

CAMBRIDGE ASSOCIATES LIMITED

Registered number: 06135829

**Group Financial Statements
For the year ended 31 December 2021**



CAMBRIDGE ASSOCIATES LIMITED

Index
31 December 2021

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CAMBRIDGE ASSOCIATES LIMITED
Registered number 06135829
Strategic report for the year ended 31 December 2021

The directors present their strategic report on the affairs of Cambridge Associates Limited (the “Company” or the “Parent Company”) and its wholly owned subsidiaries, Brook Street Limited and Cambridge Associates GmbH, (collectively referred to as the “Group”) for the year ended 31 December 2021.

Principal activities

The principal activity of the Group is to provide investment services and research to professional clients and other Group entities. The services are primarily discretionary investment management, investment advisory, investment consultancy, research and information services. The directors do not see any material change in the nature of this activity going forward. The directors intend to continue to focus on developing the expertise in the Group in order to give the best possible environment to further that growth. It is the directors’ opinion that there are no significant risks or uncertainties facing the Group other than the general risks that are inherent in its business.

The Group is authorized and regulated by the Financial Conduct Authority (“FCA”).

Business review and future developments

Group turnover for the year ended 31 December 2021 was £55.4 million, an increase of 18.4% over the 2020 turnover. The growth in turnover was primarily due to strong business trends from new clients and expanded services. This was offset by a combination of terminations and service drops.

The Group continues to focus on helping clients with their individual needs with particular focus on their longer term goals and investment objectives. As such, in order to best service our clients’ needs, staffing levels were increased during 2021.

Additionally, in order for the Group to access mutual research, talent and resources for providing successful investment advice to its clients and supporting a global operating model, the Group has a service agreement with related parties in the United States, Singapore, Australia, and China. The organizations share and fully utilize resources across its worldwide organizations following a residual profit sharing methodology with terms consistent with an arm’s length transaction. The directors believe that this agreement benefits the Group. As a result, the Group recognizes related party revenue and expense in accordance with the agreement.

Looking ahead, the directors continue to focus on business development, to deepen relationships with existing clients, and to expand the Group’s scope and capabilities consistent with the increased depth of research, markets, managers, and best practices.

The directors considered the impacts of the COVID-19 pandemic on its business, results of operations and financial condition. From an operational perspective, the Group’s business has remained open and it does not have any plans to close business operations.

Geopolitical risks, including those arising from trade tension and/or the imposition of trade tariffs, terrorist activity or acts of civil or international hostility, are increasing. Military conflict and escalating tensions between Russia and Ukraine could result in geopolitical instability and adversely affect the global economy or specific markets. Such events and responses, including regulatory developments, may cause significant volatility and declines in the global markets, disproportionate impacts to certain industries or sectors, disruptions to commerce (including to economic activity, travel and supply chains), loss of life and property damage, and may adversely affect the global economy or capital markets, as well as the Group’s products, operations, clients, vendors and employees, which may cause the Group’s revenue and earnings to decline.

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Strategic report for the year ended 31 December 2021 (continued)

Key Performance Indicators (“KPI’s”)

Throughout the year, the directors monitor KPI’s for the Group, which include ratios illustrating the growth of revenue, expenses and profit for the financial year, which the Group defines as the change in current year balance from prior year divided by prior year balance.

Group profit for the financial year ended 31 December 2021 is £10.7 million, which is up 33.5% compared to the 2020 profit for the financial year. As set out in the business review and future developments section, Group turnover for the year ended 31 December 2021 is £55.4 million, an increase of 18.4% over the 2020 turnover. Group administrative expenses for the year ended 31 December 2021 were £42.0 million, an increase of 14.3% from the 2020 administrative expenses primarily driven by increases in staff costs.

Financial risk management

The Group is subject to operational and financial risks. Financial risks include operational risk, market risk, credit risk and liquidity risk, which make up the principal financial risks and uncertainties facing the Group. The Group does not use derivative financial instruments and does not apply hedge accounting. The Group is committed to a business strategy which supports the proactive identification and assessment of risk, and uses risk information to enhance informed decision making and develop appropriate mitigation strategies. The directors monitor risks associated with the Group and work closely with the risk management department to identify potential risks and deal with them. The Group has access to various oversight functions which provide an independent perspective to assist senior management with establishing policies and procedures for effective control and risk management. These functions include a global enterprise risk management department and the Group’s compliance department.

Operational risk

Operational risk is defined as the risk of losses resulting from inadequate or failed internal processes and IT systems, employee errors, or from external events, including legal risk. The Group seeks to minimize operational risk via internal controls and the Cambridge Associates group’s professional indemnity insurance coverage.

Market risk

The Group is exposed to various types of market risk. Price risk exists indirectly as components of revenue are driven by values of advised assets and hence the fair market value of clients’ assets. Interest rate risk applies to cash and deposits with the Group’s banks, which are subject to daily interest rate variances. Foreign exchange rate risk exists on revenues derived from foreign denominated assets. Interest rate risks are managed actively and pricing risk is managed through regular monitoring of the advised assets and active cost control.

Credit risk

The Group has implemented client acceptance policies that include an assessment of asset values, financial stability and credit worthiness. This policy limits the potential for large overdue accounts and bad debts. Cash balances are held only with banks with which the Group has strong, well-established relationships.

Financial risk management (continued)

Liquidity risk

The liquidity risk policy requires the Group to maintain a framework for the management of liquidity risk which ensures that the Group has sufficient surplus liquid resources to meet operational, legal and regulatory requirements. Authority is delegated by the Group to the Chief Financial Officer to carry out the day-to-day monitoring, management and reporting of the Group liquidity, ensuring that it complies at all times with Group regulatory and other requirements.

