

TTEC Consulting (UK) Limited

Annual Report and Financial Statements

For the year ended 31 December 2022

Company Registration No. 03424866 (England and Wales)

TTEC Consulting (UK) Limited

Company Information

Directors	P Miller S Pollema M Perumal D Seybold	(Appointed 30 March 2022) (Appointed 28 November 2022)
Secretary	RM Sexton	
Company number	03424866	
Registered office	6 Braid Court Lawford Road Chiswick London W4 3HS	
Auditor	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP	

TTEC Consulting (UK) Limited

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TTEC Consulting (UK) Limited

Directors' Report

For the year ended 31 December 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company continued to be that of a global consultancy helping clients in the areas of sales & leadership execution and technology.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P Miller	
S Pollema	
R Paolillo	(Resigned 28 November 2022)
A Chambers	(Resigned 30 March 2022)
M Perumal	(Appointed 30 March 2022)
D Seybold	(Appointed 28 November 2022)

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

The auditor, Moore Kingston Smith LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the 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.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

P Miller
Director
19 December 2023

TTEC Consulting (UK) Limited

Directors' Responsibilities Statement

For the year ended 31 December 2022

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TTEC Consulting (UK) Limited

Independent Auditor's Report

To the Members of TTEC Consulting (UK) Limited

Opinion

We have audited the financial statements of TTEC Consulting (UK) Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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 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.

TTEC Consulting (UK) Limited

Independent Auditor's Report (Continued)

To the Members of TTEC Consulting (UK) Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from preparing a Strategic Report.

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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

TTEC Consulting (UK) Limited

Independent Auditor's Report (Continued)

To the Members of TTEC Consulting (UK) Limited

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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

TTEC Consulting (UK) Limited

Independent Auditor's Report (Continued)

To the Members of TTEC Consulting (UK) Limited

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

Matthew Banton (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

19 December 2023

Chartered Accountants
Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

TTEC Consulting (UK) Limited

Statement of Comprehensive Income

For the year ended 31 December 2022

		2022	2021
	Notes	£	as restated £
Turnover	3	5,231,093	4,162,416
Cost of sales		(6,129,686)	(4,947,718)
Gross loss		(898,593)	(785,302)
Administrative expenses		(1,316,176)	(1,035,762)
Other operating income	4	694,779	1,567,362
Exceptional items	5	(238,374)	286,202
Operating (loss)/profit	6	(1,758,364)	32,500
Interest payable and similar expenses	9	(100,971)	(83,439)
Loss before taxation		(1,859,335)	(50,939)
Tax on loss	10	-	(5,318)
Loss for the financial year		(1,859,335)	(56,257)

TTEC Consulting (UK) Limited

Balance Sheet

As at 31 December 2022

		2022		2021 as restated	
	Notes	£	£	£	£
Fixed assets					
Investments	11		2,052,458		2,290,832
Current assets					
Debtors	13	5,239,042		2,311,104	
Cash at bank and in hand		1,013,542		1,044,211	
		<u>6,252,584</u>		<u>3,355,315</u>	
Creditors: amounts falling due within one year	14	<u>(6,098,525)</u>		<u>(4,663,111)</u>	
Net current assets/(liabilities)			<u>154,059</u>		<u>(1,307,796)</u>
Net assets			<u>2,206,517</u>		<u>983,036</u>
Capital and reserves					
Called up share capital	17		2,250		2,250
Share premium account			249,000		249,000
Other reserves			3,082,816		-
Profit and loss reserves			<u>(1,127,549)</u>		<u>731,786</u>
Total equity			<u>2,206,517</u>		<u>983,036</u>

