £481m (2023: £438m).

Profitability

Gross Profit has grown by 4% over last year to £341.6m from £328.1m although weaker product mix and margin pressures impacted our gross profit as a percentage of turnover, which fell from 10.0% to 9.9%.

Wage pressures present in the overhead base in recent years have not been helped by the rising cost of living, however there has been some easing over the last year and we have been able to take action to manage our cost base, whilst conscious of the need to maintain the necessary expertise within the business required for the future. Much of these benefits will arise in the coming financial period.

We generated £37.2m (2023: £68.9m) of Operating Profit for the year, a decline of 46%.

The prior year performance was flattered by a one-off property gain of £10.8m in France so underlying profitability decline was only 34%, solely reflecting the weaker performance in the UK.

External economic factors in the UK were the key reason for the significant change in profitability. Economic conditions were better in France where public sector activity remained strong.

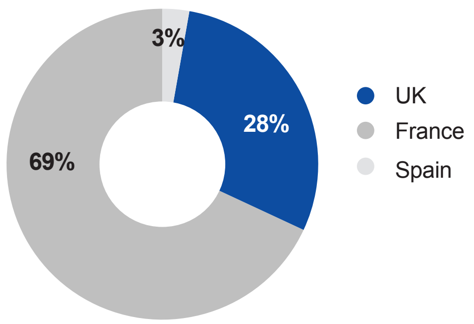
Net Finance Costs

Net finance costs for the group have improved by £7.0m compared to prior year. Under the guidance of the Rigby Group's Investment Committee funds have been invested in money market deposits and other highly liquid investments reported either in cash or current asset investments. Income from these investments and deposits have more than offset the impact of higher interest rates which have driven increased interest payments. Other finance income arises from foreign exchange translations.

Cash Generated from Operations

Cash generated from operations, continues to be positive, albeit at a reduced level due to reduced levels of profitability, EBITDA is £33.5m lower, and tougher working capital conditions.

Share of Turnover



Net Finance Costs

	FY24 £m	FY23 £m
Total Interest Payable & Similar Charges	(4.5)	(1.5)
Investment Income	8.0	0.9
Other Finance Income/(Costs)	1.6	(1.3)
Finance Charges Net	**5.1**	**(1.9)**

	FY24 £m	FY23 £m
Cash and Cash Equivalents at beginning of the year	**493.2**	**459.4**
EBITDA	55.7	89.2
Working Capital	(32.2)	42.4
Cash generated from operations	23.5	131.6
Capital Expenditure	(20.9)	(20.2)
Proceeds from sale of property	-	28.3
Other Investing Activities	(1.4)	(3.4)
Tax Paid	(15.3)	(23.3)
Acquisitions	(40.1)	(26.1)
Current Asset Investments	0.9	(29.9)
Net cash used in financing facilities	(4.4)	(5.3)
Dividends	(21.8)	(20.0)
FX Impacts	(0.7)	2.0
Cash and Cash Equivalents at end of year	**413.0**	**493.2**
Cash Book Movement	**(80.2)**	**33.7**

Our closing cash position, net of overdrafts of £413m is £80.2m lower than prior year (2023: £33.7m increase) after paying £40.1m for acquisitions (2023: £26.1m) and lower working capital of £32.2m (2023: £42.4m increase).

Unlike in the prior year we were not able to continue to improve working capital and less favourable conditions at the end of the year, softened our year end working capital position across debtors and creditors. Inventory management has continued to improve with levels falling to £34.1m from £50.3m at the prior year end as supply chain pressures have unwound.

Capital expenditure was similar to the prior year with continuing investment in our IT enhancement programmes. Tax paid declined in line with lower profitability in the UK.

Adequate funds are always maintained in operating businesses with funds for reinvestment held in SCC EMEA where higher interest rates available are exploited to make efficient short-term investments until such time as operating businesses need to reinvest. The benefit of holding cash centrally is seen in the improvement in interest income.

Cash Net of (Debt) and Short-Term Investments

Cash resources comprising cash, debt and current asset investments, have declined by £73.0m to £446m at the end of the year, 14% lower than the prior year mainly due to a decline in closing working capital positions and strategic acquisition and Capex programmes.

EBITDA Reconciliation

	FY24 £m	FY23 £m
Operating Profit	37.2	68.9
Depreciation	9.8	10.8
Amortisation	8.7	9.5
EBITDA	55.7	89.2

	FY24 £m	FY23 £m
Net Cash inc Short Term Investments at beginning of year	**519.0**	**454.7**
Net cash generated by operations	8.2	108.3
Capital investments	(20.9)	(20.2)
Interest received and paid	(0.3)	(1.0)
Dividends paid	(21.8)	(20.0)
Acquisitions	(40.1)	(30.0)
Net finance leases	1.3	0.7
Effects of foreign exchange rates	0.6	26.5
Net Cash inc Short Term Investments at end of year	**446.0**	**519.0**
Components of net cash/(debt)		
Cash at bank and in hand	414.9	493.7
Current Asset Investments	31.3	29.6
Finance Facilities	–	(3.6)
Bank and Other Loans	–	(0.4)
Obligations under finance leases and HP contracts	(0.2)	(0.3)
	446.0	**519.0**
Movement in Net Cash inc Short Term Investments	**(73.0)**	**64.3**

Current asset investments of £31.3m (2023: £29.6m) are liquid and available for use within the business if required, however we have been able to complete acquisitions in the year and support the working capital needs of the business without drawing on these resources.

Advice and guidance on initial investments and performance monitoring decisions, is given to the Group board by the Public Investment Committee, a sub-committee of the Rigby Group (RG) plc board. We did not make any further investments during the year.

Our bank facilities are reviewed annually with our major banking partners and there have been no significant changes to our bank facilities. Short term debt acquired on acquisition of the Vohkus business has been repaid during the year.

We will continue with our policy of maintaining strong cash reserves and a strong working capital policy and we are confident that we closed the year with significant cash availability to support the working capital requirements of the business in the next financial year.

Net Assets and Dividends

Overall net assets for the group have increased by 4% to £209.4m (2023: £201.1m).

Cash dividends of £21.8m relate to the Group's performance over two years. £12.8m of dividends were declared in March 2024 and paid in March 2024 in respect of latest year's financial performance, and £9.0m of dividends were declared in the prior year in relation to performance to the end of March 2023 and were cash settled in April 2023.

FRANCE

Head Office
Paris

- 16 locations
- 2000+ Staff
- Top 3 Reseller

Revenue

€2.7BN
+4%

2023 €2.6bn

Operating Profit

€52.2M
-16%

2023 €61.9m

Our business in France delivered another strong year of profitability.

Turnover grew again this year by 4% following a 26% increase in the previous financial year. Growth continues to be strong within our public sector and private sector customers in Paris and across the regions.

Overheads were closely managed increasing by 1% year on year compared to 4% in the prior year.

Whilst headline profitability declined, operational profitability was consistent with last year, after adjusting for the one-off prior year gain arising from the refinancing of our key distribution warehouse at Lieusaint.

We are very proud to have been successful in our bid to be the technology provider to the 2024 Olympic and Paralympic Games held in Paris. This will represent one of the most complex projects SCC France has ever undertaken. We will support the games venues and recycle all IT equipment at the end of the games, helping to deliver on the games target of a net zero carbon footprint.

UK

International HQ
James House, Birmingham

- 31 Locations
- 2000 + Staff
- Top 3 Cloud & DCS Provider
- Multi-award winning services

Revenue

£915.8M
+4%

2023 £880.3m

Operating Profit

£2.8M
-81%

2023 £14.5m

Invest. Enhance. Acquire. Deliver.

Despite difficult economic conditions preventing organic growth in the UK we were able to complete on two acquisitions, digital transformation business, Nimble Delivery and Microsoft Teams service provider, Resonate, which complement the prior year acquisitions of Visavvi and Vohkus.

UK profitability declined, significantly impacted by the difficult economic environment which has been delaying investment decisions for some time and with slow services renewals and a mix of business in which there has been markedly lower investment by customers in enterprise infrastructure, margin rates have declined.

With a cost base growing over the last couple of years squeezing out profitability from lower gross margins, actions have been taken to remove significant overhead costs, the impact of which has not been seen in the financial year but will reduce the cost base materially in the next financial period.

We continue to make investments in our SCC's Digital capabilities, our internal systems and in our recycling solutions opening a new facility "Recyclea" to bring together and enhance our existing recycling services.

SPAIN

Head Office
Madrid

- 7 Locations
- 250 + Staff
- 180 Technical Engineers
- ISO Accredited
- Leading Customers

Revenue

€111.1M
+5%

2023 €105.7m

Operating Profit

€4.5M
+42%

2023 €3.2m

Spain has continued to deliver consistent growth and profitability across the business following on from another record year in the prior year.

Growth of 5% reflects growth in 5% from our product business and 6% from services.

Gross profit rates grew marginally and careful management of overheads helped ensure topline growth flowed through to operating profit which increased by 42% from €3.2m to €4.5m which represents a third successive record year of profitability.

In the coming year we will continue to focus on cloud-based solutions and workplace modernisation for our customers and seek continued growth at sustainable levels.

OUTLOOK

Outlook for the Group in the coming Financial Year

The overall performance of the group this year has been mixed with continued strong performance in France and Spain, whilst a weak economy impacted UK performance.

Wider technology industry pressures create a context for the softening of performance, though looking forward there are reasons to cautiously expect improvement in the coming period. Improving economic dynamics should raise demand for IT infrastructure powered by the opportunities created by AI, cyclical refresh of end user devices and the coming of Windows 11, should bring back demand to the wider IT marketplace.

In the UK, we have made important acquisitions in recent years, continue to invest in our core business and digital capabilities and will keep our operating models under review to ensure we have the right cost and capability combination to support our customers and deliver greater profitability.

In France we welcome the Paris Olympics and the role that SCC will play in their delivery. Whilst we remain optimistic about our core profitability we are aware that France and Spain have not been affected by economic pressures in the past year and therefore growth may not continue at the same level as enjoyed in recent years.

Group cash remains strong as is our ability to access funds and we expect to continue to be able to fund both organic and acquisitive growth as required for the business in the future.

Peter Whitfield
Chief Financial Officer

VIABILITY STATEMENT

This viability statement is prepared to provide guidance to stakeholders in relation to the long-term viability of SCC EMEA Group and is not prepared as part of the requirements of the UK Corporate Governance code such that it is also not subject to the associated audit requirements.

The directors have assessed the prospects of the Group over a period longer than the 12 months required by the "Going Concern" provision by reviewing the long-term strategy of the group for the future three years which have demonstrated that in extreme economic conditions the business remains viable with adequate cash and profitability.

The board's forecasts consider the group's profit, cash flows and other key financial ratios over this period together with those indicator factors relevant for the Group's viability. This analysis also evaluates the potential impact of the principal risks and uncertainties should they occur.

Viability Indication Factors

Current Performance

- Growth in operating profit whilst maintaining a good cash profile
- Resilience in annual performance
- Capability to flex costs and operating model in the short term
- Diversified product and solution sets in our key markets
- Customers diversified between markets and sectors
- Tight financial control
- Adequate banking facilities

Strategy and Market Knowledge

- Nearly 50 years of market knowledge
- Experienced executive teams
- Selective acquisition policy focussed on expanding capabilities around our core business
- Long term investment programmes
- Long standing partnerships with market leading vendors

Risks and Mitigations

- Regular risk assessment and responsive mitigation actions
- Infrastructure security maintained through expert internal resources and knowledge base
- Technology change managed through market knowledge and executive experience
- Commercial and financial risks mitigated through strong internal controls

Strategic and Financial Planning

Each company is responsible for building an annual budget detailing profit and loss account, balance sheet and cash flow performance which is reviewed initially by local boards and then is consolidated into a group plan. The proposed budget is then approved by the EMEA Board and the Rigby Group Board each year.

A cycle of quarterly reforecasting which covers profit and loss, balance sheet and cash flow was in operation throughout the year ensuring executives have a clear view of the future financial outcome for the fiscal period.

Headroom and access to cash expectations for the Group over the next 12 months are updated monthly by each division and reviewed by the SCC EMEA Group executive team.