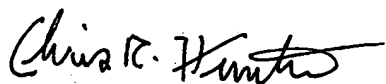
The Group is required to maintain liquidity resources which are adequate, both as to amount and quality, to ensure that there is no significant risk that its liabilities cannot be met as they fall due. As the Group holds a substantial amount of its assets in cash and short term investments, there should be minimal risk of its ability to meet the overall liquidity adequacy requirement.

The Group's liquid resources including cash and short term investment balances at 31 December 2021 were £22.4 million (£25.7 million for 2020). The directors consider the liquidity sufficient to cover the financial risk.

Results

The Group and Parent Company profit and loss accounts for the year are set out on page 14. The results for the year and the financial position at the year-end were considered to be satisfactory by the directors. The level of business is satisfactory and the directors expect this level of activity to be sustained in the foreseeable future.

On behalf of the board



Christopher Hunter
Director
27 April 2022

Registered office
62 Buckingham Gate
London SW1E 6AJ

CAMBRIDGE ASSOCIATES LIMITED
Registered number 06135829
Directors' report for the year ended 31 December 2021

The directors present their report and the audited consolidated financial statements of the Group and Parent Company for the year ended 31 December 2021. This report should be read in conjunction with the Strategic report set out on pages 2-4.

Future Developments

Future developments in the business of the Group and Parent Company are discussed in the strategic report on page 2.

Dividends

The directors have recommended and paid the following dividends: £12,584,207 for the year ended 31 December 2021 (£6,103,860 for 2020).

Directors

The directors of Cambridge Associates Limited during the year and up to the date of signing the financial statements were:

David Druley
Christopher Hunter
Christopher Ivey
Christine Farquhar

The directors benefited from the qualifying third party indemnity provisions in place during the financial year and up to the date of this report.

Capital Requirements Directive — Disclosure Policy

The Financial Conduct Authority ("FCA") rules allow the Company to omit certain disclosures if the Company believes that the information is immaterial or where the Company believes that the information is proprietary or confidential. The Company has made no omissions on the grounds that the disclosures are immaterial, proprietary or confidential.

The Company makes Pillar 3 disclosures annually. The disclosures are as at the Accounting Reference Date ("ARD") and are published on the Company website.

The directors have determined that the Company's Remuneration Structures are consistent with and promote sound and effective risk management and do not pose a risk to the Company. In accordance with the rules of the FCA, it is the intention of the directors to comply with the FCA Remuneration Code disclosures. This information is available at:
<http://www.cambridgeassociates.com/locations/london-uk/>.

Financial risk management

Information on management of financial risk by the Group is disclosed in Note 3 to the financial statements and the strategic report.

Political and charitable contributions

The Group made no disclosable political or charitable donations or incurred any disclosable political expenditures during 2021 and 2020.

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Directors' report for the year ended 31 December 2021 (continued)

Creditor payment policy

It continues to be the Group's policy to honour all of its contractual commitments and this includes paying suppliers according to agreed terms of payment.

The number of creditor days in relation to trade creditors outstanding at year end was 15 and 8 for the years ended 31 December 2021 and 2020, respectively.

Going concern assumption

The directors have evaluated the Group and Parent Company's expected financial performance and believe that the Group and Parent Company will have sufficient profitability and cash flows to allow it to continue as a going concern for at least one year after the date that the financial statements are expected to be issued, and will have sufficient capital to meet all its regulatory capital requirements.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Independent auditors

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

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Group and Parent Company and of the profit or loss of the Group and Parent Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The directors are also responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Parent Company's transactions and disclose with reasonable accuracy at any

CAMBRIDGE ASSOCIATES LIMITED
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Directors' report for the year ended 31 December 2021 (continued)

Statement of directors' responsibilities in respect of the financial statements (continued)

time the financial position of the Group and Parent Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' statement of compliance with section 172(1)

Section 172(1) requires each director to act in a way he or she considers, in good faith, would be most likely to promote the success of the Group for the benefit of its members, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term
- the interests of the Group's employees
- the need to foster the Group's business relationships with suppliers, customers, and others
- the impact of the Group's operations on the community and the environment
- the desirability of the Group maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Group.

The Board's Approach to Section 172

Cambridge Associates' Firm Values, which guide how the firm operates, provide the starting point for the directors' adherence to Section 172(1). These, together with the Group's strategic goals and Corporate Social Responsibility statement, underpin all key decisions of the directors, as well as business-as-usual operational matters, on the belief that its culture is the most critical variable underpinning the organisation.

The Board approaches key decisions through the lens of achieving Cambridge Associates' mission to help its clients build portfolios that meet their investment objectives. To that end, operational priorities are agreed periodically within the Group and progress against those priorities is tracked on an ongoing basis. The factors that feed into that assessment typically include, as appropriate:

- the financial impact on the Group;
- any impact on the Group's employees, third parties and the community more generally; and
- any potential reputational impact.

The Board is aware of and understands its obligations under Section 172.

Long Term Decision Making

The Group's governance structures are designed to enable the directors to exercise comprehensive oversight over the Group's entire business, including monitoring the Group's financial position, business activities (including interactions with clients and regulatory compliance), employee issues and contribution to the Cambridge Associates group's mission and purpose.

Directors' statement of compliance with section 172(1) (continued)

During 2021, the directors adopted new or updated versions of the following documents:

- Q1 2021 board meeting – 14 April 2021
 - Anti-Bribery Corruption (“ABC”) Policy Statement
 - Benefits and Committee Terms of Reference (“TOR”) approved
- Q2 Board meeting – 30 June 2021
 - Stewardship Code Disclosure Statement and Pillar 3 Capital Requirements Directive (“CRD”) Disclosure Statement
- Q3 Board meeting – 4 October 2021
 - Product Governance Committee TOR approved
- Q4 Board meeting – 7 December 2021
 - Internal Capital Adequacy Assessment Process (“ICAAP”) report and Liquidity and Contingency Funding Policy

These governance documents contribute to the directors' approach to key business and governance matters and help to ensure that the directors exercise adequate oversight and take decisions in a manner consistent with Cambridge Associates' Firm Values and wider approach to conduct of business.