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

P Miller
Director

Company Registration No. 03424866

TTEC Consulting (UK) Limited

Statement of Changes in Equity

For the year ended 31 December 2022

	Share capital	Share premium account	Capital contribution reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 January 2021	2,250	249,000	-	788,043	1,039,293
Year ended 31 December 2021:					
Profit and total comprehensive profit for the year	-	-	-	79,856	79,856
Prior year adjustment (note 21)	-	-	-	(136,113)	(136,113)
Loss and total comprehensive loss for the year (as restated)	-	-	-	(56,257)	(56,257)
Balance at 31 December 2021 (restated)	2,250	249,000	-	731,786	983,036
Year ended 31 December 2022:					
Loss and total comprehensive loss for the year	-	-	-	(1,859,335)	(1,859,335)
Capital contribution	-	-	3,082,816	-	3,082,816
Balance at 31 December 2022	2,250	249,000	3,082,816	(1,127,549)	2,206,517

TTEC Consulting (UK) Limited

Notes to the Financial Statements

For the year ended 31 December 2022

1 Accounting policies

Company information

TTEC Consulting (UK) Limited is a company limited by shares incorporated in England and Wales. The registered office is 6 Braid Court, Lawford Road, Chiswick, London, W4 3HS.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows for a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The company has taken advantage of the following exemptions:

- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);
- The requirement of Section 33 Related Party Disclosures paragraph to disclose key management personnel compensation; and
- The exemption available under Section 33 Related Party Disclosures paragraph 33.1A not to disclose transactions with other wholly owned members of the group.

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

TTEC Consulting (UK) Limited is a wholly owned subsidiary of TTEC Holdings, Inc and the results of TTEC Consulting (UK) Limited are included in the consolidated financial statements of TTEC Holdings, Inc which are available from 6312 South Fiddler's Green Circle, Greenwood Village, Colorado, USA 80111.

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

1.3 Going concern

As at 31 December the balance sheet includes net current assets of £154,059 (2021: £1,307,796 liabilities restated). The company made a loss for the year of £1,859,335 (2021: £56,257 restated).

The company has received written confirmation from the group undertakings detailed in note 14 that they will not demand repayment of the loans totalling £4,258,715 for at least twelve months from the date of signing of these financial statements.

The company has also received written confirmation from its ultimate parent undertaking TTEC Holdings, Inc. that it will provide sufficient financial support to the company to enable it to meet its ongoing liabilities as they fall due for a period of at least twelve months from the date of signing these financial statements.

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The company recognises turnover when services have been provided, the amount can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable. When services have been delivered but not yet billed by the balance sheet date, income is accrued. Where amounts are received in advance of delivery, income is deferred based on the percentage of services not yet completed.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other, or basic financial instruments measured at fair value.

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

1.8 Equity instruments

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

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

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

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

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Share-based payments

Share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest.

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

2 Judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Revenue recognition

Revenue from contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using the time spent to date compared to the total time expected to be required to undertake the contract. Estimates of the total time required to undertake the contracts are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

Recoverability of amounts due from group undertakings

Management have assessed the recoverability of amounts due from group undertakings based on current and forecast trading. The assumptions underlying the forecast trading may differ from the actual results.

Carrying value of investments

The investment in Strategic Communications Services Limited of £2,052,548 is included at cost less impairment. Management have assessed the carrying value of the investment using discounted future cash flows. The forecast future cash flows of Strategic Communications Services Limited may differ from the actual cash flows due to a variety of factors which could impact the cash flows of Strategic Communications Services Limited in future years.

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

3 Turnover

The company's turnover derives solely from its principal activity.

Turnover analysed by geographical market

	2022 £	2021 £
United Kingdom	3,740,162	3,349,614
Rest of World	1,490,931	812,802
	<u>5,231,093</u>	<u>4,162,416</u>

4 Other operating income

Other operating income relates to the recharge of salaries and associated employment costs to the subsidiary, Strategic Communications Services Limited. The costs are recharged at cost with no mark up applied.

5 Exceptional items

	2022 £	2021 £
Impairment of investment in subsidiary undertaking	238,374	-
Exit from premises	-	(286,202)
	<u>238,374</u>	<u>(286,202)</u>

In the prior year the negotiations in respect of the exit from the premises at the lease break clause date of 29 September 2021 were finalised and resulted in a credit of £286,202.

At 31 December 2022 the directors assessed the carrying value of the investment in the subsidiary, Strategic Communications Services Limited, based on discounted future cash flows resulting in an impairment of £238,374 (2022: £nil).