Strategic planning performed by each division continues to focus on a 3-year horizon extended at a higher level to provide a 5-year view which the directors consider reflects their viability time horizon. We will refresh this planning in the coming financial year in the light of industry changes which we continue to follow.

Future Expectations

Despite the more difficult economic conditions experienced in the UK recently, the lower than usual profit performance in that territory and ongoing uncertainties in the economic environment, the Group still expects to be able to meet short-term performance expectations, as well as the longer-term operating profit growth requirements of the shareholders.

The group expects to be able to continue to fund its own capital investment programmes supporting productivity improvements and other capital commitments out of cash generated from operations and to continue to pay annual dividends to shareholders in the coming financial year. Growth in organic operating profit will not be delivered by growth in leverage and the group will not be reliant on the Rigby Group to deliver these results.

Viability

The Group continues to maintain a wide range of services enabling the support of a customer base diversified across many different industries and with a balance of public and private sector organisations. This diversification has enabled the Group to maintain strong operating profitability over many years despite economic uncertainty and fluctuations in the economic cycle.

Continuing economic and political uncertainties in the UK have been considered in our planning scenarios. Our highly diversified business which delivers opportunities for our customers to reduce long terms costs through investment in technology has a proven track record of being relevant and agile enough to cope with such uncertainties, such that the directors are confident that the Group can maintain performance in these circumstances.

We proactively engage with HSBC, with whom we have a long-term relationship, and have assessed our options to provide flexibility in the event of economic uncertainty. All aspects of our facilities have been kept under close and continual review during the year and we will continue this activity to ensure that the facilities meet our needs during this time of economic uncertainty. Facility headroom and access to cash, which has grown over the year, is at a level which the board consider more than adequate to support the company through the current crisis and expected recession over the next twelve months.

A strong balance sheet, supported by long term shareholder investment, provides additional confidence in the viability of the Group in the long term.

Based on the results of this analysis the directors expect that the Group will be able to continue in operation and meet its liabilities as they fall due over the five-year period of these assessments.

Going Concern

In the year ended 31 March 2024 the Group has delivered growth in turnover, and gross profit and has maintained a healthy level of operating profit despite increasing operational costs, and tough market condition in the UK. Our balance sheet has net assets of £209m, net current assets of £79m and a combined balance of cash and current asset investments of £446m.

The Group has banking facilities in both the UK and Continental Europe in the form of receivable finance and overdrafts which are used to meet day to day working capital requirements.

Considering performance over the last financial year, the Group's medium term financial forecasts and expectations of market conditions and economic factors, the Group expects to be able to operate within the current level of facilities and available cash resources. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully despite the current economic pressures in the UK.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a minimum 12 months after signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

RISK MANAGEMENT

Effective risk management is key to delivering our strategic objectives.

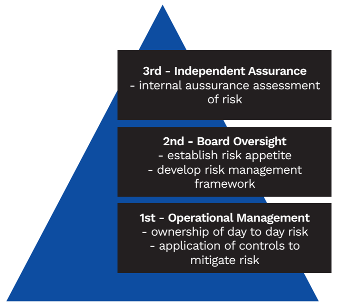
Under the current regulatory regime, the SCC EMEA Group is not required to follow a formal Corporate Governance Code. Nevertheless, we take our obligations to our stakeholders seriously and we support initiatives designed to extend good corporate culture and behaviour. Internal governance is an important aspect of our relationship with our shareholders, and we keep under review how we can improve our governance processes.

Internal Control & Risk Management

The board continues to adopt the conventional three lines of defence approach to risk management.

Operational Management

Operational Management accept primary responsibility for identifying and managing risks, with Board Oversight and Independent Assurance ensuring that Risk Management is effective.



Board Oversight

The Board has overall responsibility for the maintaining and reviewing the Group's system of internal controls and ensuring that controls are robust and aligned to the appetite to risk when pursuing its strategic objectives.

The Group falls within the scope of the Rigby Group Audit Risk and Remuneration Committee (ARR). The ARR is chaired by the Rigby Group's non-executive director and has responsibility for co-ordinating the response of the overall group to risk. The committee's scope covers Financial Reporting, Internal Controls and Risk Management, Internal Audit, External Audit, and the monitoring of Executive Remuneration.

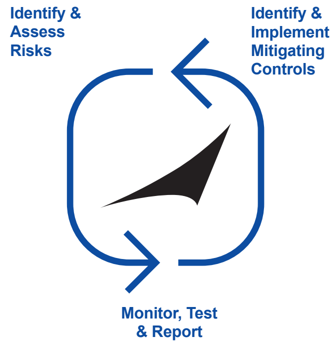
Independent Assurance

The Group falls within the scope of the Rigby Group internal assurance function that reports to the Rigby Group Director of Finance and undertakes assignments based on risk. This includes working closely with the ARR to identify areas of focus for internal audit assignments, reporting findings and ensuring recommendations are implemented.

Risk Management Framework

The management of risk is at the core of our internal control framework. The Group adopts the Rigby Group Risk Management Framework which defines how we identify, assess, and manage risks throughout the organisation, focusing on enterprise level risks which enables us to effectively manage the impact on our strategy.

Enterprise level risks are those which affect the long-term future of the business and are material in nature. There will be many operational risks of which some could become enterprise level if they represent a fundamental challenge to the future of the business. Every division has an Enterprise Risk Owner (ERO) who is the guardian of enterprise level risks. The ERO is responsible for co-ordinating the risk owners to ensure that the operational risks of the business are considered and reflected within the enterprise risk process.



The principal output for the ERO is the Divisional Risk Register which is reviewed twice a year by the ARR. The ARR is charged by the shareholders with managing the Rigby Group's Risk Management Process, in creating a Rigby Group Risk Register, ensuring that appropriate mitigations are in place and that the residual risks post mitigations align with the risk appetite of the shareholders.

Risk Methodology

The Divisional Risk Register is completed on a standard group wide template which considers the requirements for tracking risk. A standard format is used so that the ARR can review the Group's risk on a consistent basis. The risk register includes the following:

- key enterprise risks – existing and future,
- the likelihood and impact of such risks on the business,
- the actions taken or to be taken in respect of such risks and who shall be accountable for managing and monitoring such risks, and
- any changes, mitigations, trends in respect of those risks.

Framework for identifying risk

In compiling the risk register, general business risks, industry specific risks and company specific risks are considered. The board provides and maintains an Enterprise Risk Inventory to facilitate this process. The inventory consists of five categories, for which a further subset of risks is listed.

The Enterprise Risk Categories are:

- Legal, Regulatory & Compliance
- Strategic
- Financial
- Process/Technology
- Human Capital

Methodology for assessing and prioritising risk

Risks are assessed and quantified in terms of likelihood and potential impact, both before and after existing mitigating controls. These are then used to determine an overall mitigated risk rating which corresponds to a high, medium, or low risk level.

Likelihood: Likelihood of occurrence is ranked from 1 to 5 with 5 representing an occurring or certain risk, and 1 representing an unlikely risk.

Impact: Severity is ranked from 1 to 5 with 5 representing a critical risk, and 1 a negligible impact.

Risk Rating and Risk Level: The risk rating is calculated by multiplying the likelihood by the impact. The resulting score then corresponds to a risk level.

RISK RATING		LIKELIHOOD				
		5	4	3	2	1
IMPACT	5	25	20	15	10	5
	4	20	16	12	8	4
	3	15	12	9	6	3
	2	10	8	6	4	2
	1	5	4	3	2	1

Risk Level ● **High** ● **Medium** ● **Low**

Management of Risk

Actions, next steps and learning points are considered and documented for each risk. The risk owner is responsible for maintaining these, which will then have oversight by the ERO and the ARR. Environmental risks (both transitional and physical) are considered as part of the risk identification and management process. Transitional and physical risks are considered under the Enterprise Risk Categories of Financial, Legal, Regulatory & Compliance, Strategic Risks and Process/Technology Risks.

PRINCIPAL RISKS AND MITIGATIONS

FINANCIAL:
BUSINESS ENVIRONMENT & MARKET CONDITIONS

Risk Description	Risk Mitigation	Risk & Action Update	Risk Trend
Failure to identify or react to changes in market conditions resulting in increased costs, fall in demand, margin erosion and fair value losses on investment properties. Cash flow risk from changes to foreign currency exchange rates and interest rates. Changes in market conditions include the following: - Changes in taxation / duties / insurance or inflation, - Costs and availability of raw materials, - Trading terms, - Conflict / political unrest, - Economic downturn, - Changes in building regulation and obsolescence. Failure to plan for and adapt to baseline climate changes leading to inability to provide product and services to customers.	Close observation of economic and market conditions including maintaining market watch for policy changes, and engagement with relevant bodies. Proactive currency management, such as daily FX reviews and hedging. Maintain competitive supplier sources (no sole-source). Assessment of standard buyer behaviours and sentiments. Regular monitoring and reporting of financial performance and forecasting. Transparency with customers around purchase costs. Restrictions placed around issuing fixed sales prices. Review of contracts to understand impact of RPI/CPI increases. Additional procurement controls as part of on-boarding process for new contracts. ESG Boards to consider Transitional Risks of Climate Change and drive targeted work on key topics.	The elevated levels of inflation and related economic headwinds of the last couple of years, have had a knock-on impact to the Group's performance in the year. With inflation rates now starting to fall, and the expected impact of initiatives put in place, the risk has stabilised. ARR requested specific reporting through ERM process on environmental risks.	→ Risk Level High

PROCESS/TECHNOLOGY:
INFRASTRUCTURE SECURITY

Risk Description	Risk Mitigation	Risk & Action Update	Risk Trend
Loss of Data centre operations due to Cyber-attacks or a failure of physical or technical procedures resulting in interruption of services to customers and reputation damage. Cyber-attack or other breach to our systems leading to a loss of customer, personal or business data. Loss of service of internal systems disruption internal operations or customer experience.	Data protection & information security policies, procedures, training, and controls. Industry standard network protection and data centre infrastructure, including backup facilities and ISO 27001 accreditation. Security testing and investment programme to keep abreast of new threats and maintain protection. Cyber Insurance.	Action plans in relation to cyber security have made significant progress in year, resulting in stabilising of the risk. Risk level is still considered to be high due to the ever-evolving nature of the threat.	→ Risk Level High

PROCESS/TECHNOLOGY:
INTERNAL SYSTEMS PRODUCTIVITY

Risk Description	Risk Mitigation	Risk & Action Update	Risk Trend
Insufficient system maintenance resulting in loss of service and inability to deliver necessary information to manage the business. Ageing systems are not updated or replaced comprising delivery, data quality and security. Ineffective management of system migration projects.	Automation of maintenance monitoring and scheduling with risk alert. Active lifecycle asset management and decommissioning projects, including scheduled long term investment programmes. Patch & update management. Detailed system migration planning including documentation of processes, UAT testing, parallel runs, and backups.	Successful implementation of ERP in SCC Spain. SCC UK phased ERP changes on track. ARR request for central review of physical locations against climate scenario predictions.	→ Risk Level High

STRATEGIC:
COMPETITION AND TECHNOLOGY CHANGE

Risk Description	Risk Mitigation	Risk & Action Update	Risk Trend
Strategy not reviewed sufficiently frequently to keep up with industry change. Decline in demand for our services or knowledge. Failure to understand our customers and respond to changes in their requirements, including uncompetitive commercials (costs or risk appetite). Ineffective Sales & Marketing resulting in limited or no market access. Failure to adapt strategy to meet customer sustainability expectations.	Detailed strategic planning processes with executive focus and subsequent performance reporting. Cost reviews and market benchmarking, including study of market penetration. Understand "pivot points" of commercial outcomes and issues. Project Sequoia is the group's plan to cultivate longevity, growth and prosperity while enriching the environment, society, and lives of future generations.	Rapid technological advancements in the IT space have driven an increase in inherent risk. Publication of the Group's first group-wide sustainability report. From FY25, new SCC EMEA Strategic management team.	↑ Risk Level High

LEGAL, REGULATORY & COMPLIANCE:
ENVIRONMENTAL RISKS, LICENCES & OTHER REGULATIONS

Risk Description	Risk Mitigation	Risk & Action Update	Risk Trend
Risk that we are unprepared to meet our sustainability commitments resulting in lost opportunity, increased costs and damaged reputation. Failed, missing, or lapsed licences or accreditations resulting in loss of business, damaged reputation, and fines. Non-compliance with regulations or contracts resulting in loss of business, damaged reputation, and fines.	ESG Boards held to consider Transitional Risks of Climate Change and drive targeted work on key topics. Automation renewals and notifications to shared resources rather than individuals. Clear ownership of impact and outcomes. Mapping of compliance and contract obligations to deliverables. Planning of compliance activities and related costs. Business Excellence team review of output improvement tasks.	ARR requested specific reporting through ERM process on environmental risks.	→ Risk Level Medium

FINANCIAL:
LIQUIDITY MANAGEMENT

Risk Description	Risk Mitigation	Risk & Action Update	Risk Trend
Liquidity risk of having insufficient cash resources to meet strategic objectives, bank covenants or other liabilities as they fall due. Credit risk of recoverability of trade receivables, and access to funding to meet short and long term cash requirements.	Group maintains substantial cash reserves held at high credit-rated banks. Debt within each division is ring-fenced, with borrowing and gearing levels across the Group's divisions are actively managed by the Group Treasury team, with close relations held with a range of lending institutions. Covenants for borrowings are monitored by the Group treasury team with periodic reporting to the Group board, an increased focus on cash forecasting and working capital management.	Group cash position and relationships with the bank remains strong. Cash reserves have been invested in money market and current asset investments to safeguard returns to the Group.	→ Risk Level Low

Approved by the Board of directors and signed on their behalf on 19 September 2024.