Employees, Community, and the Environment

The Group utilises a range of tools to ensure appropriate engagement with various stakeholders. For example, in conjunction with the Group's ultimate parent Cambridge Associates LLC (“CA LLC”), the Group undertakes a bi-annual engagement survey with all staff to better understand areas of staff dissatisfaction and where any areas of increased focus by the Group may be required.

In 2021, as part of the CA LLC's global focus on diversity, equity, and inclusivity, the directors reviewed the diversity and inclusion strategy for the Group. The directors are tasked with oversight of these measures and the UK ExCom has seen an increased emphasis on talent management. Employees have access to a range of resource groups that offer rich connection points for networking and community engagement.

Also, during 2021, the Group continued to encourage a culture of civic engagement with its employees and to maximise its impact, as a business, on local communities.

Business Relationships and Standards of Business Conduct

The Group follows CA LLC's global guidance for engaging with third parties for initial onboarding or renewing of relationships, engagements and/or purchases, together with ongoing monitoring. In this way, the directors strive to properly manage these third-party relationships and ensure that the Group seeks only to engage with suitable counterparties. The Group considers effective management of third-party risks to be an important part of servicing its clients and preserving its reputation.

Cambridge Associates operates a Global Risk Committee (the “GRC”) to coordinate and monitor risk and assurance measures for the Cambridge Associates Group. The Group has also constituted the UK RiskCom as a committee of its Board of Directors which reports into the GRC and the Group's directors. The directors have due regard for the information and recommendations flowing from both the GRC and UK RiskCom to ensure that the Group appropriately considers and responds to risks as necessary.

Directors' statement of compliance with section 172(1) (continued)

The directors believe it is important to apply robust governance practices which encourage behaviour consistent with Cambridge Associates' Firm Values; facilitate appropriate transparency as regards relevant stakeholders; ensure appropriate regulatory compliance; and bolster confidence in the organisation's underlying approach to business matters. This governance structure enables the directors to focus on applying standards consistently across the Group, which helps to ensure that matters implicating clients, employees, third parties and the wider community are purposefully addressed in a consistent manner, with due regard to Cambridge Associates' global approach to business practices and corporate stewardship.

The Group has procedures requiring due diligence of suppliers as to their internal governance, including for example, their anti-bribery and corruption practices, data protection policies and modern slavery matters. The Group has systems and processes in place to ensure suppliers are paid in a timely manner.

The UK Senior Managers and Certification Regime ("SMCR") became effective on, and applicable to, the Group from 9 December 2019. In implementing SMCR, the directors took advice from internal and external subject matter experts. As required, a director was designated to hold the 'Prescribed Responsibilities' of ensuring the Group's compliance with SMCR.

In ensuring adequate preparedness for, and ongoing compliance with, SMCR, the directors have participated in extensive training. The directors have endeavoured to ensure substantive compliance in a manner that contributes to the governance goals intended by the UK FCA to enhance the behaviour of market participants in a way that benefits the UK community and customers.

Interests of Members

In approving the Group's annual financial statements, the directors carefully review the financial statements and duly consider several factors, including (but not limited to) any recommendations or observations from the Group's Accounting and Finance team and/or the Group's auditors. To the extent that any operational or control recommendations are raised to the directors, they are duly considered and discussed with the Group's Accounting and Finance team and a course of action agreed, thereby facilitating a long-term approach by ensuring good practice and having regard for the interests of the Group's sole shareholder in respect of the Group's financial efficacy.

Based on the information provided above, the directors believe they have complied with the requirements of Section 172 of the Companies Act 2006.

Streamlined Energy and Carbon Reporting 2021

The Company is committed to reducing its impact on the environment. In 2019, the Company assessed its carbon footprint for the year in line with ISO 14064 and achieved PAS 2060 carbon neutral certification. A commitment to sustaining communities underpins the Company's corporate social responsibility framework and it is actively working to reduce its carbon emissions year-on-year, an ambition supported by its renewing and commitment to maintaining PAS 2060 accreditation.

The main contributor to its carbon footprint is office electricity use. The Company's office electricity is supplied via renewable sources and totaled 204,959.2 Kwh for the calendar year. Applying the BEIS conversion factors for 2021, this Scope 2 electricity use generated 43.52 tCO_{2e} giving an intensity metric of 0.27 tCO_{2e} per employee. This is down from 2020 usage which totaled 213,764 Kwh and a Scope 2 emissions intensity metric of 0.33 tCO_{2e} per employee; the drop being due to the

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Directors' report for the year ended 31 December 2021 (continued)

Streamlined Energy and Carbon Reporting 2021 (continued)

full year (rather than most of the year) being subject to the requirement to work from home, along with an increase in headcount.

This section of the Director's Report discloses the operational energy and carbon footprint in line with the UK government's Streamlined Energy and Carbon Reporting (SECR) initiative and includes the data from this financial year and data from the previous financial year.

Methodology

To comply with the SECR, the Company has reported on all of the emission sources required under The Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The Company's emissions have been calculated in line with the emissions factors from the Department of Business, Energy & Industrial strategy (Greenhouse gas reporting: conversion factors for 2020 and 2021 respectively).

This report was approved by the Board and signed on its behalf.



Christopher Hunter
Director
27 April 2022

Registered office
62 Buckingham Gate
London SW1E 6AJ

Independent auditors' report to the members of Cambridge Associates Limited

Report on the audit of the financial statements

Opinion

In our opinion, Cambridge Associates Limited's group financial statements and parent company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's and parent company's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Group and Parent Company Balance Sheets as at 31 December 2021; Group and Parent Company Profit and Loss Accounts, Group Cash Flow Statement, and Group Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the parent company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Auditors' 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 auditors' 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.