6 Operating (loss)/profit

	2022 £	2021 as restated £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	120,617	(8,864)
Fees payable to the company's auditor for the audit of the company's financial statements	44,395	27,093
Share-based payments	61,115	65,570
Operating lease charges	-	8,642
	<u></u>	<u></u>

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

7 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Directors	1	1
Consultants	25	19
Administration	18	6
SCS employees	7	11
Total	51	37

Their aggregate remuneration comprised:

	2022 £	2021 as restated £
Wages and salaries	5,402,516	4,098,497
Social security costs	604,559	581,345
Pension costs	274,322	194,804
	6,281,397	4,874,646

The costs above include the salaries and associated employment costs that are recharged to the subsidiary, Strategic Communications Services Limited. The costs are recharged at cost with no mark up applied.

8 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	194,634	392,334
Company pension contributions to defined contribution schemes	9,732	8,676
Compensation for loss of office	133,952	-
	338,318	401,010

Remuneration in respect of the highest paid director was £178,577 (2022: £401,010), including compensation for loss of office of £133,952 (2022: £nil).

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

9 Interest payable and similar expenses

	2022 £	2021 £
Interest payable to group undertakings	100,971	83,439

10 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profit/(loss) for the current period	-	5,522
Deferred tax		
Origination and reversal of timing differences	-	(204)
Total tax charge	-	5,318

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 as restated £
Loss before taxation	(1,859,335)	(50,939)
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2021: 19%)	(353,274)	(9,678)
Tax effect of expenses that are not deductible in determining taxable profit	-	5,236
Other timing differences	-	9,760
Losses carried forward	353,274	-
Total charge	-	5,318

11 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	12	2,052,458	2,290,832

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

11 Fixed asset investments (Continued)

Movements in fixed asset investments

Shares in group undertakings

£

Cost or valuation

At 1 January 2022 & 31 December 2022 4,795,950

Impairment

At 1 January 2022 2,505,118

Impairment losses 238,374

At 31 December 2022 2,743,492

Carrying amount

At 31 December 2022 2,052,458

At 31 December 2021 2,290,832

The directors have assessed the carrying value of the investment in the subsidiary at 31 December 2022 and determined that an impairment is required as detailed in note 5.

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Strategic Communications Services Limited	6 Braid Court, Lawford Road, Chiswick, London, W4 3HS	Technology activities	Ordinary	100	-

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Strategic Communications Services Limited	964,478	3,496,448

The year end of Strategic Communications Services Limited is 31 March. The figures for profit/(loss) and capital and reserves are those of the audited financial statements for the year ended 31 March 2023.

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

13 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	717,968	944,004
Amounts owed by group undertakings	3,973,863	836,888
Other debtors	-	1,363
Prepayments and accrued income	547,211	528,849
	<u>5,239,042</u>	<u>2,311,104</u>

14 Creditors: amounts falling due within one year

	2022	2021
	£	as restated £
Trade creditors	124,090	27,166
Amounts owed to group undertakings	4,937,225	2,861,412
Corporation tax	5,318	5,318
Other taxation and social security	249,056	235,018
Other creditors	17,693	22,031
Accruals and deferred income	765,143	1,512,166
	<u>6,098,525</u>	<u>4,663,111</u>

Amounts due to group undertakings of £678,510 (2021: £601,449) are interest free, unsecured and repayable on demand. An amount due to a group undertaking of £3,815,612 (2021: £1,932,063) is unsecured, incurs interest at 2% and is due for repayment on 1 May 2023. On 1 May 2022, the terms changed to an interest rate of 5.97% and a repayment date of 1 May 2024. An amount due to a group undertaking of £443,103 (2021: £327,900) is unsecured, incurs interest at 4% and is due for repayment by 1 March 2025.

15 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>274,322</u>	<u>194,804</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension commitments included in other creditors at the year end were £18,393 (2021: £22,811).