James Rigby
Chief Executive Officer

DIRECTORS' REPORT

The directors present their annual report, audited financial statements of the Group together with the auditor's report for the year ended 31 March 2024.

Strategic Report

A separate Strategic Report has been prepared in compliance with the Companies Act 2006 and contains information about the Group's business model, strategy, business performance over the last year and its prospects for the future.

The Strategic Report sets out the details of the Group's risk management in the Governance and Risk section of the report covering all of the principal risks and uncertainties of the Group, including credit risk, liquidity risk and cash flow risk.

The Non-Financial Disclosures section of the Strategic Report cover the Group's policies with respect to equality and diversity, employee communications, the environment and carbon reporting, taxation and charitable donations.

Details of how the directors have met their section 172 obligations are also included in the Strategic Report.

The going concern of the Group is covered within the Viability Statement section of the Strategic Report.

Financial KPIs including Turnover, Operating Profit, Cash Generated by Operations and Net Assets are discussed in the Strategic Report.

Summary Performance and Dividends Declared

The group's activities during the year generated turnover of £3.4bn, a growth of 5% over the prior year. Profit before tax of £42.4m was a 37% decrease compared to the £67.1m reported for the prior year. Turnover growth was driven by continued demand for IT software and enterprise solutions.

Dividends to equity holders of £12.8m (2023: £19.8m) were declared and settled during the year.

Net assets of the Group are £209.4m, £8.3m higher than prior year due to profits generated from operating activities in the year retained in the business reduced by dividends declared.

Research and Development Expenditure

During the year we invested £1.2m (2023: £4.1m) in research and development activity, including capital expenditure, which is driven by the need to develop innovative solutions to meet our customers' needs.

Directors and Directors' Indemnities

The following directors have held office since 1 April 2023 and up to the date of signing:

Sir Peter Rigby, Ms P Rigby (resigned 30 April 2024), Mr J Rigby, Mr S Rigby, Mr P Whitfield.

The Group has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Branches

SCC France SAS operates a branch in Germany.

Post Balance Sheet Events

On 26 April 2024, the Group disposed of its 55% shareholding of Recyclea SAS to a third party.

Directors' Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial year.

Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland". Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the profit or loss of the Group 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 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 Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval of Reduced Disclosures

As a qualifying entity, the Group has taken advantage of the disclosure exemptions in FRS 102, paragraph 1.12, in respect of preparing related party, shared based payments and financial instrument disclosures.

Statement of Disclosure to the Auditor

Each of the directors at the date of the approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor of the company and SCC EMEA Group.

A resolution to reappoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Board Meeting.

Approved by the board of directors and signed on its behalf by:

James Rigby
Chief Executive Officer
19 September 2024

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion the financial statements of SCC EMEA Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated profit and loss account;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the related notes 1 to 30.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from 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.

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 our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 group's and the parent 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 group or the parent 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 FRC's website at: www.frc.org.uk/auditors responsibilities. This description forms part of our auditor's report.

Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included Employment Law, Environmental Regulations (including SECR), Health & Safety and Building Regulations, and the Data Protection Act 2018.

We discussed among the audit engagement team including significant component audit teams and relevant internal specialists such as tax and IT specialists, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud is in relation to revenue recognition. Specifically the fraud risk in relation to product revenue cut-off in the UK and the judgements in the percentage of completion on long term-contracts in France.

In relation to product revenue cut-off, there are a significant number of transactions that occur immediately prior to the year-end and management could record fictitious sales in order to meet performance expectations. With the increase in the volume of sales towards the end of the year, especially in the week immediately prior to 31 March, there is a risk that error in cut-off for recognition of product sales could result in a material error in revenue. In order to assess that UK product revenue was recognised in the correct period, we performed the following procedures:

- tested a sample of transactions in revenue over the final week in March and first week of April for accuracy, occurrence and cut-off of revenue by agreeing details of the sales to invoices, customer orders and evidence of delivery of the relevant product.

In relation to percentage of completion in France, the existence of long-term contracts result in a risk of a potential misstatement of revenues, costs and profit through management's assumptions used in generating the estimates of the remaining cost to complete the projects being inaccurate or inappropriate. In order to assess that revenue was recognised in the correct period, we performed the following procedures:

- sampled on-going contracts and traced these through to latest customer confirmations, sales invoices and cash receipts; and
- tested actual costs incurred, post-balance sheet performance and expectation of cost to complete prepared by management to assess actual stage of completion and appropriateness of estimated revenue.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business. In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit, in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

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

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 respect of these matters.

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.

Andrew Halls FCA
(Senior statutory auditor)
For and on behalf of
Deloitte LLP
Statutory Auditor
Birmingham
United Kingdom

19 September 2024

FINANCIAL STATEMENTS

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the Year Ended 31 March 2024

	Note	2024 £'000	Restated 2023 £'000
Turnover	3	**3,439,812**	3,287,073
Cost of sales		**(3,098,211)**	(2,958,994)
Gross profit		**341,601**	328,079
Administrative expenses		**(304,351)**	(259,171)
Other operating income	5	**-**	34
Operating profit		**37,250**	68,942
Finance costs (net)	4	**5,122**	(1,857)
Profit before taxation	5	**42,372**	67,085
Tax on profit	8	**(12,623)**	(17,588)
Profit for the financial year		**29,749**	49,497
Profit for the financial year attributable to:			
Non-controlling interest		**49**	(475)
Equity shareholder of the Group		**29,700**	49,972
		29,749	49,497

The notes form part of these financial statements.

All profits in the current and prior financial year have been generated from continuing operations.

Comparative results were restated following the application of merger accounting in the year, refer note 14 for further details.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the Year Ended 31 March 2024

	2024 £'000	Restated 2023 £'000
Profit for the financial year	**29,749**	49,497
Currency translation differences on foreign currency net investments	**(2,923)**	3,151
Re-measurement of net defined benefit obligation (note 22)	**(985)**	2,913
	(3,908)	6,064
Tax relating to components of other comprehensive income (note 16)	**245**	(725)
Other comprehensive (expense)/income	**(3,663)**	5,339
Total comprehensive income	**26,086**	54,836
Total comprehensive income attributable to:		
Non-controlling interest	**36**	(449)
Equity shareholder of the Group	**26,050**	55,285
	26,086	54,836

CONSOLIDATED BALANCE SHEET

for the Year Ended 31 March 2024

	Note	2024 £'000	Restated 2023 £'000
Fixed assets			
Intangible assets	11	**118,078**	70,676
Tangible assets	12	**62,571**	61,683
		180,649	132,359
Current assets			
Stocks	15	**34,106**	50,293
Debtors			
- due within one year	16	**689,970**	693,506
- due after more than one year	16	**14,485**	10,953
Current asset investments	17	**31,323**	29,555
Derivative financial assets	18	**11**	12
Cash at bank and in hand		**414,882**	493,659
		1,184,777	1,277,978
Creditors: amounts falling due within one year	19	**(1,105,447)**	(1,178,257)
Derivative financial liabilities	18	**(5)**	(126)
Net current assets		**79,325**	99,595
Total assets less current liabilities		**259,974**	231,954
Creditors: amounts falling due after more than one year	20	**(10,466)**	(6,946)
Provisions for liabilities	22	**(40,085)**	(23,921)
Net assets		**209,423**	201,087
Capital and reserves			
Called up share capital	24	**6,178**	6,178
Share premium account	24	**149**	149
Other reserves	24	**2,937**	7,937
Profit and loss account	24	**200,287**	186,987
Shareholders' funds		**209,551**	201,251
Non-controlling interests		**(128)**	(164)
Total capital employed		**209,423**	201,087

The financial statements of SCC EMEA Limited, registered number 04279856, were approved by the Board of Directors and authorised for issue on 19 September 2024 and signed on its behalf by:

James Rigby
Chief Executive

COMPANY BALANCE SHEET

for the Year Ended 31 March 2024

	Note	2024 £'000	2023 £'000
Fixed assets			
Investments	13	**114,260**	72,378
		114,260	72,378
Current assets			
Debtors			
- due within one year	16	**29,632**	30,635
- due after more than one year	16	**2,706**	-
Current asset investments	17	**31,323**	29,555
Cash at bank and in hand		**24,161**	85,825
		87,822	146,015
Creditors: amounts falling due within one year	19	**(109,023)**	(136,733)
Net current assets		**(21,201)**	9,282
Total assets less current liabilities		**93,059**	81,660
Provisions for liabilities	22	**(6,779)**	-
Net assets		**86,280**	81,660
Capital and reserves			
Called up share capital	24	**6,178**	6,178
Profit and loss account	24	**80,102**	75,482
Shareholders' funds		**86,280**	81,660

The profit for the year of the parent company was £17,370,000 (2023: £20,565,000).

Dividends paid were £12,750,000 (2023: £19,800,000).

The financial statements of SCC EMEA Limited, registered number 04279856, were approved by the Board of Directors and authorised for issue on 19 September 2024 and signed on its behalf by:

James Rigby
Chief Executive

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Year Ended 31 March 2024

	Called-up Share Capital £'000	Share Premium Account £'000	Other Reserves £'000	Profit and loss account £'000	Total £'000	Non-controlling Interest £'000	Total £'000
At 1 April 2022	6,178	149	3,117	151,952	**161,396**	442	**161,838**
Profit for the financial year	-	-	-	49,972	**49,972**	(475)	**49,497**
Currency translation differences on foreign currency net investments	-	-	-	3,125	**3,125**	26	**3,151**
Re-measurement of net defined benefit obligation	-	-	-	2,913	**2,913**	-	**2,913**
Tax relating to items of other comprehensive income (note 16)	-	-	-	(725)	**(725)**	-	**(725)**
Total comprehensive income	-	-	-	55,285	**55,285**	(449)	**54,836**
Group Reconstruction (note 14)	-	-	4,820	(450)	**4,370**	-	**4,370**
Dividends declared to equity shareholders (note 10)	-	-	-	(19,800)	**(19,800)**	-	**(19,800)**
Dividends declared to non-controlling interests (note 10)	-	-	-	-	**-**	(157)	**(157)**
At 31 March 2023 - Restated	6,178	149	7,937	186,987	**201,251**	(164)	**201,087**
Profit for the financial year	-	-	-	29,700	**29,700**	49	**29,749**
Currency translation differences on foreign currency net investments	-	-	-	(2,910)	**(2,910)**	(13)	**(2,923)**
Re-measurement of net defined benefit liability (note 23)	-	-	-	(985)	**(985)**	-	**(985)**
Tax relating to items of other comprehensive income (note 16)	-	-	-	245	**245**	-	**245**
Total comprehensive income	-	-	-	6,050	**26,050**	36	**26,086**
Group Reconstruction (note 14)	-	-	(5,000)	-	**(5,000)**	-	**(5,000)**
Dividends declared to equity shareholders (note 10)	-	-	-	(12,750)	**(12,750)**	-	**(12,750)**
At 31 March 2024	**6,178**	**149**	**2,937**	**200,287**	**209,551**	**(128)**	**209,423**

COMPANY STATEMENT OF CHANGES IN EQUITY

for the Year Ended 31 March 2024

	Called-up share capital £'000	Profit and loss account £'000	Total £'000
At 1 April 2022	6,178	74,717	80,895
Profit for the financial year and total comprehensive income	-	20,565	20,565
Dividends paid/declared to entity shareholders (note 10**)**	-	(19,800)	(19,800)
At 31 March 2023	6,178	75,482	81,660
Profit for the financial year and total comprehensive income	-	17,370	17,370
Dividends declared to entity shareholders (note 10)	-	(12,750)	(12,750)
At 31 March 2024	**6,178**	**80,102**	**86,280**

CONSOLIDATED CASH FLOW STATEMENT

for the Year Ended 31 March 2024

	Note	2024 £'000	Restated 2023 £'000
Operating profit		**37,250**	68,942
Depreciation of tangible fixed assets		**9,810**	10,802
Amortisation of intangible fixed assets		**8,689**	9,461
Loss/(gain) on sale of fixed assets		**195**	(15,299)
Adjustment for pension funding		**297**	328
Net movement in stocks		**15,211**	23,767
Net movement in debtors		**(7,464)**	(187,839)
Net movement in creditors		**(40,510)**	221,410
Cash generated from operations		**23,478**	131,572
Income tax paid		**(15,342)**	(23,308)
Net cash generated from operations		**8,136**	108,264
Investing activities			
Proceeds from sale of property and equipment		**41**	28,346
Purchase of software and equipment		**(20,905)**	(19,941)
Advances under finance leases receivables		**(1,359)**	(1,029)
Acquisitions	14	**(40,053)**	(24,043)
Payment of deferred contingent consideration	14	**-**	(2,080)
Current asset investments		**857**	(29,766)
Related party loans	28	**-**	(3,435)
Interest received		**7,410**	1,125
Net cash flow used in investing activities		**(54,009)**	(50,823)
Finance activities			
Dividends paid to equity shareholders		**(21,750)**	(19,800)
Dividends paid to non-controlling interests		**-**	(157)
New borrowings		**-**	926
Repayment of borrowings		**(3,945)**	-
Repayment of obligations under finance leases		**(143)**	(4,527)
Interest paid		**(7,741)**	(2,142)
Net cash flow used in financing activities		**(33,579)**	(25,700)
Net increase in cash and cash equivalents		**(79,452)**	31,741
Cash and cash equivalents at beginning of year		**493,171**	459,435
Net increase in cash and cash equivalents		**(79,452)**	31,741
Effects of foreign exchange rates		**(725)**	1,995
Cash and cash equivalents at end of year		**412,994**	493,171
Reconciliation of cash at bank and in hand			
Cash at bank and in hand at end of year		**414,882**	493,659
Bank overdrafts		**(1,888)**	(488)
Cash and cash equivalents at end of year		**412,994**	493,171

Cash and cash equivalents and an analysis of changes in net debt are disclosed in note 25.

1 Significant accounting policies

The significant accounting policies in the Group are summarised below. They have all been applied consistently throughout the year and in the preceding year.

1.1 General information and basis of accounting

SCC EMEA Limited "the Company" is a private company limited by shares incorporated in England and Wales in the United Kingdom under the Companies Act 2006. The registered office of the Company is provided in the Company Information section of this Annual Report. The nature of the operations of SCC EMEA Limited and subsidiary undertakings "the Group" and its principal activities are set out in the strategic report and directors' report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The Group has applied amendments to FRS 102 issued by the FRC in July 2023, for the first time during the year: The amendments introduce a temporary exception to the accounting for deferred tax arising from Pillar Two legislation and require related targeted disclosures.

The presentational currency of the Group is considered to be pound sterling because that is the currency of the primary economic environment in which the Group operates. The consolidated financial statements are also prepared in pounds sterling. Foreign operations are included in accordance with the policies set out below.

The Group meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of certain disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to preparing related party, shared based payments, the exposure to Pillar Two income tax and financial instrument disclosures. As permitted by Section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the parent company. The profit attributable to the Company is disclosed in the Company's balance sheet. The Company meets the definition of a qualifying entity under FRS 102 and has taken advantage of the exemption to prepare a company cash flow statement.

1.2 Basis of consolidation

The Group financial statements consolidate the financial statements of SCC EMEA Limited and its subsidiary undertakings drawn up to 31 March 2024. The SCC EMEA Limited consolidated financial statements represent the smallest group for which consolidated financial statements are prepared.

The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied to these financial statements in respect of business combinations effected prior to the date of transition.

On the 1 April 2023 Rigby Capital Holdings Limited and its subsidiary Rigby Capital Limited were acquired by SCC EMEA Limited from a fellow subsidiary of Rigby Group (RG) Plc for consideration of £5,000,000 as part of a group reconstruction exercise. In accordance with FRS 102 Section 19.27, the merger accounting method has been applied in the preparation of these financial statements. The results of all the combining entities under merger accounting have been brought into the financial statements of the group from the beginning of the financial year. The comparative amounts in the consolidated accounts have been restated as if the entities had been combined throughout the previous reporting period and at the previous reporting date in accordance with paragraph 30 section 19 of FRS 102. The difference between the consideration paid and the value of the investment acquired has been treated as merger reserve reported in the group other reserves.

1.3 Going concern

The Group's business activities, together with factors likely to affect its future developments, performance and position are set out within the strategic report and directors' report.
The strategic report and directors' report describe the financial position of the Group; its financial risk management objectives and its exposure to credit risk and liquidity risk.

The Group has banking facilities in both the UK and Continental Europe in the form of receivable finance and overdrafts which are used to meet day to day working capital requirements.

The Group's medium term financial forecasts and projections consider the impact of market conditions and economic factors on the trading performance of the Group.
A review of the factors concluded that the Group expects to be able to operate within the level of their current facilities and available cash resources. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a minimum 12 months after signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.4 Intangible assets – Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its expected useful economic life. The assessment of the economic life is undertaken by reference to the nature of the business acquired, the structure of the deal and the future intentions for the business. In the opinion of the directors the average expected useful economic life will be 10 years with a maximum of 20 years. Provision is made for any impairment.

1.5 Intangible assets – Software costs

Software costs are capitalised as intangible assets and amortised over the expected useful economic life on a straight line basis. Typically, this period is between two to fifteen years. Provision is made for any impairment.

1.6 Intangible assets – Other

Research and development
Research expenditure is written off as incurred. Software development expenditure is also written off as incurred except where the directors are satisfied as to the technical, commercial and financial viability of individual projects.

In such cases and provided they meet the criteria in accordance with Section 18 of the FRS 102, the identifiable expenditure is capitalised as an intangible asset. Amortisation is not provided on software development until the asset is complete and ready for its intended use.

Once development activity is complete and ready for its intended use expenditure is reclassified as software and will be amortised in line with the above policy.

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life on a straight line basis, as follows:

Freehold land and buildings	up to 50 years
Leasehold land and buildings	up to 50 years
Fixtures and equipment	3 to 20 years
Motor vehicles	3 to 6 years

The cost and depreciation attributable to leasehold improvements is included within leasehold buildings.

Depreciation is not provided on assets in the course of construction until the asset is complete and ready for its intended use. An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced.

Residual value represents the estimated amount which would currently be obtained from disposal of an asset after deducting estimated costs of disposal if the asset were already of the age and in the condition expected at the end of its useful life.

1.8 Investments

Fixed asset investments in the Company's balance sheet are shown at cost less any provision for impairment.

1.9 Impairment of assets

Assets, other than those held at fair value are assessed for indicators of impairment at each balance sheet date.
If there is objective evidence of impairment then an impairment loss is recognised in the profit and loss account as described below.

Non–financial assets
An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable amount of the asset has been reduced.
The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash generating unit (CGU) of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to the CGU and then to other assets within that CGU on a pro rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal.
An impairment loss is reversed only on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying value higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets, other than goodwill, on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets
For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal.
An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

1.10 Stocks

Goods held for resale are stated at the lower of purchase cost and estimated selling price less cost to sell which is equivalent to the net realisable value. Cost comprises third party purchase cost net of attributable rebates and is calculated using the FIFO (first-in, first-out) method.
In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. These stocks held are analysed by age and provision is made for obsolete and slow moving or defective items where appropriate taking into account customer orders and market conditions indicating recoverability rates.

Maintenance stocks are stated at purchase cost less a provision created to reflect age and the current levels of item usage within the business. Where items have not been used in the last three years then no value is attributed to these parts even though they may be retained for future use, whereupon, a value may be attributed to them based on the current replacement cost.

1.11 Employee benefits

The Group makes contributions to defined contribution schemes. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Specialist Computer Centres plc is the registered employer for a section of the Railway Pension Scheme, a closed defined benefit scheme with no active members such that no contributions are payable by the employer or the members. Specialist Computer Centres plc is also the registered employer for a section of the Federated Pension Plan, a closed defined benefit scheme in which there are 3 active members.

In France our operations have obligations under local retirement indemnity provisions. Service costs arising during the period are charged to the profit and loss account. The net interest cost is charged to the profit and loss account and included within finance costs.

Re-measurement comprising actuarial gains and losses arising from changes in assumptions are recognised immediately in other comprehensive income.

1.12 Cash and cash equivalents

Cash at bank and in hand include cash in hand, deposits held at call with banks and other short term highly liquid investments which are readily convertible to a known amount of cash and are subject to insignificant risk of change in value.

1.13 Current asset investments

Current asset investments are measured at fair value through profit and loss.

1.14 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.
An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Financial assets and liabilities
All financial assets and liabilities are initially measured at the transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

If an arrangement constitutes a financing transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

In order to manage both liquidity requirements and credit risk, the group has banking facilities in the form of recourse and non-recourse receivable finance and overdrafts which are used to meet day to day working capital requirements. Under the non-recourse finance facility receivables are sold at book value and under the recourse facility, receivables are sold on a recourse basis and corresponding liability recognised for facility used. The bank charges a fee for use of each facility. See note 21 for further details. Financial assets and liabilities are only offset when and only when there is a legally enforceable right of offset.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the asset expire or are settled, or the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the company, despite having retained some significant risks and rewards of ownership has transferred control of the asset to another party which has the practical ability to sell the asset to an unrelated third party unilaterally and without imposing further restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Derivative Financial Instruments
The Group holds a number of foreign currency forward contracts in order to reduce exposure to foreign exchange risk. The Group does not hold or issue derivative financial instruments for speculative purposes.

Forward contracts are initially measured at fair value at the date the contract is entered into and are subsequently re-measured to their fair value at each reporting date. The resulting gain or loss arising being recognised in the profit and loss account.

1.15
Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the taxable profits of the Group and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments for periods that are different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. When the amount that can be deducted for tax as an asset (other than goodwill) that is recognised in a business combination is less/(more) than the value at which it is recognised, a deferred tax liability/(asset) is recognised for the additional tax that will be paid/(avoided) in respect of that difference.

Similarly a deferred tax asset/(liability) is recognised for the additional tax that will be paid/(avoided) because of a difference between the value at which the liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is measured using the tax rates that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of the other comprehensive income or equity as the transactions which gave rise to the resultant tax charge or credit.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if:
a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

1.16
Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results and cash flows of operations whose functional currency is not pound sterling are translated at the average rates of exchange during the year and their balance sheets at the rates ruling at the balance sheet date.

Exchange differences arising on translation of the opening net assets and on foreign currency borrowing to the extent that they hedge the group's investment in such operations, are reported in other comprehensive income (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the profit and loss in the period in which they arise except for:

- Exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- In the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reported under equity.

1.17
Lease accounting

Assets held under finance leases, hire purchase contracts and other similar arrangements which confer rights and obligations similar to those attached to owned assets are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease), and are depreciated over the shorter of the lease terms and their useful lives. The capital element of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding.

Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Benefits received or receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the life of the lease.

1.18
Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

1.19
Investment income

Dividends shall be recognised when the shareholder's right to receive payment is established.

1.20
Rebates and marketing income

Vendor rebates, allowances and marketing income are recorded as a reduction to the cost of sales in the period in which the related goods and services are provided, or deducted from the cost of stock as appropriate in accordance with the underlying agreement with the vendor. Amounts received that require specific performance are recognised when the performance is satisfied, the amount is fixed and determinable and the collection is reasonably assured. Lump sum payments received in advance of performance are recognised over the period of the agreement.

1.21
Government grants

Government grants are recognised on the accruals basis and measured at the fair value of the asset received or receivable. Grants are classified as relating to either turnover or to assets. Grants relating to turnover are recognised in income over the period in which the related costs are recognised. Grants relating to assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned.

Government support provided to the Group in response to the Covid 19 pandemic is recognised as Other Operating Income.

1.22
Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

1.23
Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Revenue is recognised when persuasive evidence of an arrangement with a customer exists, delivery has occurred or all significant performance obligations have been completed, the price is fixed or determinable and the collection of the amount due is reasonably assured. Income from service contracts is recognised on a straight-line basis over the period of the contract, or on a percentage completion basis based on contract deliverables and milestones as appropriate.

Rebates due to customers are accrued for in accordance with relevant contracts. Rebates reduce turnover and are held as other creditors until settlement is made.

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

2.1 Critical judgements in applying the Group's accounting policies

There were no critical judgements made by the directors during the year in applying the Group's accounting policies.

2.2 Key sources of estimation of uncertainty

There are no key assumptions concerning the future, and other sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing material adjustment to the carrying value of the assets and liabilities within the next financial year.

3. Turnover

	2024 £'000	Restated 2023 £'000
By geographical destination		
United Kingdom	968,825	904,622
Continental Europe	2,449,393	2,370,839
Rest of World	21,594	11,612
	3,439,812	3,287,073
By geographical origin		
United Kingdom	1,086,961	917,860
Continental Europe	2,352,851	2,369,213
	3,439,812	3,287,073
By category		
Sale of goods	2,956,584	2,846,613
Rendering of services	481,198	438,273
Government grants	2,030	2,187
	3,439,812	3,287,073

The Group has the following sources of grant income:

In Romania, grants have been made in respect of job roles created and investment made in our global delivery centre. The grant income is recognised in the profit and loss account in accordance with the underlying costs incurred.

In France, our Altimance business has grant income in respect of job roles created in our regional delivery centre. The grant income is recognised in the profit and loss account in accordance with the underlying recruitment and employment costs incurred.

In the UK, the grant received represents amounts received in respect of our data centre operations and is being released to the profit and loss account over the useful economic life of those assets. There are no further conditions which need to be satisfied in respect of the grant received.

4. Finance costs (net)

	2024 £'000	Restated 2023 £'000
Interest payable and similar charges	(4,508)	(1,514)
Investment income	8,014	984
Other finance income/(costs)	1,616	(1,327)
	5,122	(1,857)

	2024 £'000	2023 £'000
Interest payable and similar charges	(674)	(244)
Interest on bank loans and overdrafts	(3,162)	(920)
Interest on asset backed financing	(17)	(41)
Interest on finance leases and hire purchase contracts	(655)	(309)
	(4,508)	(1,514)

	2024 £'000	2023 £'000
Investment income		
Income/(losses) from current asset investments	1,756	(241)
Other interest receivable and similar income	6,258	1,225
	8,014	984

	2024 £'000	2023 £'000
Other finance income/(costs)		
Fair value adjustment on derivative instruments	119	(126)
Unwinding of discount on long term debtors/creditors	(410)	(98)
Foreign exchange gains/(losses)	2,358	(877)
Defined benefit pension scheme - interest costs (see note 23)	(451)	(226)
	1,616	(1,327)

5. Profit before taxation

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

	2024 £'000	Restated 2023 £'000
Depreciation of tangible fixed assets	9,810	10,802
Amortisation of intangible assets	2,915	2,403
Amortisation of goodwill	5,774	7,058
Research expenditure	1,245	1,258
Government grant income	(2,027)	(2,183)
Other operating income - Furlough schemes grants	-	(34)
Operating lease rentals	20,661	17,175
Foreign exchange gains	(3,207)	(324)
Other operating income	(2,107)	(1,477)
Gain on derecognition of financial assets	(1,705)	(1,238)
Sublet rental income	(6)	(138)
Loss/(gain) on disposal of fixed assets	195	(15,299)
Cost of stock recognised as an expense	2,729,597	2,628,566
(Reversal of impairment)/impairment of stock recognised as an expense	(1,393)	1,342

Amortisation of goodwill, impairments and reversal of impairment of fixed assets and intangible assets are included within administrative expenses.

Impairment of stock is booked to cost of sales. Impairment and releases of stock provisions were made following the annual reassessment at year end of stock selling price less costs to complete.

Government support provided under national equivalents of furlough schemes of nil (2023: £34,000) has been included within other operating income. Furlough scheme grants were claimed in the year ending 31 March 2023 in France.

The analysis of auditor's remuneration is as follows:

	2024 £'000	Restated 2023 £'000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	125	53
Fees payable to the Company's auditor and their associates for the audit of the Company's subsidiaries pursuant to legislation	1,067	718
Total audit fees	1,192	771
Tax compliance services	14	15
Other advisory services	91	84
Total non-audit fees	105	99

No services were provided pursuant to contingent fee arrangements.

6. Staff costs

The average monthly number of employees of the Group was:

	Group		Company	
	2024	Restated 2023	2024	2023
Sales	1,407	1,318	-	-
Administration	2,054	1,867	5	-
Engineering	3,060	2,865	-	-
Warehouse	275	265	-	-
	6,796	6,315	5	-

Their aggregate remuneration comprised:

	Group		Company	
	2024 £'000	Restated 2023 £'000	2024 £'000	2023 £'000
Wages and salaries	291,716	258,723	890	-
Social security costs	67,916	62,498	26	-
Pension costs - defined contribution schemes	3,894	2,716	5	-
Pension costs - defined benefit schemes	907	1,012	-	-
	364,433	324,949	921	-

Aggregate remuneration excludes redundancy payments for the Group of £5,475,000 (2023: £3,230,000). Redundancy cost in the Company were nil (2023: Nil).

7. Directors' remuneration and transactions

Remuneration

The directors Sir Peter Rigby, Ms PA Rigby, Mr JP Rigby, Mr SP Rigby and Mr P Whitfield are paid by Rigby Group (RG) plc, the ultimate parent company, and as such their total emoluments are disclosed in the financial statements of Rigby Group (RG) plc, but it is not practicable to determine the proportions of such emoluments which are attributable to the directors' services to the Company.

Total remuneration for these directors for the year was £3,418,000 (2023:£2,485,000). Together these directors are accruing pension benefits of £13,000 (2023:£12,000).

8. Tax on profit

	2024 £'000	Restated 2023 £'000
Current tax		
UK Corporation tax	1,266	887
Foreign tax	13,995	19,814
	15,261	20,701
Adjustments in respect of prior years		
UK Corporation tax	(692)	25
Foreign tax	24	(712)
Total current tax	14,593	20,014
Deferred tax		
Origination and reversal of timing differences	(2,662)	(2,784)
Adjustments in respect of prior years	692	43
Effect of changes in tax rates	-	315
Total deferred tax (note 16)	(1,970)	(2,426)
Total tax on profit	12,623	17,588

The standard rate of corporation tax in the UK is currently 25%, which was effective from 1st April 2023 (2023: 19%). Deferred tax at the balance sheet date has been measured using this tax rate and reflected in these financial statements. Deferred tax assets and liabilities of the foreign entities have been measured utilising the corresponding foreign standard rates of corporation tax substantively enacted at the balance sheet date.

The Group is within scope of the Pillar Two legislation which has been enacted or substantively enacted in certain jurisdictions the Group operates.

On 11 July 2023, the UK Finance (No. 2) Act 2023, enacted the Pillar Two income taxes legislation effective from 1 January 2024. The legislation will be effective for the Group's financial year beginning 1 April 2024. Under the legislation, Rigby Group (RG) plc may be required to pay top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15 per cent.

The Group has performed an assessment of the Group's potential exposure to Pillar Two income taxes using data from the most recent tax filings, country-by-country reporting, and financial statements for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. In jurisdictions this is not the case, other transitional safe harbour reliefs would apply, such as the de minimis or the substance-based reliefs. Therefore, the Group does not expect a material exposure to Pillar Two top up taxes.

The Group will continue to assess the full impact of the Pillar Two income taxes on its future financial performance.

Deferred tax assets and liabilities of the foreign entities have been measured utilising the corresponding foreign standard rates of corporation tax substantively enacted at the balance sheet date.

8. Tax on profit (Continued)

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2024 £'000	Restated 2023 £'000
Factors affecting the tax charge for the year		
Profit before tax	42,372	67,085
Tax on profit at standard UK corporation tax rate of 25% (2023: 19%)	10,593	12,746
Effects of:		
Expenses not deductible for tax purposes	3,016	3,391
Income not taxable for tax purposes	(835)	(730)
Overseas tax relief	(406)	(176)
Utilisation or recognition of previously unrecognised losses	(27)	(1,511)
Other deferred tax asset not recognised	-	(10)
Effect of overseas tax rates	(172)	3,571
Other overseas taxes	430	635
Adjustment in respect of prior years	24	(643)
Effect of tax rate changes	-	315
Group total tax charge for year	12,623	17,588

9. Profit attributable to SCC EMEA Limited

The profit for the financial year within the financial statements of SCC EMEA Limited was £17,370,000 (2023: £20,565,000).

The Company paid dividends in the year of £12,750,000 (2023: £19,800,000). As permitted by section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the Company.

10. Dividends

Amounts recognised as distributions to equity holders in the period:

	2024 £'000	2023 £'000
Dividends to equity holders		
Dividend of 10.32p per share (2023: 16.02p per share)	12,750	19,800

	2024 £'000	2023 £'000
Dividends paid by subsidiary to non-controlling interest		
Dividend of 0p per share (2023: 1.07p per share)	-	157

All dividends were approved by the shareholders and cash settled during the year. In the prior year, £19.8m of dividends were approved by the shareholders of which £9m were cash settled in the current year.

11. Intangible fixed assets

	Goodwill £'000	Software costs £'000	Development costs £'000	Total £'000
Cost				
At 1 April 2023	89,610	38,746	21,854	150,210
Acquisitions	44,190	1,539	-	45,729
Additions	196	3,325	6,915	10,436
Reclassifications	-	83	(83)	-
Disposals	-	(111)	-	(111)
Exchange differences	(1,010)	(281)	(3)	(1,294)
At 31 March 2024	132,986	43,301	28,683	204,970
Amortisation				
At 1 April 2023	58,031	21,503	-	79,534
Charge for the year	5,774	2,915	-	8,689
Disposals	-	(111)	-	(111)
Exchange differences	(1,006)	(214)	-	(1,220)
At 31 March 2024	62,799	24,093	-	86,892
Net Book Value				
At 31 March 2024	70,187	19,208	28,683	118,078
At 31 March 2023	31,579	17,243	21,854	70,676

Goodwill of £31,807,000 has been recognised in the year for the acquisition of Nimble Delivery Ltd and is being amortised over a period of 20 years.

Goodwill of £12,383,000 has been recognised in the year for the acquisition of Resonate-UCC Holdings Ltd and subsidiaries and is being amortised over a period of 10 years (see note 14).

Goodwill also includes amounts relating to the acquisitions of Visavvi £9,623,000 (2023: £10,585,000) which is being amortised until Jul-32, Vohkus £9,958,000 (2023: £11,103,808) which is being amortised until Mar-33 and Civica £3,460,000 (2023: £3,893,000) which is being amortised until Apr-32.

Amortisation charged on goodwill, and software costs are included within administrative expenses in the profit and loss account.

Included is an amount of £27,643,000 (2023: £20,818,000) relating to the development of the ERP system in Specialist Computer Centers Plc, which is considered material to the group and has not yet gone live so has not yet commenced amortisation.

Development costs have been capitalised in accordance with the requirements of FRS 102 and are therefore not treated, for dividend purposes, as a realised loss.

There are no intangible fixed assets in the Company.

12. Tangible fixed assets

	Land and Buildings				
	Freehold £'000	Leasehold £'000	Fixtures and equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 April 2023	22,446	26,973	112,014	2,367	163,800
Acquisitions	-	-	254	-	254
Additions	-	6,476	4,523	-	10,999
Disposals	-	(215)	(1,848)	(411)	(2,474)
Exchange differences	-	(183)	(474)	-	(657)
At 31 March 2024	22,446	33,051	114,469	1,956	171,922
Depreciation					
At 1 April 2023	6,900	11,469	82,132	1,616	102,117
Charge for the year	456	1,390	7,723	241	9,810
Disposals	-	(170)	(1,848)	(220)	(2,238)
Exchange differences	-	18	(356)	-	(338)
At 31 March 2024	7,356	12,707	87,651	1,637	109,351
Net Book Value					
At 31 March 2024	15,090	20,344	26,818	319	62,571
At 31 March 2023	15,546	15,504	29,882	751	61,683

Included above are Motor Vehicles held under finance lease and hire purchase contracts with a value of £320,000 (2023: £562,000) which are held as securities against finance lease liabilities.

There are no tangible fixed assets in the Company.

13. Investments

	Shares in subsidiary undertakings £'000
Cost and net book value	
As at 1 April 2023	72,378
Acquisition of Nimble Delivery Limited	36,882
Acquisition of Rigby Capital Holdings and subsidiary undertaking	5,000
As at 31 March 2024	114,260

SCC EMEA Limited directly and indirectly holds investments of the ordinary share capital in the following subsidiaries.

Group subsidiary undertakings	Country of incorporation	Nature of holding	Holding	Principal activity
SCC UK Holdings Limited	England and Wales	Direct	100%	Holding company
SCC Overseas Holdings Limited	England and Wales	Direct	100%	Holding company
Specialist Computer Centres plc	England and Wales	Indirect	100%	Systems integration
Specialist Computer Services Limited	England and Wales	Indirect	100%	Dormant
SCC Data Centre Services Limited	England and Wales	Indirect	100%	Dormant
SCC Capital Limited	England and Wales	Indirect	100%	Dormant
SCC (UK) Limited	England and Wales	Indirect	100%	Dormant
SCC AVS Limited	England and Wales	Indirect	100%	Dormant
Visavvi Limited	England and Wales	Indirect	100%	Audio visual services
Quadra Concepts (UK) Limited	England and Wales	Indirect	100%	Manufacture of furniture
Sea Holdings (UK) Limited	England and Wales	Indirect	100%	Holding company
Sea Holdings Limited	England and Wales	Indirect	100%	Holding company
Quadra AV Furniture Limited	England and Wales	Indirect	100%	Dormant
Saville Audio Visual Group Limited	England and Wales	Indirect	100%	Dormant
The Saville Group Limited	England and Wales	Indirect	100%	Dormant
Vohkus Limited	England and Wales	Indirect	100%	Systems integration
E-Plenish Limited	England and Wales	Indirect	100%	Systems integration
Meggha Technologies SRL	Romania	Indirect	100%	Systems integration
Meggha Private Ltd	Singapore	Indirect	100%	Systems integration
Meggha Technologies Private Ltd	India	Indirect	100%	Systems integration
Meggha Technologic Services SL	Spain	Indirect	100%	Systems integration
Meggha Limited	England and Wales	Indirect	100%	Dormant
Azure Factory Limited	England and Wales	Indirect	100%	Dormant
Resonate Consultancy Ltd	England and Wales	Indirect	100%	Holding company
Resonate-UCC Holdings Ltd	England and Wales	Indirect	100%	Systems integration
Resonate Services s.r.o.	Slovakia	Indirect	100%	Systems integration
Resonate Benelux B.V.	Netherlands	Indirect	100%	Systems integration
UCC Resonate India Private Limited	India	Indirect	100%	Systems integration
Resonate-UCC Consultancy LLC	USA	Indirect	100%	Systems integration
M2 Digital Limited	England and Wales	Indirect	100%	Dormant
M2 Smile Limited	England and Wales	Indirect	100%	Dormant
Flow AI (Automated Intelligence) Limited	England and Wales	Indirect	100%	Dormant
Rigby Capital SAS	France	Indirect	100%	Systems integration
Rigby Group SAS	France	Indirect	100%	Holding company
SCC France SAS	France	Indirect	100%	Systems integration
Large Network Administration SAS	France	Indirect	100%	Systems integration

13. Investments (Continued)

Group subsidiary undertakings	Country of incorporation	Nature of holding	Holding	Principal activity
Flowline Technologies SAS	France	Indirect	100%	Systems integration
Altimance SAS	France	Indirect	100%	Systems integration
E-Altimance SAS	France	Indirect	100%	Systems integration
Recyclea SAS	France	Indirect	55%	IT recycling
Specialist Computer Centres SL	Spain	Indirect	100%	Systems integration
Specialist Computer Services SL	Spain	Indirect	100%	Systems integration
S.C. SCC Services Romania S.R.L	Romania	Indirect	100%	Systems integration
Specialist Computer Centres Vietnam Company Limited	Vietnam	Indirect	100%	Systems integration
Rigby Capital Holdings Limited	England and Wales	Direct	100%	Holding company
Rigby Capital Ltd	England and Wales	Indirect	100%	Leasing
Nimble Delivery Limited	England and Wales	Direct	100%	Systems integration

See page 122 for the registered addresses of all subsidiaries of SCC EMEA Limited.

On 26th April 2024 SCC France SAS disposed of its 55% shareholding of Recyclea SAS to a third party.

14. Acquisitions

Nimble
On 25 August 2023, SCC EMEA Ltd acquired 79.9% of the share capital of Nimble Delivery Limited, with a put and call option in place to acquire the remaining share capital by 2028. As the remaining share capital is expected to be acquired with near certainty the acquisition has been accounted for as if 100% owned. Total consideration was £36,883,000, of which £6,323,000 was deferred and expected to be paid by July 2026. Cash balances acquired totalled £4,089,000. In the year ended 31 March 2024 turnover of £8,524,000 and profit of £894,000 was included in the consolidated profit and loss account since the date of acquisition.

Resonate
On 19 February 2024 Specialist Computer Centres plc acquired the entire share capital of technology consultancy and services provider Resonate-UCC Holdings Limited (incorporated in the UK), which included subsidiary undertakings of Resonate Consultancy Ltd (incorporated in the UK), Resonate Services s.r.o. (incorporated in Slovakia), Resonate Benelux B.V. (incorporated in the Netherlands), Resonate-UCC Consultancy LLC (incorporated in the USA) and UCC Resonate India Private Limited (incorporated in India). Total consideration was £14,781,000, of which £5,323,000 was deferred and expected to be paid by July 2026. Cash balances acquired totalled £748,000. In the year ended 31 March 2024 turnover of £1,2111,000 and a profit of £39,000 was included in the consolidated profit and loss account since the date of acquisition.

Visavvi
During the year ended 31 March 2024, a repayment of £128,000 was received from the sellers following the finalisation of the acquisition, and in addition there were fair value adjustments to the opening balance made of £248,000 which resulted in an increase in goodwill of £120,000.

Vohkus
During the year ended 31 March 2024, fees paid were adjusted by £12,000, and fair value adjustments were made to the opening balance sheet of £64,000 which resulted in an increase to goodwill of £76,000.

Rigby Capital
On the 1 April 2023 Rigby Capital Holdings Limited and its subsidiary Rigby Capital Limited were acquired by SCC EMEA Limited from a fellow subsidiary of Rigby Group (RG) Plc for consideration of £5,000,000, this has been accounted for as a merger and the prior year balances have been restated accordingly as if Rigby Capital was part of the group in the prior year.

14. Acquisitions (Continued)

The fair value of the assets and liabilities acquired in each acquisition are given in the table below.

	Nimble £'000	Resonate £'000	Rigby Capital £'000	Total £'000
Fixed assets				
Intangible	-	1,539	275	1,814
Tangible	226	28	10	264
			-	-
Current Assets				
Stocks	-	-	7	7
Debtors	2,669	1,642	25,525	29,836
Cash at bank	4,089	748	25	4,862
Total Assets	**6,984**	**3,957**	**25,842**	**36,783**
Creditors				
Bank loans / financing	-	-	(488)	(488)
Trade creditors	(175)	(193)	(4,939)	(5,307)
Accruals	(1,605)	(1,326)	(1,411)	(4,342)
Provisions	(68)	-	(67)	(135)
Amounts owed to group undertakings	-	-	(13,583)	(13,583)
Taxation (net)	(61)	(39)	(534)	(634)
Total Liabilities	**(1,909)**	**(1,558)**	**(21,022)**	**(24,489)**
Net Assets	**5,075**	**2,399**	**4,820**	**12,294**
Goodwill (note 11)	31,807	12,383	-	44,190
Merger Reserve (note 24)	-	-	180	180
	36,882	**14,782**	**5,000**	**56,664**
Satisfied by				
Cash consideration	29,364	8,813	5,000	43,177
Legal and other fees	1,195	646	-	1,841
Deferred consideration	6,323	5,323	-	11,646
	36,882	14,782	5,000	56,664
Summary of cash impact				
Cash consideration	(29,364)	(8,813)	(5,000)	(43,177)
Legal and other fees	(1,195)	(646)	-	(1,841)
Cash acquired	4,089	748	-	4,837
Cash repayment - Visavvi	-	-	-	128
	(26,470)	(8,711)	(5,000)	(40,053)

The acquisition of Rigby Capital has been treated as a merger in accordance with FRS 102, and so prior year balances have been restated as if Rigby Capital was part of the group in the prior year.

15. Stocks

	Group	
	2024 £'000	Restated 2023 £'000
Goods held for resale	26,855	42,279
Print consumables	4,749	4,995
Maintenance stock	2,502	3,019
	34,106	50,293

There is no material difference between the carrying value of stocks and their replacement cost. The Company has no stock holding at either year end.

16. Debtors

	Group		Company	
Amounts falling due within one year:	2024 £'000	Restated 2023 £'000	2024 £'000	2023 £'000
Trade debtors	428,156	412,067	-	-
Amounts owed by Group undertakings	618	412	23,299	25,852
Amounts owed by associated companies	18	19	-	-
Other debtors	66,245	72,047	12	-
VAT	64,066	58,059	7	5
Group relief debtor	-	143	761	-
Corporation tax	5,048	4,658	-	-
Prepayments	44,902	39,860	1,472	-
Accrued income	66,450	93,592	-	-
Amounts owed by related parties	3,436	3,435	3,436	3,435
Amounts receivable under finance leases	3,163	1,804	-	-
Deferred taxation	7,868	7,410	645	1,343
	689,970	693,506	29,632	30,635

Amounts owed by group undertakings consists of £425,000 (2023:£69,000) owed by the immediate parent company and £193,000 (2023: £343,000) owed by fellow subsidiaries. These amounts are unsecured, interest free, have no fixed date of repayment and are repayable on demand; however we do not anticipate needing to recall any funds in the next 12 months.
Amounts owed by group undertakings to the Company are all owed by subsidiaries.

Amounts falling due after more than one year:

	Group		Company	
	2024 £'000	Restated 2023 £'000	2024 £'000	2023 £'000
Trade debtors	32	540	-	-
Other debtors	1,635	2,181	-	-
Amounts receivable under finance leases	2,506	2,505	-	-
Deferred taxation	10,312	5,727	2,706	-
	14,485	10,953	2,706	-

16. Debtors (Continued)

Deferred Taxation

The Group's net deferred taxation asset	2024 £'000	Restated 2023 £'000
Deferred taxation asset		
- recoverable within one year	7,868	7,410
- recoverable after more than one year	10,312	5,727
Deferred taxation liability		
- payable within one year	(2,960)	(575)
- payable after more than one year	(8,895)	(8,071)
	6,325	4,491

	Group £'000	Company £'000
At 1 April 2023	4,491	1,343
Credit to profit and loss account (See note 8)	1,970	2,008
Amount credited to other comprehensive income	245	-
Movement arising from the acquisition of business	(87)	-
Exchange differences	(294)	-
At 31 March 2024	6,325	3,351

The deferred taxation asset is made up as follows:	Group		Company	
	2024 £'000	Restated 2023 £'000	2024 £'000	2023 £'000
Depreciation on revaluation of non-qualifying assets	(1,043)	(1,079)	-	-
Depreciation in excess of capital allowances	(10,694)	(7,854)	-	-
Deferred tax arising in relation to retirement benefits	3,674	5,527	-	-
Tax losses available	10,497	3,797	2,706	1,343
Other timing differences	3,891	4,100	645	-
	6,325	4,491	3,351	1,343

The deferred taxation asset not provided is made up as follows:	2024 £'000	2023 £'000
Group		
Tax losses available	324	324

A deferred taxation asset amounting to £324,000 (2023: £324,000) in respect of non-expiring UK capital losses has not been recognised due to limited opportunities to relieve future expected capital gains.

The net reversal of deferred tax assets and liabilities expected in the 12 months to 31 March 2025 is £4,935,000. This is expected to arise due the reversal of short term timing differences and utilisation of brought forward tax losses less reversal of deferred tax liabilities on fixed asset timing differences (as a result of depreciation anticipated to be higher than available capital allowances).

Further reversals (or further increases in deferred tax balances) may arise as a result of revaluations of investment property or changes in the defined benefit pension provisions. As future deferred tax balances, if any, will be dependent on future changes in fair values of assets and liabilities, it is not possible to estimate any further future reversals.

The company has no unrecognised deferred tax assets at 31 March 2024 (2023: None).

17. Current asset investments

	Group and Company	
	2024 £'000	2023 £'000
Listed investments - at fair value	31,323	29,555
	31,323	29,555

The fair value of listed investments, which are all bonds traded in active markets, was determined with reference to the quoted market price at the reporting date.

18. Derivative financial instruments

	2024 £'000	2023 £'000
Group		
Assets - Forward foreign currency contracts	11	12
Liabilities - Forward foreign currency contracts	(5)	(126)
	6	(114)

The Group enters into contracts to buy goods in US Dollars. The Group entered into forward foreign currency transactions to hedge the exchange rate risk arising from these anticipated future transactions, which were considered by management as hedges of foreign exchange risk in a highly probable forecast transaction. The hedged cash flows are expected to occur and to affect profit and loss within the next year.

A net profit of £120,000 (2023: loss of £126,000) was recognised in the profit and loss account during the year on the recognition of fair values of the forward contracts.

There is no difference between the carrying value and fair value of listed investments.

Forward foreign currency transactions are valued at fair value at the period end using quoted forward exchange rates.

The following table details the forward foreign currency contracts outstanding at the year-end:

			Nominal value		Market value	
	2024 Rate	2023 Rate	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Buy US Dollar						
Less than 3 months	1.263	1.210	13,149	4,658	13,147	4,533
From 3 months to 1 year	1.263	1.210	860	1,568	867	1,578
			14,009	6,226	14,014	6,111

There are no significant terms and conditions that may affect the amount, timing and certainty of future cash flows.

19. Creditors: amounts falling due within one year

	Group		Company	
	2024 £'000	Restated 2023 £'000	2024 £'000	2023 £'000
Obligations under finance leases and HP contracts (note 21)	123	118	-	-
Bank loans and overdrafts (note 21)	1,888	488	-	-
Other loans (note 21)	-	3,946	-	-
Trade creditors	853,221	893,150	37	-
Corporation tax	493	3,301	-	-
Group relief creditor	992	288	-	-
Amounts owed to Group undertakings	2,333	24,153	107,674	136,623
Other taxation and social security	49,731	58,740	-	-
Other creditors	93,319	97,657	-	-
Government grants	46	103	-	-
Accruals	48,176	43,837	1,312	110
Deferred income	55,125	52,476	-	-
	1,105,447	1,178,257	109,023	136,733

Amounts owed to group undertakings consists of £501,000 (2023: £19,888,000) due from the immediate parent and £1,832,000 (2023: £4,265,000) due from fellow subsidiaries, which are all payable on demand.

The Company has an outstanding loan of £79.5m (2023: £76.4m) with SCC Overseas Holdings Limited which is not subject to interest, an outstanding loan with Specialist Computer Centres Plc of £25.2m (2023: £40.4m) which is subject to 5% interest, and a balance of £501,000 (2023: £19,800,000) due from the immediate parent. All other amounts owed to group undertakings are owed to fellow subsidiaries and are payable on demand.

There are no securities over creditors except for those disclosed in note 21.

20. Creditors: amounts falling due after more than one year

	Group	
	2024 £'000	Restated 2023 £'000
Obligations under finance leases and HP contracts (note 21)	72	172
Accruals and deferred income	10,044	5,045
Government grants	-	46
Trade creditors	350	1,683
	10,466	6,946

The Company has no creditors falling due after more than one year.

21. Borrowings

	Group	
	2024 £'000	Restated 2023 £'000
Asset backed recourse debt	-	3,571
Bank overdrafts	1,888	488
Other loans	-	375
Obligations under finance leases and HP contracts	195	290
	2,083	4,724

Borrowings are repayable as follows:

	Group	
	2024 £'000	Restated 2023 £'000
On demand or within one year	2,011	4,552
Between one and two years	34	112
Between two and five years	38	60
	2,083	4,724

Finance Leases

	Group	
	2024 £'000	Restated 2023 £'000
Due within one year	123	118
In more than one year but no more than two years	34	112
In more than two years but no more than five years	38	60
	72	172

21. Borrowings (continued)

The Group's divisions have a range of borrowing facilities in place that are adequate to finance their requirements, which fluctuate during the year.

The facilities are approved by the Group's core relationship banks and the agreements are entered into by subsidiary companies. Where applicable the facilities are secured on certain assets within those businesses without recourse to the ultimate parent.

Borrowing Class	Rate	Term	Currency	Facility Value
Overdraft	BOE Base Rate +1.65%	Rolling	GBP	20,000,000
	BOE Base Rate +3.00%	Rolling	GBP	30,000
	BOE Base Rate +3.45%	Rolling	GBP	300,000
	1M EURIBOR + 0.90%	Rolling	EUR	8,000,000
	3M EURIBOR + 0.90%	Rolling	EUR	3,000,000
	1M EURIBOR + 0.75%	Rolling	EUR	8,000,000
	1M EURIBOR + 0.50%	Rolling	EUR	9,000,000
	3M EURIBOR + 0.65%	Rolling	EUR	5,000,000
	3M EURIBOR + 0.90%	Rolling	EUR	500,000
	1M EURIBOR + 0.50%	Rolling	EUR	300,000
	BOE Base Rate +1.70%	Rolling	GBP	4,000,000
Non-Recourse Facility	BOE Base Rate +1.25%	Rolling	EUR	80,000,000
	3M EURIBOR + 0.65%	Rolling	GBP	140,000,000
Recourse Facility	BOE Base Rate +2.50%	Rolling	GBP	10,000,000

Other loans in the prior year related to a Coronavirus Business Interruption Loan Scheme (CBILS) loan which has now been fully repaid.

The obligations under finance leases and hire purchase contracts in the UK are secured over motor vehicles and print equipment.

The Company had no borrowings in the current and prior year.

22. Provisions for liabilities

	Deferred contingent consideration £'000	Retirement provisions £'000	Deferred tax £'000	Other £'000	Total £'000
At 1 April 2023	1,300	13,392	8,646	583	23,921
Acquisitions	11,646	-	-	-	11,646
Charged to the profit and loss account	597	1,404	3,567	-	5,568
Charged to other comprehensive income	-	985	109	-	1,094
Utilisation of provision	-	(656)	(467)	(583)	(1,706)
Exchange difference	-	(438)	-	-	(438)
At 31 March 2024	13,543	14,687	11,855	-	40,085

Opening deferred consideration of £1,300,000 relates to the acquisition of Vohkus Limited and is expected to be paid by 31 December 2024.

Deferred consideration of £11,646,000 was recognised in the year: £6,323,000 on acquisition of Nimble Delivery Limited which is expected to be paid by 31 July 2026, and £5,323,000 on acquisition of Resonate-UCC Holdings Ltd and subsidiary undertakings which is expected to be paid by 31 July 2026.

A charge for the discounting of outstanding deferred contingent consideration of £597,000 was charged to the profit & loss account in the year: £457,000 relating to Nimble Delivery Limited and £140,000 relating to Resonate-UCC Holdings Ltd and subsidiary undertakings.

The retirement provisions relate to a statutory obligation in certain French subsidiaries, and two closed defined pension obligation schemes in the UK, see note 23.

Opening other provisions of £583,000 includes £551,000 relating to termination costs associated with the closure of Specialist Computer Services Limited and a £32,000 onerous contract provision, both of which were utilised in the year.

The Company has a provision of £6,779,000 (2023: Nil) which represents deferred contingent consideration for the acquisition of Nimble Delivery Limited; £6,322,000 recognised on acquisition and £457,000 charged in the year to the profit & loss account for the discounting of outstanding deferred contingent consideration. This is expected to be settled by 31 July 2026.

23. Employee benefits

	2024 £'000	2023 £'000
SCC France Retirement Indemnity Provision	15,066	14,183
SCC UK Defined Benefit Scheme	(379)	(791)
	14,687	13,392

23. Employee benefits (continued)

Defined Benefit Schemes

Specialist Computer Centres Plc is the employer under two defined benefit pensions schemes described below.

(i) the Specialist Computer Centres Section of the Railway Pension Scheme, a shared cost final salary pension scheme which is closed to new members. The scheme has no remaining active members and as such there will be no future contributions to the scheme made by the members or the employer. A formal actuarial valuation was undertaken as at 31 December 2019, an actuarial valuation on the scheme at 31 December 2022 is currently ongoing, the next valuation being due as at 31 December 2025.

(ii) the Specialist Computer Centres Section of the Federated Pension Plan, a shared final salary pension scheme which is closed to new members. The scheme has 3 active members (2023: 3 members) and the best estimate of the contributions payable by the Company for the next financial year is £31,000. A formal actuarial valuation was undertaken at 5 April 2022, the next valuation being due as at 5 April 2025.

For the purposes of these financial statements and in order to account for both schemes under the provisions of Section 28 of Financial Reporting Standard 102 (FRS 102), the Company, where material, has engaged the services of an external actuary to undertake a FRS 102 valuation as at 31 March 2024 and 31 March 2023.

Key assumptions used in the assessment of the liability of both schemes at the balance sheet date are as follows:

	2024 %	2023 %
Inflation	3.2	3.4
Future pension increases	2.9	3.0
Discount rate	4.9	4.8

Mortality assumptions

The assumed average additional life expectancy in years for male and female members aged 65 years now and 65 in 20 years time is as follows:

	2024	2023
Male currently aged 65	20.1	20.2
Male currently aged 45	21.7	21.8
Female currently aged 65	23.1	23.2
Female currently aged 45	24.9	25.1

Amounts recognised in the statement of comprehensive income in respect of these obligations are as follows:

	2024 £'000	2023 £'000
Current service cost	21	24
Net interest (income)/cost	(37)	4
Expenses	25	18
Total amount charged in profit and loss account	9	46
Actuarial losses/(gains)	434	(963)
Total charge/(credit) relating to defined benefit obligation	443	(917)

23. Employee benefits (continued)

Amount included in balance sheet arising from the Group's obligations

	2024 £'000	2023 £'000
Present value of defined benefit obligations	3,642	3,585
Fair value of scheme assets	(4,021)	(4,376)
Net asset recognised in the balance sheet	(379)	(791)

Movements in the defined benefit obligations were as follows:

	£'000
At 1 April 2023	3,585
Current service cost	21
Interest cost	140
Contributions	4
Actuarial gains	10
Actual benefit payments	(118)
At 31 March 2024	3,642

Movements in the fair value of scheme assets were as follows:

	£'000
At 1 April 2023	4,376
Interest income on assets	177
Loss on plan assets	(424)
Contributions	35
Actual benefit payments	(118)
Administration costs	(25)
At 31 March 2024	4,021

The analysis of the scheme assets at the balance sheet date was as follows:

	2024 £'000	2023 £'000
Growth assets	1,318	1,535
Government bonds	2,099	2,317
Non-government bonds	602	183
Cash	2	341
Total asset value	4,021	4,376

23. Employee benefits (continued)

Retirement Indemnity Provisions

Certain French subsidiaries have a legal obligation to pay a lump sum benefit to employees on retirement. The lump sum entitlement is dependent upon the length of service and final salary at retirement age.

Key assumptions used in the assessment of the liability at the balance sheet date are below.

	2024 %	2023 %
Group		
Wage inflation	1.6	1.5
Discount rate	3.5	3.7
Staff turnover rates:		
< 34 years	18.0	18.0
35 - 44 years	9.5	9.5
45 - 54 years	5.5	6.5
> 55 years	1.0	1.2

Amounts recognised in the statement of comprehensive income in respect of these obligations are as follows:

	2024 £'000	2023 £'000
Current service cost	907	950
Net interest cost	488	223
Total amount charged in profit and loss account	1,395	1,173
Recognised in other comprehensive income	551	(1,953)
Total cost/(income) relating to retirement indemnity provision	1,946	(780)

The average duration of the benefit obligation is 9.2 years (2023: 9.0 years).

Movements in the present value of defined benefit obligations were as follows:

	£'000
At 1 April 2023	14,183
Service cost	907
Interest cost	488
Actuarial losses	551
Benefits paid	(625)
Exchange differences	(438)
At 31 March 2024	15,066

24. Called-up share capital and reserves

	2024 £'000	2023 £'000
Allotted, called-up and fully-paid		
123,561,907 Ordinary shares of 5p each	6,178	6,178

Ordinary shareholders have full rights to receive dividends and capital distributions and each share confers upon the holder one vote. Ordinary shares are not redeemable. The Group's reserves comprise the following:

- Profit and loss reserve which comprises the accumulated profits and losses of the Group net of any dividends paid.
- Share premium account which represents the premium paid on the issue of share capital.
- Other reserves of £2,937,000 (2023: £7,937,000) is comprised of £3,289,000 (2023: £3,289,000) arising on the acquisition of Prime Properties Developments Limited in 2003; £(172,000) (2023: £(172,000)) merger reserve adjustments which arose on the merger of SCC UK Holdings Limited and Specialist Computers International Limited during the year ended 31 March 2004; and £(180,000) (2023: £4,820,000) which arose on the acquisition of Rigby Capital Holdings Limited by SCC EMEA Limited from a fellow subsidiary of Rigby Group (RG) Plc during the year 31 March 2024.

25. Net cash/(debt) statement

	2024 £'000	Restated 2023 £'000
Net cash/(debt) at beginning of year	**488,935**	454,912
Net cash generated by operations	**8,136**	108,264
Net capital expenditure and disposal proceeds	**(20,864)**	8,405
Interest received and paid	**(331)**	(1,017)
Advances under finance lease receivables	**(1,359)**	(1,029)
Dividends paid	**(21,750)**	(19,957)
Acquisitions	**(40,053)**	(30,084)
Current asset investments	**857**	(29,766)
Related party loans	**-**	(3,435)
New finance leases	**(46)**	(281)
Net (decrease)/increase in net cash/(debt)	**(75,410)**	31,100
Effects of foreign exchange rates	**(726)**	2,923
Net cash/(debt) at end of year	**412,799**	488,935
Components of net cash/(debt)		
Cash at bank and in hand	**414,882**	493,659
Overdrafts (note 19)	**(1,888)**	(488)
Finance Facilities (note 19)	**-**	(3,571)
Bank loans (note 21)	**-**	(375)
Obligations under finance leases and HP contracts (note 21)	**(195)**	(290)
	412,799	488,935

26. Contingent liabilities

There is a cross guarantee between certain companies within the group in relation to their overdrafts with HSBC (UK) Ltd. At 31 March 2024, the overdraft position on these accounts amounted to £nil (2023: £119,409).

27. Financial commitments

	2024 £'000	2023 £'000
Group		
Capital commitments contracted but not provided for:		
- Property, non-finance leases	295	658

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024		Restated 2023	
Group	**Land and buildings £'000**	**Other £'000**	**Land and buildings £'000**	**Other £'000**
Within one year	4,933	4,620	3,581	4,597
Between two and five years	15,964	9,607	11,609	6,080
In over five years	56,428	3	47,436	-
	77,325	14,230	62,626	10,677

Leases of land and buildings are typically subject to rent reviews at specified intervals and provide for the lessee to pay all insurance, maintenance and repair costs. The Company had no financial commitments at either year end.

28. Related party transactions

The Group has taken an exemption from disclosing transactions and balances with other wholly owned subsidiaries of Rigby Group (RG) Plc.

Sales of £65,000 (2023: £65,000) were made during the year by Specialist Computer Centres plc to The SCC Academy Limited, and purchases of £85,000 (2023: £84,000) were made during the year by Specialist Computer Centres plc from The SCC Academy Limited.

Two major shareholders of The SCC Academy Limited are also directors of Specialist Computer Centres plc. All transactions were conducted on an arm's length basis on normal trading terms. At 31 March 2024, £19,500 (2023: £19,500) was owed to Specialist Computer Centres plc to The SCC Academy, and £nil (2023: £nil) was owed by Specialist Computer Centres plc.

Two directors of the Group are trustees of The Sir Peter Rigby Charitable Trust and directors of Specialist Computer Centres plc which made sales of £nil (2023: £3,000) to The Sir Peter Rigby Charitable Trust. All transactions were conducted on an arm's length basis on normal trading terms. At 31 March 2024, £nil (2023: £nil) was owed to Specialist Computer Centres plc.

The Company advanced loans to a related party of £3,425,000 in prior year with no further advances in year, which were subject to an interest rate of 3.7%. Interest of £11,000 was accrued at the year end and the total loan balance at the year end was £3,436,000.

29. Controlling party

Ultimate parent undertaking

The Company is a subsidiary undertaking of Rigby Group (RG) plc, a company registered in England and Wales. Rigby Group (RG) plc, is the largest group of which the Company is a member that prepares consolidated financial statements including the results of the Company. Copies of the financial statements of Rigby Group (RG) plc are available from its registered office being Bridgeway House, Bridgeway, Stratford Upon Avon, Warwickshire, CV37 6YX.

The results of the Company, SCC EMEA Limited, registered in England and Wales, are consolidated into those of SCC EMEA Group, being the smallest group for which consolidated and financial statements are prepared and whose principal place of business is at James House, Warwick Road, Birmingham, B11 2LE, which is its registered office.

Ultimate controlling body

The Rigby Family control the Company as a result of being members of the group of trustees and the only beneficiaries of trusts which own 100% of the issued ordinary share capital and control 100% of the voting rights of Rigby Group (RG) Plc, the ultimate parent company.

30. Post balance sheet events

On 26th April 2024 SCC France SAS disposed of its 55% shareholding of Recyclea SAS to a third party for consideration of £3,843,000.

Directors	Sir Peter Rigby PA Rigby (resigned 30 April 2024) JP Rigby SP Rigby PN Whitfield
Company Secretary	JA Mortimer (appointed 1 April 2024)
Registered Office	James House Warwick Road Birmingham West Midlands B11 2LE United Kingdom
Auditor	Deloitte LLP Statutory Auditor Four Brindleyplace Birmingham West Midlands B1 2HZ United Kingdom
Bankers	HSBC UK Bank plc 1 Centenary Square Birmingham West Midlands B1 1HQ United Kingdom Societe Generale SA 33 Avenue de Wagram BP963-75829 Cedex 17 Paris, France Credit Industriel et Commercial SA 57 Rue de la Victorie 75452 Cedex 09 Paris, France HSBC Factoring France SA 103 Avenue des Champs-Élysées 75008 Paris, France
Lawyers	Gowling WLG (UK) LLP 2 Snowhill Birmingham West Midlands B4 6WR United Kingdom
Company Number	01428210

Entity	Registered offices
Specialist Computer Centres plc **Specialist Computer Services Limited** **SCC AVS Limited** **SCC UK Holdings Limited** **SCC Overseas Holdings Limited** **SCC (UK) Limited** **SCC Data Centre Services Limited** **SCC Capital Limited** **Resonate Consultancy Ltd** **Resonate-UCC Holdings Ltd** **Flow AI (Automated Intelligence) Limited** **M2 Digital Limited** **M2 Smile Limited**	James House, Warwick Road, Birmingham, West Midlands, B11 2LE United Kingdom
Vohkus Limited **E-Plenish Limited** **Meggha Limited** **Azure Factory Limited**	Centurion House, Barnes Wallis Road, Fareham, Hampshire, England, PO15 5TT
Meggha Technologies SRL	Str. DIMITRIE BOLINTINEANU, Nr. 26, Apartament 2, Județ Cluj, 400062 Municipiul Cluj-Napoca, Romania
Meggha Private Ltd	112 Robinson Road, Singapore
Meggha Technologies Private Ltd	Purva Premiere, Residency Road, Ward NO 76, Bengaluru (Bangalore) Urban, Karnataka, 560025
Meggha Technologic Services SL	Carrer Del Pallas 193, Barcelona, 08005, Espana
Visavvi Limited **Quadra Concepts (UK) Limited** **Sea Holdings (UK) Limited** **Sea Holdings Limited** **Quadra AV Furniture Limited** **Saville Audio Visual Group Limited** **The Saville Group Limited**	Unit 5 Millfield Lane, Nether Poppleton, York, YO26 6PQ
Rigby Capital Limited **Rigby Capital Holdings Limited**	Bridgeway House, Bridgeway, Stratford-Upon-Avon, Warwickshire, CV37 6YX
Nimble Delivery Limited	Fountain Precinct 8th Floor, Balm Green, Sheffield, South Yorkshire, S1 2JA
Resonate Service s.r.o	Štúrova 50, 040 01 Staré Mesto, Košice, Slovakia
Resonate Benelux B.V.	Blaak 520, 3011 TA ,Rotterdam, Netherlands
UCC Resonate India Private Limited	No 2/3 Mes Road,flexi Tumkur Road, Yeswanthpura Bangalore, 560022, India

Entity	Registered offices
Resonate-UCC Consultancy LLC	500 Delaware Ave, Ste 1 #1960, Wilmington, DE 1989, USA
Rigby Group SAS **SCC France SAS**	96 Rue des Trois Fontanot, 92000, Nanterre, France
Rigby Capital SAS **Large Network Administration SAS**	91 Rue Salvador Allende 92000,Nanterre, France
Flow Line Technologies SAS	575-655 Batiment D, 575 Alle Des Parcs 69800, Saint Priest, France
Altimance SAS **E-Altimance SAS**	258 Avenue Roland, Moreno, Helios-Batiment A, Parc des Rives Creatives, 59410, Anzin, France
Recyclea SAS	Rue Michel Faye, 03410 Domerat, France
Specialist Computer Centres SL **Specialist Computer Services SL**	Calle Teide, 4 – Núcleo 2 – 1ª Planta 28703 San Sebastián de los Reyes Madrid, Spain
S.C SCC Romania S.R.L	Soseaua Pacurari no.138, Building IDEO, Postal code 700544, Iasi, Romania
Specialist Computer Centres Vietnam **Company Limited**	8th Floor, Maple Tree Business Centre, 1060 Nguyen Van Linh Boulevard, Tan Phong Ward, District 7, Ho Chi Minh City, Vietnam

The above companies have been included in the scope of SCC EMEA Limited's consolidation. SCC EMEA Limited approved the resolutions to exempt its subsidiaries Specialist Computer Services Limited (company number 00893138) and SCC AVS Limited (company number 05371995) from the requirements of the Companies Act 2006 related to the audit of individual accounts by virtue of article 479A (2) (a) of the said Act for the financial year ended 31 March 2024.

SCC.COM

James House, Warwick Road, Birmingham,
West Midlands B11 2LE, United Kingdom
T: +44 (0)121 766 7000 | E: online@scc.com