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.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority and Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with the Board of Directors and with management, including consideration of their process for identifying and responding to the risk of fraud, and any known or suspected instances of fraud or non compliance with laws and regulations;
- Reading key correspondence with the Financial Conduct Authority in relation to compliance with laws and regulations;
- Reviewing relevant meeting minutes including those of the Board of Directors;
- Validating the appropriateness of journal entries identified based on our fraud risk criteria; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

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.

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/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime. We have no exceptions to report arising from this responsibility.



Jasmit Lochab (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 April 2022

CAMBRIDGE ASSOCIATES LIMITED
Group and Parent Company Profit and Loss Accounts
For the year ended 31 December 2021

		Group		Company	
	Note	2021	2020	2021	2020
		£000	£000	£000	£000
Turnover	4	55,397	46,774	51,798	46,706
Administrative expenses		(41,993)	(36,749)	(39,965)	(36,155)
Operating profit		13,404	10,025	11,833	10,551
Interest receivable and similar income		(1)	19	1,030	(477)
Interest payable and similar expenses		(42)	(41)	(19)	(36)
Net interest income	5	(43)	(22)	1,011	(513)
Profit before taxation	6	13,361	10,003	12,844	10,038
Tax on profit	9	(2,634)	(1,971)	(2,306)	(1,971)
Profit for the financial year		10,727	8,032	10,538	8,067

There is no material difference between the profit before taxation and the retained profit for the financial years and its historic cost equivalent. All profit and loss items have been derived from continuing operations.

There are no recognized gains or losses other than those included in the results above, and therefore, no separate statement of comprehensive income has been presented.

The accompanying notes from page 18 to 31 form an integral part of these financial statements.

CAMBRIDGE ASSOCIATES LIMITED
Group and Parent Company Balance Sheets
As at 31 December 2021

		Group		Company	
	Note	2021	2020	2021	2020
		£000	£000	£000	£000
Fixed assets					
Tangible assets	11	3,010	623	3,008	623
Current assets					
Debtors	12	15,383	11,695	17,675	13,658
Investments	13	-	8,482	-	8,482
Cash at bank and in hand		22,396	17,180	19,067	14,895
		37,779	37,357	36,742	37,035
Creditors: amounts falling due within one year	14	(31,328)	(27,224)	(30,296)	(26,903)
Net current assets		6,451	10,133	6,446	10,132
Total assets less current liabilities		9,461	10,756	9,454	10,755
Creditors: amounts falling due after more than one year	15	(917)	(166)	(910)	(165)
Net assets		8,544	10,590	8,544	10,590
Capital and reserves					
Called up share capital	16	50	50	50	50
Share premium account	17	2,526	2,526	2,526	2,526
Profit and loss account	17	5,968	8,014	5,968	8,014
Total shareholder's funds		8,544	10,590	8,544	10,590

The accompanying notes from page 18 to 31 form an integral part of these financial statements.

The financial statements on pages 14 to 31 were approved by the board of directors on 27 April 2022 and were signed on its behalf by:



Christopher Hunter
Director

CAMBRIDGE ASSOCIATES LIMITED
Group Cash Flow Statement
For the year ended 31 December 2021

	2021	2020
	£000	£000
Cash flows from operating activities		
Profit before taxation	13,361	10,004
Adjustments for:		
Bad debt expense	(3)	305
Depreciation of tangible assets	406	359
Interest received	(1)	(11)
Amortization of lease incentives	471	(121)
(Increase)/decrease in debtors	(3,685)	629
Decrease in creditors	4,606	3,913
Cash from operations	15,155	15,078
Income taxes paid	(2,799)	(1,481)
Net cash generated from operating activities	12,356	13,597
Cash flows from investing activities		
Purchase of tangible assets	(2,829)	(155)
Interest received	1	11
(Purchase) of other investments	(8,478)	(29,943)
Disposal of other investments	16,960	26,938
Net cash generated/(used in) from investing activities	5,654	(3,149)
Cash flows from financing activities		
Dividends paid	(12,584)	(6,104)
Finance lease payments	(55)	(37)
Net cash used in financing activities	(12,639)	(6,141)
Effect of foreign currency exchange rate changes on cash	(155)	35
Net increase in cash and cash equivalents	5,216	4,342
Cash and cash equivalents at the beginning of the year	17,180	12,838

The net cash at the end of the year balance is the same as the value of cash at bank and in hand.

All cash flows in the above statement have been derived from continuing operations.

The accompanying notes from page 18 to 31 form an integral part of these financial statements.

CAMBRIDGE ASSOCIATES LIMITED
Group Statement of Changes in Equity
For the year ended 31 December 2021

	Note	Called up share capital £000	Share premium account £000	Equity settled option account £000	Profit and loss account £000	Total shareholder's funds £000
At 1 January 2020		50	2,526	-	6,050	8,626
Profit for the financial year		-	-	-	8,032	8,032
Other comprehensive income for the year		-	-	-	35	35
Dividends paid to equity holders	10	-	-	-	(6,103)	(6,103)
Equity settled option cost	20	-	-	286	-	286
Capital contribution	20	-	-	(286)	-	(286)
At 31 December 2020		50	2,526	-	8,014	10,590
Profit for the financial year		-	-	-	10,727	10,727
Other comprehensive income for the year		-	-	-	(189)	(189)
Dividends paid to equity holders	10	-	-	-	(12,584)	(12,584)
Equity settled option cost	20	-	-	227	-	227
Capital contribution	20	-	-	(227)	-	(227)
At 31 December 2021		50	2,526	-	5,968	8,544

The accompanying notes from page 18 to 31 form an integral part of these financial statements.