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

16 Share-based payment transactions

The company operates a Restricted Stock Unit (RSU) scheme offering shares in TTEC Holdings, Inc, the company's ultimate parent company. The scheme has time based vesting conditions and the RSUs lapse when employment ceases. The RSUs will be settled with the exercise of shares at the market value on the date of exercise (equity settled).

	Number of restricted stock units	
	2022	2021 as restated
	Number	Number
Outstanding at 1 January 2022	10,141	6,016
Granted	3,826	5,717
Forfeited	(9,927)	-
Exercised	(1,076)	(1,592)
Outstanding at 31 December 2022	2,964	10,141

During the year, the company granted 3,826 (2021: 5,717) RSUs. The fair value at grant of the RSUs has been calculated as the market value of the shares at grant less the expected dividends over the expected vesting period.

During the year, the company recognised total share-based payment expense of £61,115 (2021: £65,570 restated) which relates to share based payment transactions for the RSUs.

The disclosure above relating to the number of RSUs outstanding at 31 December 2021 differs from the prior year accounts as explained in the prior year adjustment note.

17 Share capital

	2022	2021
	£	£
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
1 'B' Ordinary share of £250 each	250	250
1,000 'C' Ordinary shares of £1 each	1,000	1,000
	2,250	2,250

The Ordinary shares confer on the holder the right to one vote per share in general meetings.

The 'B' Ordinary share confers on the holder the right to a vote to be not more than 20% of the total voting power of the company in general meetings regardless of the number of shares issued by the company.

The 'C' Ordinary shares have no voting rights but rank pari passu with the Ordinary and 'B' Ordinary shares in the event of a wind up and return of capital.

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

18 Capital contribution reserve

During the period the Company received a capital contribution of £3,082,816 (2022: £nil) from its parent company, TTEC Europe, B.V. The directors confirm that the parent company will not seek repayment of the amounts transferred as a capital contribution.

19 Related party transactions

At the balance sheet date, an amount of £132,750 (2021: £91,575) was due from Percepta Philippines, Inc., a 55% joint venture of the ultimate controlling party, TTEC Holdings, Inc. Percepta Philippines and TTEC Consulting (UK) Limited share a common director.

For other wholly owned group companies, TTEC Consulting (UK) Limited has taken advantage of the exemption available in accordance with FRS 102 section 33 'Related Party Disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group with which it is party to the transactions.

20 Ultimate controlling party

The company's immediate parent company is TTEC Europe, B.V, a company registered in the Netherlands.

The company is a subsidiary undertaking of TTEC Holdings, Inc., which is the ultimate parent undertaking and controlling party.

TTEC Holdings, Inc. is incorporated in the United States of America and copies of its group financial statements, which represents both the smallest and largest group into which the company is consolidated, are available from:

6312 South Fiddler's Green Circle
Greenwood Village
Colorado
USA 80111

TTEC Consulting (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2022

21 Prior period adjustment

A prior year adjustment has been recognised in the year ended 31 December 2021 of £73,721 in respect of the amount recognised in respect of the accrual for unused annual leave, which was understated in the prior year.

Another prior year adjustment has been recognised in the year ended 31 December 2021 of £62,392 in respect of the quantum of expense recognised in respect of the Restricted Stock Unit (RSU) scheme, which was understated in the prior year.

The impact of both prior year adjustments has been noted below.

Reconciliation of changes in equity

	1 January 2021 £	31 December 2021 £
Adjustments to prior year		
Holiday pay accrual adjustment	-	(73,721)
Share based payment expense adjustment	-	(62,392)
Total adjustments	-	(136,113)
Equity as previously reported	1,039,293	1,119,149
Equity as adjusted	1,039,293	983,036
Analysis of the effect upon equity		
Profit and loss reserves	-	(136,113)

Reconciliation of changes in profit/(loss) for the previous financial period

	2021 £
Adjustments to prior year	
Holiday pay accrual adjustment	(73,721)
Share based payment expense adjustment	(62,392)
Total adjustments	(136,113)
Profit as previously reported	79,856
Loss as adjusted	(56,257)

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.