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2020

Amounts are shown in £000s

1 Company Information

Cambridge Associates Limited (the “Company” or the “Parent Company”) is an investment adviser that was formed on 5 March 2007 as a corporation under the laws of the United Kingdom (“UK”) and registered in England. The Company is a private company limited by shares. The Company is a wholly owned subsidiary of Cambridge Associates Limited, LLC (“CA LTD LLC”). Wholly owned subsidiaries of the Company are Brook Street Limited and Cambridge Associates GmbH (collectively referred to as the “Group”). The registered office of the Company is 62 Buckingham Gate, London, SW1E 6AJ.

Cambridge Associates GmbH (“CA Germany”) was formed on November 28, 2019 as a corporation with limited liability under the laws of Germany. CA Germany was formed with the intent to meet legal and regulatory purposes in support of the Company’s investment advisory business. CA Germany was non-operational as of 31 December 2019, and received its business license to commence operations in Germany on 18 February 2020. CA Germany commenced operations on 1 June 2020.

CA LTD LLC is a wholly owned subsidiary of Cambridge Associates LLC (“CA LLC”).

2 Statement of compliance

The Group and Parent Company financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, “The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland” (“FRS 102”) and the Companies Act 2006.

The Directors have evaluated the Company’s expected financial performance and believe that the Group and Parent Company will have sufficient profitability and cash flows to allow it to continue as a going concern for at year one year after the date that the financial statements are expected to be issued, and will have sufficient capital to meet all its regulatory capital requirements.

3 Summary of significant accounting policies

(a) Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, except as modified for other investments which are measured at fair value.

(b) FRS 102

Financial statements for the years ended 31 December 2021 and 2020 comply with FRS 102.

(c) Exemptions for qualifying entities under FRS 102

FRS 102 allows 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 shareholder.

The Company has taken advantage of the exemption from preparing a statement of cash flows in its individual financial statements, on the basis that it is a qualifying entity.

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2021 (continued)

Amounts are shown in £000s

3 Summary of significant accounting policies (continued)

(d) Basis of consolidation

The Group profit and loss account, Group balance sheet and Group cash flow statement include the financial statements of the Parent Company and its wholly owned subsidiary undertakings made up to 31 December 2021. A subsidiary is an entity controlled by the Parent Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The principal accounting policies have been applied consistently to the Group and Parent Company. The results are included in the consolidated profit and loss account up to, or from, the date control passed. Intra-group sales and profits are eliminated fully on consolidation.

(e) Turnover

The majority of the Group's turnover is derived from fees for investment advisory services provided to institutional and other clients in the normal course of business, exclusive of Value Added Tax and similar taxes. Any fees billed in advance are deferred and recognized as income over the period earned. In addition, service contracts also exist based on time and materials incurred. The turnover related to these contracts is recognized as services are provided.

(f) Foreign currencies

Transactions of the Group in foreign currencies are recorded using the rate of exchange 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. The consolidated financial statements are presented in pounds sterling, which is the Group's presentational and functional currency.

(g) Tangible fixed assets and depreciation

Tangible fixed assets are shown in the balance sheet at historic cost less depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives on a straight-line basis as follows:

Leasehold improvements	Remaining life of the lease
Furniture and equipment	10 years
Equipment leased under capital leases	Life of the lease
Computer equipment and software	3 years

(h) Trade debtors

Debtors are recorded at the invoiced amount and do not bear interest. Unbilled receivables represent estimated fees for work in progress. The impairment provision account reflects management's best estimate of probable losses inherent in the debtors balance. Management determines the impairment provision based on known troubled accounts, historical experience, and other currently available evidence.

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2021 *(continued)*

Amounts are shown in £000s

3 Summary of significant accounting policies (continued)

(i) Other investments

The Group considers all highly liquid debt instruments with original maturities of greater than three months to be other investments and are measured at fair value. Fair value is determined using publicly traded prices.

(j) Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less at the balance sheet date. Cash and cash equivalents is composed solely of cash at bank and in hand.

(k) Trade creditors

Creditors are recorded at the invoiced amount as received from suppliers. The amounts are paid as they come due.

(l) Leases

The Group leases certain office space under a long-term lease agreement. The lease covering the office facility expires in July 2031 and is classified as an operating lease. Amounts currently and previously expensed, for which payment was not yet due, are included within 'Creditors: amounts falling due within one year' on the balance sheet. Operating lease rentals are charged to administrative expenses on a straight-line basis over the period of the lease.

(m) Unit option compensation

CA LLC grants options to certain employees of the Group that give the holders the right to purchase units of CA LLC at a price determined on the grant date. The Group recognises an expense in relation to the services received by the employees of the Group. The fair value of the grant options at the date of the grant are expensed on a straight-line basis over the vesting period, with a corresponding credit to equity reflecting the equity settled option cost from CA LLC. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

The Group is required to make a payment to CA LLC, the entity that is responsible for settling the unit options granted. This reflects a return of capital in the statement of changes in equity.

(n) Post-retirement benefits

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2021 (continued)

Amounts are shown in £000s

3 Summary of significant accounting policies (continued)

(o) Taxation

Corporation tax is provided on taxable profits at the current rate. The charge for taxation is based on the profit for the financial year.

Deferred tax is recognized in respect of all material 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.

A net deferred tax asset is recognized as recoverable and therefore recognized 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 against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

(p) Share capital

The Group's capital structure consists of 50,000 (2020: 50,000) ordinary shares authorized and outstanding with a par value of £1 per share as of 31 December 2021 and 2020. The Parent Company's investment in Brook Street Limited is one common share with a par value of US\$1. The Parent Company's investment in CA Germany is 25,000 common shares with par value of EUR€25,000.

(q) Reserves

Share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium. Profit and loss account includes all current and prior period retained profits and losses. Equity settled option account consists of CA LLC unit options granted to employees of the Group.

(r) Financial risk management

The Group has assessed the adequacy of capital and liquidity resources based on all risks to which the Group is exposed in the course of its Internal Capital Adequacy Assessment Process (ICAAP). The risk review includes an assessment of risks and the controls in place to mitigate such risks. The directors have determined that the risks are acceptable.

Operational risk: Operational risk is defined as the risk of losses resulting from inadequate or failed internal processes and IT systems, employee errors, or from external events, including legal risk. The Group seeks to minimize operational risk via internal controls and the Cambridge Associates Limited group's professional indemnity insurance coverage.

Credit risk: The Group manages credit risk with regards to uncollectible receivables by recording an allowance for doubtful accounts which reflects management's best estimate of probable losses. The Group has no history of bad debts. The allowance for doubtful accounts is based on known troubled accounts, historical experience, and other currently available evidence. The Group is exposed to foreign currency exchange gains/losses since it conducts certain transactions that are denominated in a currency other than its functional currency.

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2021 (continued)

Amounts are shown in £000s

3 Summary of significant accounting policies (continued)

(r) Financial risk management (continued)

Business risk: Principal risks are the loss of clients or a significant fall in the value of the assets of those clients who pay an asset-based fee. Various scenarios are modelled to assess the impact of adverse economic conditions on the Group's financial position.

Market risk: The Group is exposed to various types of market risk. Price risk exists indirectly as components of revenue are driven by values of advised assets and hence the fair market value of clients' assets. Interest rate risk applies to cash and deposits with the Group's banks, which are subject to daily interest rate variances. Foreign exchange rate risk exists on revenues derived from foreign denominated assets. Interest rate risks are managed actively and pricing risk is managed through regular monitoring of the advised assets and active cost control.

COVID-19 risk: In March 2020, the World Health Organization declared the coronavirus ("COVID-19" or "the virus") a pandemic. COVID-19 is having a significant impact on the global economy, including the UK economy, both through the effects of the virus itself and the measures taken by governments to restrict its spread. There have been no immediate significant changes or material effects on the Group and Parent Company's business or profits as a result of the virus. The Group and Parent Company continue to assess the risks associated with COVID-19 and to mitigate them where possible.

(s) Capital management

The Group maintains sufficient capital and liquidity to support its business through different market conditions and business cycles. The amount of required liquidity and adequacy of capital is assessed based on assumptions of stressed business conditions, including loss of clients, a reduced level of assets under advisement and economic downturns as well as the probable cost to wind down the business. The directors have also considered whether there are any contracts which are essential to the continuation of the business and have concluded that there are none. Based on the above, the directors have determined that the Group has adequate capital to withstand unexpected losses arising from these risks and no additional allocation of capital is necessary.

The Group's liquid resources include cash and short-term investment balances of £22,396k at 31 December 2021 (£25,622k at 31 December 2020). The directors consider liquidity sufficient to cover the financial risk.

(t) Critical accounting judgements and estimation uncertainty

The Group and Parent Company's financial statements require the use of estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of profits and losses during the years presented. Management believes that the accounting estimates are appropriate and the resulting balances are reasonable; however, due to the inherent uncertainties in making estimates, actual amounts may differ from these estimates. There are no balances including a higher degree of judgement or estimation uncertainty that are significant to the financial statements.

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2021 (continued)

Amounts are shown in £000s

3 Summary of significant accounting policies (continued)

(u) Investments – Subsidiary Companies

Investments in subsidiary companies are held at cost less accumulated impairment losses.

4 Turnover

	Group		Company	
	2021 £000	2020 £000	2021 £000	2020 £000
Turnover	55,397	46,774	51,798	46,706
By geographical market				
Europe	45,459	38,105	41,860	38,037
Middle East & Africa	6,560	4,572	6,560	4,572
Caribbean	3,331	3,639	3,331	3,639
North America	47	458	47	458
	55,397	46,774	51,798	46,706

5 Net interest income

	Group		Company	
	2021 £000	2020 £000	2021 £000	2020 £000
Interest income	(1)	19	(1)	19
Bank service charges	(42)	(41)	(19)	(36)
Net result / profit derived from wholly owned subsidiary	-	-	1,031	(496)
	(43)	(22)	1,011	(513)

6 Profit before taxation

	2021 £000	2020 £000
Profit before taxation is stated after charging:		
Staff costs	25,979	24,700
Depreciation - Owned assets	406	359
Hiring of Building - operating lease	2,257	1,735
Auditors remuneration:		
Fees payable to the company auditors for the audit of Parent Company and consolidated financial statements	202	196
Fees payable to the Group's auditors and its associates for other services:		
Tax services	127	93
Other services pursuant to legislation	5	3

CAMBRIDGE ASSOCIATES LIMITED**Notes to the financial statements for the year ended 31 December 2021 (continued)****Amounts are shown in £000s****6 Profit before taxation (continued)**

Within fees payable to the company auditors for the audit of the Parent Company and consolidated financial statements are audit fees recharged by the ultimate parent to the Group of £54k for the year ended 31 December 2021 (2020: £26k).

7 Staff costs

The monthly average number of persons employed by the Group (including directors) during 2021 and 2020, analysed by category, was as follows:

	2021	2020
Global Investment Services	92	89
Global Research	28	26
Investment Services	25	16
Systems	3	2
Shared Services	20	18
	168	151

The aggregate payroll costs of these persons were as follows:

	2021 £000	2020 £000
Wages and salaries	21,582	20,274
Unit option expense	227	286
Social security costs	2,623	2,685
Other pension costs	1,547	1,455
	25,979	24,700

Key management includes the directors employed by the Company and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2021 £000	2020 £000
Salaries and other short-term benefits	4,270	4,035
Post-employment benefits	280	307
	4,550	4,342

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2021 (continued)

Amounts are shown in £000s

7 Staff costs (continued)

The highest paid director's compensation is shown below:

	2021 £000	2020 £000
Salaries and other short-term benefits	822	719
Post-employment benefits	53	55
	<u>875</u>	<u>774</u>

8 Directors emoluments

David Druley, Christopher Hunter, Christopher Ivey, and Christine Farquhar did not receive any incremental emoluments for their services as directors of the Company in 2021 or 2020.

9 Tax on profit

	Group		Company	
	2021 £000	2020 £000	2021 £000	2020 £000
Tax on profit:				
UK corporation tax on profits for the year	2,631	1,925	2,304	1,925
Foreign tax on profits for the year	(41)	46	(41)	46
Tax on profit	<u>2,590</u>	<u>1,971</u>	<u>2,263</u>	<u>1,971</u>
Deferred tax				
Origination of timing differences	43	(21)	43	(21)
Adjustment in respect of prior years - deferred tax	-	21	-	21
Total deferred tax	<u>43</u>	<u>-</u>	<u>43</u>	<u>-</u>
Total tax on profit	<u>2,633</u>	<u>1,971</u>	<u>2,306</u>	<u>1,971</u>

The tax for the year is higher (2020: higher) than the standard effective tax rate of corporate tax for the year ended 31 December 2021. The factors affecting the tax charge for the current year are as follows:

	Group		Company	
	2021 £000	2020 £000	2021 £000	2020 £000
Total tax reconciliation:				
Profit before taxation	13,361	10,038	12,845	10,038
Profit on before taxation multiplied by UK standard rate of corporation tax at 19.00% (2020: 19.00%)	<u>2,539</u>	<u>1,907</u>	<u>2,441</u>	<u>1,907</u>
Effects of:				
Expenses not deductible for tax purposes	(103)	116	(112)	116
Difference due to multi local county tax rates	216	-	-	-
Other timing differences	(61)	(52)	(66)	(52)
Total tax charge	<u>2,591</u>	<u>1,971</u>	<u>2,263</u>	<u>1,971</u>

CAMBRIDGE ASSOCIATES LIMITED**Notes to the financial statements for the year ended 31 December 2021 (continued)****Amounts are shown in £000s****9 Tax on profit (continued)**

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Deferred tax				
At 1 January	(62)	(62)	(62)	(62)
Adjustment in respect of prior years - deferred tax	-	21	-	21
Deferred credit tax in profit and loss account for the year	(43)	(21)	(43)	(21)
At 31 December	(105)	(62)	(105)	(62)

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Components of deferred tax				
Accelerated capital allowances	(150)	(112)	(150)	(112)
Bad debt provision	5	8	5	8
Performance reporting reserve	18	21	18	21
Unpaid pension contributions	22	21	22	21
	(105)	(62)	(105)	(62)

As presented on the profit and loss account, as of 31 December 2021, taxation includes current and deferred tax on profit for the year, as outlined above. The Group and Company profits for this accounting year are taxed at an effective rate of 19.00% (2020: 19.00%) for the year ended 31 December 2021.

10 Dividends paid to equity holders*Group and Company:*

	2021	2020
Dividends paid in the financial year (£000)	12,584	6,103
Dividends paid per share (per £1 Share)	£251.68	£122.06

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2021 (continued)

Amounts are shown in £000s

11 Tangible Assets

Group and Company:

	Leasehold Improvements £000	Furniture and Equipment £000	Computer Equipment and Software £000	Equipment leased under Capital Leases £000	Total £000
Cost					
At 1 January 2021	2,655	1,251	481	179	4,566
Additions	1,579	1,016	234	-	2,829
Disposals	(2,652)	(1,099)	(332)	-	(4,083)
At 31 December 2021	1,582	1,168	383	179	3,312
Accumulated depreciation					
At 1 January 2021	(2,423)	(1,048)	(353)	(119)	(3,943)
Change in the financial year	(228)	(70)	(63)	(45)	(406)
Disposals	2,651	1,064	332	-	4,047
At 31 December 2021	-	(54)	(84)	(164)	(302)
Net book amount					
At 1 January 2021	232	203	128	60	623
At 31 December 2021	1,582	1,114	299	15	3,010

12 Debtors

Amounts falling due within one year:

	Group		Company	
	2021 £000	2020 £000	2021 £000	2020 £000
Trade debtors	7,801	7,527	7,363	7,026
Amounts owed by group undertakings	-	-	618	331
Other debtors and accrued income	6,959	3,068	5,894	3,049
Prepayments	623	1,100	3,800	3,252
	15,383	11,695	17,675	13,658

At 31 December 2021, trade debtors are stated after provisions for impairment of £29k (2020: £44k) for the Group and £29 (2020: £45k) for the Company. Amounts owed by group undertakings are interest-free, unsecured, and repayable in US dollars.

13 Other investments

At 31 December 2021, the Company did not hold investments. At 31 December 2020, other investments consist of UK Government Treasury Bills, which mature in six month increments. The investments held at 31 December 2020 matured in April 2021 for £8,481.

CAMBRIDGE ASSOCIATES LIMITED

Notes to the financial statements for the year ended 31 December 2021 (continued)

Amounts are shown in £000s

14 Creditors: amounts falling due within one year

	Group		Company	
	2021 £000	2020 £000	2021 £000	2020 £000
Trade creditors	340	132	307	130
Amounts owed to group undertakings	18,745	16,631	18,737	16,631
Other creditors	7,192	6,726	6,821	6,627
Taxation and social security	1,763	1,928	1,280	1,941
Accruals and deferred income	3,288	1,808	3,151	1,575
	31,328	27,225	30,296	26,904

Amounts owed to group undertakings are interest-free, unsecured and repayable in US dollars.

15 Creditors: Amounts falling due after more than one year

Group and Company:

	2021 £000	2020 £000
Other creditors	917	166

16 Called up share capital

Group and Company:

	2021 £000	2020 £000
Authorised, allotted and fully paid		
50,000 (2020: 50,000) ordinary shares of £1 nominal value	50	50

17 Reserves

	Group			Company		
	Share premium account £000	Equity settled option account £000	Profit and loss account £000	Share premium account £000	Equity settled option account £000	Profit and loss account £000
At 1 January 2021	2,526	-	7,979	2,526	-	8,014
Profit for the financial year	-	-	10,727	-	-	10,538
Dividends	-	-	(12,584)	-	-	(12,584)
Equity settled option cost	-	227	-	-	227	-
Capital contribution	-	(227)	-	-	(227)	-
At 31 December 2021	2,526	-	6,122	2,526	-	5,968

CAMBRIDGE ASSOCIATES LIMITED**Notes to the financial statements for the year ended 31 December 2021 (continued)****Amounts are shown in £000s****18 Commitments**

The future aggregate minimum lease payments under a non-cancellable operating lease for the Group and Company's office space are as follows:

	2021 £000	2020 £000
No later than 1 year	133	1,751
Later than 1 year and no later than 5 years	6,185	1,719
Later than 5 years	8,527	-
Total	<u>14,845</u>	<u>3,470</u>

19 Pension plan

The Group operates a defined contribution pension plan. The pension cost charge for the year ended 31 December 2021 and 2020 represents contributions payable by the Group to the plan and amounted to £1,547k and £1,455k, respectively. At the end of the financial year 2021 and 2020, contributions amounting to £114k and £110k, respectively, were payable to the plan and are included in creditors.

20 Unit option compensation

CA LLC grants options to employees of the Group that give the holders the right to purchase units of CA LLC at a price determined on the grant date (the "Plan").

The Group recognises an expense in relation to the services received by the employees of the Group. The Group is unable to directly measure the fair value of employee services received. Instead, the fair value of the share options granted during the year is determined using the Black-Scholes model.

Compensation expense recognized in the financial statements with respect to the Plan was £227k and £286k during the years ended 31 December 2021 and 2020, respectively.

21 Related party disclosure

Effective 1 January 2015, the Group entered into a Residual Profit Sharing Agreement (the "Agreement") with CA LLC, Cambridge Associates Limited and Subsidiary LLC ("CA LTD LLC"), Cambridge Associates Investment Consultancy (Beijing) Ltd. ("CA Beijing"), and Cambridge Associates Asia Pte. Ltd ("CA Asia"), (collectively, "CA Group Companies"), effectively replacing the previous service agreements with CA Group Companies. Under the terms of the Agreement, CA Group Companies split global operating profit based on value indicators that capture the relative contributions of each entity in performing Non-Routine and Routine Services. Non-Routine Services involve activities that generate value and drive global profit for CA Group as a whole. Routine Services consist of accounting, finance, legal, human resources, and IT support services.

CAMBRIDGE ASSOCIATES LIMITED**Notes to the financial statements for the year ended 31 December 2021 (continued)****Amounts are shown in £000s****21 Related party disclosure (continued)**

The Agreement automatically renews for successive 12-month periods. There was no related party turnover for the years ended 31 December 2021 and 2020. The related party expense for the years ended 31 December 2021 and 2020 is as follows:

	2021 £000	2020 £000
Related party expense to:		
CA LLC	1,768	1,520
CA Asia	5,168	3,119
CA Beijing	905	1,140
Total related party expense	<u>7,841</u>	<u>5,779</u>

Each of the CA Group Companies is charged and reimbursed for services provided as stipulated in the Agreement. Such revenue amounts are included in turnover and such expense amounts are included in general and administrative expense in the accompanying Group and Parent Company profit and loss statement. All transactions are charged or credited through intercompany accounts, interest-free, due on demand and denominated in US dollars. Any outstanding balances are revalued for reporting purposes with any gain or loss from affiliates included in net income.

As discussed in Note 20, CA LLC grants options to employees of the Group. The Group is required to repay CA LLC, the entity responsible for settling the unit options granted, based on the original grant date fair value of the options over the vesting period of the options granted. This repayment is settled through related party accounts and reflected as a return of capital in the statement of changes in equity.

In addition, the Group and CA Group Companies may be reimbursed for payment of costs incurred on an affiliate's behalf for vendors that are used under a global contract. Amounts due to/(from) affiliates as of 31 December are as follows:

	2021 £000	2020 £000
CA LLC	(508)	(402)
CA LTD LLC	-	-
CA Beijing	4,623	4,062
CA Asia	14,629	12,971
Total due to/(from) related parties, net	<u>18,744</u>	<u>16,631</u>

22 Ultimated parent undertaking and controlling party

The immediate parent undertaking is CA LTD LLC incorporated in the United States. The ultimate parent undertaking and controlling party is CA LLC formed as a limited liability company under the laws of the Commonwealth of Massachusetts in the United States. The largest group in which the results of the Group are consolidated is that headed by CA LLC incorporated in the United States.

CAMBRIDGE ASSOCIATES LIMITEDNotes to the financial statements for the year ended 31 December 2021 *(continued)*

Amounts are shown in £000s

22 Ultimated parent undertaking and controlling party (continued)

The Company is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 31 December 2021. The consolidated financial statements of the Company are available from 62 Buckingham Gate, London, SW1E 6AJ.

23 Subsidiary undertaking

The related undertaking whose results or financial performance principally affect the figures shown in the consolidated financial statements is as follows:

<u>Name</u>	<u>Address of the registered office</u>	<u>Nature of Business</u>	<u>Interest</u>
Brook Street Limited	PO Box 309, George Town, Grand Cayman, Y1-1104, Cayman Islands	Investment Advisor	100% ordinary shares
Cambridge Associates GmbH	Leopoldstrasse 23 / Suite 413 80802 Munich Germany	Investment Advisor	100% ordinary shares

The above subsidiaries are included in the consolidation. The Parent Company's investment in Brook Street Limited is direct ownership and is carried at nil in the accounting records of the Parent Company.

24 Subsequent events

The Group and Parent Company evaluated subsequent events and transactions occurring after 31 December 2021 through 27 April 2022, the date these consolidated financial statements were available for issuance. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements.