

**Company Registration No. 01036298**

**CAMBRIDGE CONSULTANTS LIMITED**

**Annual Report and Financial Statements**

**For the Year Ended 31 December 2022**



**CAMBRIDGE CONSULTANTS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS 2022**

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# **CAMBRIDGE CONSULTANTS LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2022**

### **OFFICERS AND PROFESSIONAL ADVISERS**

M Eapen  
E Wilkinson  
R N Hall  
R T Traherne  
T Fowler  
M Barlow  
C Garcia  
E Michel

### **COMPANY SECRETARY**

M Eapen

### **REGISTERED OFFICE**

29 Science Park  
Milton Road  
Cambridge  
CB4 0DW

### **BANKERS**

Barclays Bank PLC  
Corporate Banking Centre  
1 Capability Green  
PO Box 279  
Luton  
LU1 3US

### **SOLICITORS**

Taylor Vinters  
Merlin Place  
Milton Road  
Cambridge  
CB4 0DP

### **AUDITOR**

Mazars LLP  
Statutory Auditor  
30 Old Bailey, London  
EC4M 7AU

# CAMBRIDGE CONSULTANTS LIMITED

## STRATEGIC REPORT

### REVIEW OF THE BUSINESS

The company's principal activity remains to be contract research and development of innovative products, technology consulting and the development and exploitation of intellectual property through licensing and venturing.

2022 saw strong growth in the business with a 3.8% growth in turnover. During the year the average headcount grew by 10%. The operating profitability of the business before tax was around 20.8% (2021 21.8%). The principal locations of our clients continued to be in the UK, USA, Asia, and North Central Europe.

2022 saw the continuation of the impacts of the Covid 19 pandemic with staff having to adapt to hybrid and flexible working from home and our offices. During the year Cambridge Consultants has shown resilience and agility to both sell new projects and then deliver satisfactorily on all client projects. It was indeed a testament to our staff that we had an outstanding year.

The business is organised into three sectors:

- Medical Technology (reduction in revenues by 1%);
- Development of Products and Systems for the Industrial, Energy, Consumer and Security markets (revenues grew by 16%); and
- Wireless and Digital Services (revenues grew by 6%).

The company continues to invest in research and development to improve our competitiveness within the sectors we target, and this will continue to be necessary for success in the medium to long term future.

The balance sheet on page 12 shows the company's financial position has remained relatively stable compared to the prior year. Net current assets have decreased in the year by £1.8M, mainly driven by the interim dividend of £20M paid in 2022, although this has been partially offset by the net income for the year of £19.5M.

The company expects to continue its business activities in 2023 at the same level as 2022 and to continue to generate cash.

### Section 172(1) statement

- The Directors of the Company include the Executive Directors and the CEO of Capgemini Invent and Deputy CFO of the ultimate holding company, Capgemini SE.
- All strategic decisions are taken in conjunction with the parent company. Board members ensure that they are in the complete interest of the shareholders, employees, and clients of the company.
- The company works with employees, through the employee staff council, to ensure that local business and social environment is enhanced to the extent possible. The company has been the initiator of several spin off companies in the past which are now significant employers in the Cambridge area. This continues to date, and the company hopes to see further successes soon.
- Cambridge Consultants Limited operates with a high degree of integrity in its dealings with clients and suppliers. Our internal Quality Assurance department monitors this on a regular basis and publishes an annual report for review by the Executive Directors.
- The fundamental overriding principle in the governance of Cambridge Consultants Limited is that of ensuring transparent conduct which reflects fairness in all the dealings with the shareholder, employees, clients and suppliers. A testament to this is reflected in the significantly long length of service of most of our senior employees and the several long-standing relationships with clients and suppliers.

### KEY PERFORMANCE INDICATORS

Cambridge Consultants Limited is a growing professional services business. The management challenge is to grow the staff resource at a rate commensurate with the growth in the innovative product development assignments contracted by our clients. Cambridge Consultants Limited is a high value service provider and so the growth in staff needs to be managed to retain the quality of staff that we have enjoyed and to maintain their motivation and engagement in the business.

# CAMBRIDGE CONSULTANTS LIMITED

## STRATEGIC REPORT

### KEY PERFORMANCE INDICATORS (continued)

The key performance indicators are:

- Revenue growth
- Profitability
- Rate of growth of staff
- Trend in new contracts signed (CC Global)
- Staff Engagement

**Revenue growth and profitability:** the objective is to double revenue over five years and maintain profitability. The revenue growth rate was 5% in 2018, 9% in 2019, 6.3% in 2020, 15.3% in 2021 and 5.1% in 2022. Profitability has also improved over this period. The increase is largely attributable to new market areas in the Wireless & Digital Services area.

**Rate of growth of staff:** the target has been to grow by around 40 to 50 staff per year which has been achieved in 2022. Looking forwards our UK growth will be at an even higher level as we continue to grow into our new state of the art R&D facility of around 40,000 square feet which has been developed on our site and has been occupied since the beginning of 2019.

An important leading indicator of revenue growth is the rate of new contract acquisition. £100M in 2017, £116M in 2018, £114M in 2019, £128.5M in 2020, £151M in 2021 and £120M in 2022 (2022 reduction is due to divestment of our US West Coast business). In some key areas of growth, the business has hence been resource limited rather than client demand limited, and this continues to be the case.

On Staff Engagement, Cambridge Consultants Limited has a Staff Council which receives constant feedback from staff. The Company takes any required action in collaboration with staff. In addition, we hold quarterly Staff Togetherness meetings where staff are kept abreast of happenings which have an impact on them. All employees are eligible to receive an annual profit share bonus related to the overall profitability of the company.

### PRINCIPAL RISKS AND UNCERTAINTIES

Due to the nature of the business, the company is involved in contractual arrangements with clients which could give rise to claims and counterclaims. This is an inherent business risk which the company manages actively by close monitoring of projects.

The company has transactions denominated in foreign currencies. In particular, these relate to contracts with US based clients. No financial instruments are used at a local level to protect the company against foreign currency risk although there are arrangements with the Capgemini Group to ensure that there is no significant currency exposure risk. For large contracts, there are agreements with the client which normally protect the company from any significant adverse variations in exchange rates.

Cambridge Consultants Limited is managed as an autonomous subsidiary of Capgemini SE. Group risks and performance of the group are disclosed within the Capgemini SE Annual Report, which does not form part of this report.

Regarding the situation of conflict in Ukraine, the directors have considered whether there is a material impact on the business and operations of the Company. In light of the information available at the date of the signing of the accounts, they believe that the impact is limited, but continue to carefully monitor the situation.

### FUTURE DEVELOPMENTS

Cambridge Consultants Limited has been on a growth trajectory over the last five years and this has led to extensive development of the offices and laboratories in Cambridge. In 2016, we completed development of the second phase of the Auton Building which adds 40,000 square feet to our estate in Cambridge and this was occupied at the end of February 2016. Further development of a 40,000 square feet state of the art R&D facility has been completed and this has been occupied since January 2019.

The growth trajectory of the sector is fueled by regulatory and technological changes which mean that more companies need outside help to develop the innovative products necessary to be successful in a recognized market. Cambridge Consultants Limited has been investing heavily in staff, facilities, technology, and processes to be a preferred supplier in this market.

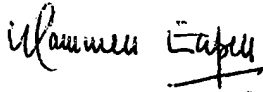
# CAMBRIDGE CONSULTANTS LIMITED

## STRATEGIC REPORT

### FUTURE DEVELOPMENTS (continued)

The vision for the company is to continue to grow and further developments are being planned for our estate in Cambridge to support this growth. This envisioned growth includes significant growth to our international footprint including our US presence and a more substantial presence in Asia. The company also intends to extend and increase its collaboration extensively with Capgemini and is now a part of Capgemini Invent, the strategy and consulting division of Capgemini. This broadens the scope of access to showcase our capabilities to both new clients and new geographies on an extensive scale.

Approved by the Board of Directors  
and signed on behalf of the Board



M Eapen

Company Secretary

Date: 27th April 2023

29 Science Park, Milton Road, Cambridge CB4 0DW

# CAMBRIDGE CONSULTANTS LIMITED

## DIRECTORS' REPORT

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

### DIRECTORS

The Directors who served during the year and subsequent to the year end to the date of this report were as follows:

M Eapen	UK & Australia
E Wilkinson	UK
R T Traherne	UK
R N Hall	UK
M F Barlow	UK
T R Fowler	UK
C Garcia	France
E Michel	France

### GOING CONCERN

The financial statements have been prepared on the going concern basis. The directors have considered future cash forecasts and revenue projections in their consideration of going concern.

The company's business activities, together with the factors likely to affect its future development performance and position are set out in the Strategic Report. The principal risks and uncertainties which could adversely impact the long-term performance and going concern status of the company are considered to be the general state of the UK economy and the general financial health of our clients, the impact of Brexit, the state of the global economy, the level of confidence of the market and availability of required credit for our current and potential clients. All these matters have been considered by the directors in coming to their conclusions on going concern.

The directors are currently of the opinion that the company has adequate financial resources available to meet its operational needs for the foreseeable future which is not less than 12 months from the date of approval of these financial statements, including £30,788,484 of cash as at 31 December 2022, held in the group cash pooling facility (2021 - £45,219,840) and a robust policy towards treasury risk and cash flow management. The directors believe that the company is adequately placed to manage its business risks successfully despite the current uncertain economic outlook and challenging macro-economic conditions. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### FUTURE DEVELOPMENTS

This has been covered in the strategic report.

### EMPLOYEE CONSULTATION

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings and the company magazine. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

### DISABLED EMPLOYEES

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

### QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Directors and Company Secretary of the company have Directors' and Officers' indemnity cover under the group policy of its ultimate parent company, Capgemini SE, which was effective from 1 April 2020 and remains in force at the date of this report. This cover extends to Directors and Company Secretary of subsidiary companies.

### RESEARCH & DEVELOPMENT

This has been covered in the strategic report.

## **CAMBRIDGE CONSULTANTS LIMITED**

### **DIRECTORS' REPORT**

#### **FINANCIAL RISK MANAGEMENT POLICY**

The company policy is to contract at pre-determined estimated prices, deliver projects in accordance with established internal processes and to invoice and collect fees from clients in a timely manner. The directors have given due consideration to credit, liquidity and cash flow risk and do not consider these to be material risks to the company.

#### **DIVIDENDS**

During the year, the Directors declared and paid a dividend of £20,000,000 (2021: £nil). The Directors, after reviewing the financial position and projections of the company, the cash position and future cash requirements, distributable reserves and ongoing financial viability propose the payment of a further final dividend of £20M.

#### **BREXIT & CLIMATE CHANGE**

The Directors are not aware of any impact, in the immediate future, of Brexit on the underlying business. The Directors are also not aware of any impact, in the immediate future, of any potential climate change events on the underlying business.

#### **GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY**

Cambridge Consultants' activities involve the consumption of energy: electricity and gas used in its offices and labs for light, heat, and power; and from employee business travel by means not owned or controlled by Cambridge Consultants Ltd. The energy consumptions and the carbon emissions resulting consequently during the year were 5,424 MWh / 1,027 tCO<sub>2</sub>e (2021: 3,109 MWh / 1,151 tCO<sub>2</sub>e). Other indirect emissions from energy transmission and distribution are estimated to be 57 tCO<sub>2</sub>e (2021: 58 tCO<sub>2</sub>e) and in connection with business travel (by air, road, and rail) during the year were estimated to total 696 tCO<sub>2</sub>e (2021: 39 tCO<sub>2</sub>e).

Energy consumed in the form of gas and electricity is as advised by our suppliers. Business travel was estimated on the basis of vehicle mileage, rail tickets and flight records. The carbon equivalents are based on typical figures in common usage. For every £1M of Revenue from activities during the year Cambridge Consultants' emissions were 16 tCO<sub>2</sub>e (2021: 11 tCO<sub>2</sub>e). The main reason for this increase compared to previous years is the uplift in air travel following the lift of travel restrictions following the pandemic.

This is the third full reporting year where Cambridge Consultants' electricity is from a sustainable source being part of the REGO scheme. Refrigerant gases continue to be removed from Air Con units as part of an ongoing replacement programme. As we carry out refurbishments and upgrades, we look to replace internal lighting with more efficient light fittings. As and when items of plant and machinery around our site require upgrade or replacement, as far as is practicable we replace with the modern up to date energy saving alternatives.

Additional updates throughout 2022 includes the refurbishment of the roof of the Jones building at the Unit 29 site, which will improve insulation and reduce energy use for heating. Work is also underway on more energy efficient HVAC systems to allow for better temperature variability and air quality.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

## CAMBRIDGE CONSULTANTS LIMITED

### DIRECTORS' REPORT

#### DIRECTORS' RESPONSIBILITIES STATEMENT (continued)

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.

#### AUDITOR

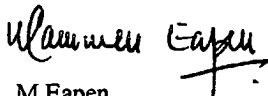
Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Mazars LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



M Eapen

Company Secretary

Date: 27<sup>th</sup> April 2023

29 Science Park, Milton Road, Cambridge CB4 0DW

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMBRIDGE CONSULTANTS LIMITED**

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **OPINION**

We have audited the financial statements of Cambridge Consultants Limited (the 'company') for the year ended 31 December 2022 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, and the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 profit 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.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMBRIDGE CONSULTANTS LIMITED**

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-bribery laws and data protection.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMBRIDGE CONSULTANTS LIMITED

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation and the Companies Act 2006.

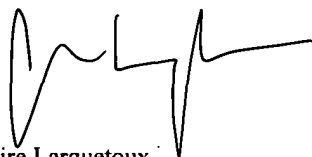
In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion).

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Claire Larquetoux  
(Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
30 Old Bailey, London  
EC4M 7AU

Date: 27 April 2023

# CAMBRIDGE CONSULTANTS LIMITED

## PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2022

	Note	2022	2021
<b>TURNOVER</b>	3	112,200,029	106,712,278
Cost of sales		<u>(64,752,220)</u>	<u>(62,397,287)</u>
<b>GROSS PROFIT</b>		47,447,809	44,314,991
Administrative expenses		<u>(24,112,488)</u>	<u>(21,003,527)</u>
<b>OPERATING PROFIT</b>		23,335,321	23,311,464
Interest receivable and similar income	6	469,707	35,522
Interest payable and similar expenses	7	-	<u>(16,584)</u>
<b>PROFIT BEFORE TAXATION</b>	4	23,805,028	23,330,402
Tax on profit	8	<u>(4,276,678)</u>	<u>(6,935,874)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>19,528,350</u>	<u>16,394,528</u>

All activities are derived from continuing operations.

There are no other comprehensive income or expenses for the current financial year and preceding financial year other than as stated above.

The notes on pages 14 to 27 form part of these financial statements.

# CAMBRIDGE CONSULTANTS LIMITED

## BALANCE SHEET

As at 31 December 2022

	Note	2022	2021
<b>FIXED ASSETS</b>			
Tangible assets	9	52,696,553	50,843,188
Investments	10	<u>18,676,535</u>	<u>18,676,535</u>
		<u>71,373,088</u>	<u>69,519,723</u>
<b>CURRENT ASSETS</b>			
Debtors	11	51,650,404	62,950,189
Cash at bank and in hand		<u>2,747,001</u>	<u>2,941,780</u>
		54,397,405	65,891,969
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(21,112,992)</u>	<u>(30,805,515)</u>
<b>NET CURRENT ASSETS</b>		<u>33,284,413</u>	<u>35,086,454</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		104,657,501	104,606,177
<b>PROVISIONS FOR LIABILITIES</b>	13	<u>(11,152,806)</u>	<u>(10,629,832)</u>
<b>NET ASSETS</b>		<u>93,504,695</u>	<u>93,976,345</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	10,000,000	10,000,000
Share premium account		252,334	252,334
Profit and loss account		<u>83,252,361</u>	<u>83,724,011</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>93,504,695</u>	<u>93,976,345</u>

The notes on pages 14 to 27 form part of these financial statements.

The financial statements of Cambridge Consultants Limited, registered number 01036298, were approved by the Board of Directors and authorised for issue on 27 April 2023.

Signed on behalf of the Board of Directors



E Wilkinson  
Director

# CAMBRIDGE CONSULTANTS LIMITED

## STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2021	10,000,000	252,334	67,329,483	77,581,817
Profit for the year	-	-	16,394,528	16,394,528
At 31 December 2021	10,000,000	252,334	83,724,011	93,976,345
Profit for the year	-	-	19,528,350	19,528,350
Dividends paid	-	-	(20,000,000)	(20,000,000)
At 31 December 2022	10,000,000	252,334	83,252,361	93,504,695

The notes on pages 14 to 27 form part of these financial statements.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The accounting policies adopted are described below and have been applied consistently in the current and prior year.

#### General information and basis of accounting

Cambridge Consultants Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on pages 2 to 4.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional and presentation currency of Cambridge Consultants Limited is pounds sterling because that is the currency of the primary economic environment in which the company operates.

Cambridge Consultants Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Cambridge Consultants Limited is consolidated in the financial statements of its ultimate parent, Capgemini SE, which may be obtained from their website at [Capgemini.com](http://Capgemini.com). Exemptions have been taken in these separate Company financial statements in relation to financial instruments, presentation of a cash flow statement, remuneration of key management personnel and related party transactions.

#### Going concern

The financial statements have been prepared on the going concern basis. The directors have considered future cash forecasts and revenue projections in their consideration of going concern.

The company's business activities, together with the factors likely to affect its future development performance and position are set out in the Strategic Report. The principal risks and uncertainties which could adversely impact the long-term performance and going concern status of the company are considered to be the general state of the UK, the potential impact of Covid on both our ability to deliver for clients and the general financial health of our clients, the impact of Brexit, the state of the global economy, the level of confidence of the market and availability of required credit for our current and potential clients. All these matters have been considered by the directors in coming to their conclusions on going concern.

The directors are currently of the opinion that the company has adequate financial resources available to meet its operational needs for the foreseeable future which is not less than 12 months from the date of approval of these financial statements, including £30,788,484 of cash as at 31 December 2022, held in the group cash pooling facility (2021 - £45,219,840) and a robust policy towards treasury risk and cash flow management. The directors believe that the company is adequately placed to manage its business risks successfully despite the current uncertain economic outlook and challenging macro-economic conditions. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### Group financial statements

The financial statements contain information about Cambridge Consultants Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt from the requirements to prepare group financial statements by virtue of section 401 of the Companies Act 2006, as it is a subsidiary undertaking of an ultimate parent company. Our results are consolidated into Group financial statements.

#### Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Profit is recognized on long-term contracts if the outcome can be assessed with reasonable certainty by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated by multiplying the total contract value by the proportion of costs incurred to date over the total expected costs for that contract.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 1. ACCOUNTING POLICIES (continued)

#### Turnover (continued)

Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year. Where revenue recognised is more than amounts invoiced to the customer, the amounts are recorded as amounts recoverable on contracts and included as part of debtors due within one year.

Royalty income is accounted for as and when royalties become due.

Interest income is recognised when it becomes due.

#### Research and development

Research and development expenditure is expensed to the profit and loss account as incurred.

#### Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value. Investments in subsidiaries and associates are measured using the same method.

#### Tangible fixed assets

Expenditure on fixed assets is recognized at cost. Depreciation is calculated on a straight-line basis at rates which are estimated to write off the assets over their expected useful lives. Provision is made for any impairment.

The principal annual rates in use are as follows:

Plant and machinery	10% - 25% per annum
---------------------	---------------------

Assets under the course of construction are not depreciated until completed and ready for use.

Short leasehold buildings consist of leasehold improvements and the lease premium which have been recognized as tangible fixed assets and depreciated over the shorter of the term of the lease (less than 50 years) and the useful economic life.

Long leasehold buildings are recognized as tangible fixed assets and depreciated over the term of the lease (being 99 years) and are reviewed annually for indications of an impairment.

#### Borrowing costs

Borrowing costs which are directly attributable to the construction of tangible fixed assets are recognized as part of the cost of those assets. The commencement of capitalization begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete. Borrowing cost rates are 0.5% pa above the % rate pa determined by the lender to be its cost of funds.

#### Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognized in the financial statements.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 1. ACCOUNTING POLICIES (continued)

#### Taxation (continued)

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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 a non-discounted basis.

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities expressed in foreign currencies are translated to sterling at rates of exchange ruling at the end of the financial year. Results of overseas activities are translated at the average rate of exchange for the whole year. Differences on exchange are included in operating results.

#### Leases

Rentals under operating leases are expensed to the profit and loss account in equal annual amounts over the lease term.

#### Pension costs

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

#### Financial instruments

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

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

#### *Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 1. ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### *Financial assets and liabilities (continued)*

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be £nil) less impairment.

Financial assets are derecognised only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

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

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 1. ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

##### *Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

##### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

#### **Critical judgement in applying the Company's accounting policies**

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

#### **Revenue Recognition**

Revenue has been recognised in line with the accounting policy stated under 'Turnover'. Turnover is calculated by multiplying the total contract value by the proportion of costs incurred to date over the total expected costs for that contract. Each contract is reviewed in detail, at appropriate intervals, by a steering group which includes Executive members of the Board of Directors that assesses the likelihood of any cost overruns and the outcome of this review is fully factored into the revenue recognized. This periodic detailed review is based on information provided by and dialogue with the senior management of the business sectors the company is organized by.

#### **Key source of estimation uncertainty – valuation of investments**

Cambridge Consultants Limited has, over its long history, spun off companies to exploit the commercial potential of intellectual property it has developed. Some of these spin-offs are amongst the largest companies currently existing in the Cambridge technology sector. Where there is no external market for these investments, the Directors base their valuation on the most recent round of funding, which will inevitably include external investors as well. If there are any changes in circumstances which affect the valuation, the Directors exercise their best judgement, after reviewing all information available, in determining the value attributable to the investments held. As at 31 December 2022, the Company held £18.7 million of investments in subsidiaries and associates (2021 - £18.7 million).

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 3. TURNOVER AND REVENUE

An analysis of the Company's turnover by class of business and geographical location is set out below.

	2022		2021	
	Turnover by destination £	Turnover by location £	Turnover by destination £	Turnover by location £
<b>Contract Turnover</b>				
United Kingdom	38,801,724	112,104,251	32,076,327	106,632,650
Rest of Europe	26,259,619	-	26,922,373	-
Rest of the World	47,042,908	-	47,633,950	-
	<u>112,104,251</u>	<u>112,104,251</u>	<u>106,632,650</u>	<u>106,632,650</u>

	2022		2021	
	Turnover by destination £	Turnover by origin £	Turnover by destination £	Turnover by origin £
<b>Royalty Turnover</b>				
United Kingdom	76,823	95,778	40,688	79,628
Rest of Europe	10,000	-	10,000	-
Rest of the World	8,955	-	28,940	-
	<u>95,778</u>	<u>95,778</u>	<u>79,628</u>	<u>79,628</u>
<b>TOTAL TURNOVER</b>	<u>112,200,029</u>	<u>112,200,029</u>	<u>106,712,278</u>	<u>106,712,278</u>

An analysis of the Company's revenue is as follows:

	2022 £	2021 £
Rendering of services	112,104,251	106,632,650
Royalties	95,778	79,628
Turnover	<u>112,200,029</u>	<u>106,712,278</u>

All revenue is generated by the company's principal activity.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 4. PROFIT BEFORE TAXATION

	2022	2021
	£	£
<b>Profit before taxation is after charging / (crediting):</b>		
Depreciation of fixed assets – owned	3,312,078	3,268,188
Rentals under operating leases:		
Land and buildings	1,236,305	1,146,611
R&D Expenditure Credit	(3,161,060)	(2,730,876)
Loss/(profit) on foreign exchange	(1,575,133)	146,578
(Profit)/Loss on fixed assets disposal	(6,753)	7,232
Other material costs	11,234,960	11,264,260
Employment costs	60,244,699	57,942,694
Other external expenses	17,062,905	12,285,189
The analysis of auditor's remuneration is as follows:		
Fees payable to the company's auditor for the audit of the Company's annual financial statements	<u>47,000</u>	<u>52,000</u>

### 5. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2022	2021
	£	£
Directors' emoluments	<u>2,172,993</u>	<u>2,427,098</u>
Aggregate of contributions paid for directors' money purchase pension schemes	<u>130,533</u>	<u>140,771</u>

Directors' emoluments exclude amounts in respect of pension contributions, benefits under pension schemes and benefits under long term incentive plans.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 5. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

	2022 No	2021 No
Number of directors who are members of the money purchase scheme	4	4
	£	£
Emoluments of the highest paid director	639,805	687,288

The contributions paid into a money purchase scheme for the highest paid director in 2022 was £nil (2021 - £nil). The highest paid director did not exercise any share options in the year and had no shares receivable under any long-term incentive scheme as Cambridge Consultants Limited does not have a share option scheme or any long-term incentive programme.

	2022 No.	2021 No.
<b>Average monthly number of persons employed including Executive Directors</b>		
Professional consultants	603	551
Administrative and support staff	79	70
	682	621
	£	£
<b>Staff costs incurred during the year in respect of these employees were:</b>		
Wages and salaries	46,615,500	46,312,105
Social security costs	7,395,974	6,286,215
Pension costs (note 19)	6,233,225	5,344,374
	60,244,699	57,942,694

### 6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022 £	2021 £
Interest on amounts due from group undertakings	469,581	35,338
Other interest	126	184
	469,707	35,522

### 7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £	2021 £
Interest on bank loans, overdrafts and other loans	-	16,584

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 8. TAX ON PROFIT

The tax charge comprises:	2022 £	2021 £
<b>Current tax on profit</b>		
United Kingdom current year tax charge @ 19% (2021 – 19%) based on the profit for the year	3,816,704	4,495,392
Withholding tax	-	2,371
	<u>3,816,704</u>	<u>4,497,763</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences (See Note 13)	459,974	2,438,111
	<u>4,276,678</u>	<u>6,935,874</u>

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

	2022 £	2021 £
Profit before tax	<u>23,805,028</u>	<u>23,330,402</u>
Tax on profit at standard UK corporation tax rate of 19% (2021 – 19%)	4,522,955	4,432,776
Effects of:		
Rate differences on deferred tax opening balance	-	2,534,399
Other	(47,042)	7,849
Super deduction capital allowance	(241,009)	(95,540)
Net Expenses disallowed	<u>41,774</u>	<u>56,390</u>
Total tax charge for the year	<u>4,276,678</u>	<u>6,935,874</u>

The UK Government intend to increase corporation tax rates to 25% from the current 19%, with effect from 1<sup>st</sup> April 2023. The closing deferred tax assets and liabilities, at 31 December 2022, were calculated at 25%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 9. TANGIBLE FIXED ASSETS

	Long lease £	Short lease £	Plant and machinery £	Total £
<b>Cost</b>				
At 1 January 2022	50,967,592	184,300	30,276,440	81,428,332
Additions	-	-	5,166,889	5,166,889
Disposals	-	-	(190,946)	(190,946)
At 31 December 2022	<u>50,967,592</u>	<u>184,300</u>	<u>35,252,383</u>	<u>86,404,275</u>
<b>Depreciation</b>				
At 1 January 2022	5,641,778	184,300	24,759,066	30,585,144
Expense for the year	785,600	-	2,526,478	3,312,078
Disposals	-	-	(189,500)	(189,500)
At 31 December 2022	<u>6,427,378</u>	<u>184,300</u>	<u>27,096,044</u>	<u>33,707,722</u>
<b>Net book value</b>				
At 31 December 2022	<u>44,540,214</u>	<u>-</u>	<u>8,156,339</u>	<u>52,696,553</u>
At 31 December 2021	<u>45,325,814</u>	<u>-</u>	<u>5,517,374</u>	<u>50,843,188</u>

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 10. INVESTMENTS HELD AS FIXED ASSETS

	£
<b>Cost</b>	
At 1 January 2022	18,676,535
Additions	-
Disposals	-
	<hr/>
At 31 December 2022	18,676,535
<b>Provisions for impairment</b>	
At 1 January 2021 and 31 December 2022	-
	<hr/>
<b>Net book value</b>	
At 31 December 2022	<u>18,678,535</u>
	<hr/>
At 31 December 2022	<u>18,676,535</u>

#### Associate undertaking – Evonetix Ltd

At the year end, the company held 15,000 ordinary shares and 627,817 preference shares (14.65% of the issued share capital on a fully diluted basis), which is held at a value of £3,468,740 (2021 - £3,468,740). The principal activity is the development of DNA synthesis technology.

Registered office: Unit 1 Cambridge House, Cambero Business Park, Oakington Road, Girton, Cambridge, England, CB3 0QH.

#### Subsidiary undertaking – Cambridge Consultants Inc

The company owns 100% of the issued ordinary share capital of Cambridge Consultants Inc., a company registered in Massachusetts, USA. The principal activity of Cambridge Consultants Inc is technology development. The investment is held at a value of £15,135,536 (2020 - £15,135,536).

Registered office: 2 Drydock Avenue Suite 1210, Boston MA 02110, United States

#### Subsidiary undertaking – Cambridge Consultants (Singapore) Pte Limited

The above subsidiary was incorporated in Singapore on 13 December 2012 with an investment of £1, owned 100% by the company. The principal activity of Cambridge Consultants (Singapore) Pte Limited is technology development. The investment is held at a value of £1. The principal activity is business development support for the Company. The class of shares held are ordinary shares.

Registered office: 4 Battery Road, #25-01, Bank of China Building, Singapore 049908

#### Dividends and other distributions

No income with respect to dividends or other distributions has been recognised.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 10. INVESTMENTS HELD AS FIXED ASSETS (continued)

#### Subsidiary undertaking – Cambridge Consultants Japan Inc.

The above subsidiary was incorporated in November 2017 with an investment of £72,258, owned 100% by the Company. The investment is held at a value of £72,258 (2021 - £72,258). The principal activity is business development support for the Company.

Registered office: 6F Spline Aoyama Tokyo Building, 3-1-3 Minamiaoyama, Minato-ku, Tokyo, 107-0062, Japan

### 11. DEBTORS

	2022	2021
		£
<b>Amounts falling due within one year</b>		
Trade debtors	10,296,995	10,502,483
Amounts recoverable on contracts	4,404,400	3,060,759
Amounts owed by subsidiaries	905,971	1,843,451
Amounts owed by group affiliates	32,258,163	45,234,601
Other debtors including taxation and social security	441,369	494,057
Prepayments and accrued income	1,522,676	1,814,838
Corporation tax recoverable	1,820,830	-
	<u>51,650,404</u>	<u>62,950,189</u>

Amounts owed by group companies included £30,788,484 (2021 - £45,219,840) which are repayable on demand and unsecured. These accrue interest at a rate of 3-month LIBOR rate +0.0%. The remaining balances are due within 1 year and accrue no interest. They are unsecured and have no set repayment terms.

Corporation tax was a liability in 2021 and included in 'Other creditors including taxation and social security'

### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
		£
Payments received on account	7,669,548	11,702,182
Amounts owed to subsidiaries	817,007	488,450
Amounts owed to group affiliates	233,747	1,107,437
Trade creditors	1,226,403	389,231
Other creditors including taxation and social security	1,906,856	4,092,418
Accruals and deferred income	9,259,431	13,025,797
	<u>21,112,992</u>	<u>30,805,515</u>

Amounts owed to group companies are repayable on demand.

No interest accrues on the group balances and balances are not secured over assets of the company.

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 13. PROVISION FOR LIABILITIES

#### Deferred taxation

The movements on deferred taxation are as follows:

	£
Liability at 1 January 2022	10,692,832
Debit to the profit and loss account	<u>459,974</u>
Liability at 31 December 2022	<u><u>11,152,806</u></u>

	2022	2021
		£
<b>Analysis of deferred tax balance</b>		
Capital allowances in excess of depreciation	11,276,899	10,737,898
Short term timing differences	<u>(124,093)</u>	<u>(108,066)</u>
	<u><u>11,152,806</u></u>	<u><u>10,629,832</u></u>

### 14. CALLED UP SHARE CAPITAL

	2022	2021
		£
<b>Called up, allotted and fully paid</b>		
100,000,000 'A' ordinary shares of 10p each	<u>10,000,000</u>	<u>10,000,000</u>

The company has one class of ordinary shares which carry no right to fixed income.

The company's other reserves are as follows:

The share premium account contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid.

### 15. CAPITAL COMMITMENTS

	2022	2021
		£
Contracted for but not provided – tangible fixed assets	<u>2,408,801</u>	<u>705,684</u>

### 16. CONTINGENT LIABILITIES AND GUARANTEES

At 31 December 2022 the company had bank guarantees outstanding amounting to £135,000 (2021 - £135,000).

# CAMBRIDGE CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2022

### 17. OPERATING LEASE COMMITMENTS

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

	2022	2021
	£	£
Within one year	1,100,793	1,159,105
Between one and five years	2,600,265	2,672,315
After five years	30,393,378	30,992,999
	<u>34,094,436</u>	<u>34,824,419</u>

### 18. ULTIMATE PARENT COMPANY

At the year end the immediate parent company was Altran UK Holding Limited, a company registered in England and Wales, and the ultimate parent company was Capgemini SE, a company incorporated in France. Copies of the group financial statements of Capgemini SE may be obtained from their website [Capgemini.com](http://Capgemini.com).

Capgemini SE is the smallest and the largest group for which group financial statements are prepared and which includes Cambridge Consultants Limited in its consolidated financial statements.

### 19. PENSION ARRANGEMENTS<sup>93</sup>

#### UK Pensions

Since November 2002 the company has had a Money Purchase Scheme with Standard Life. Since April 2019 the employer contributes at least 6% of salary and the employee may contribute further sums under a salary sacrifice arrangement.

The pension cost expense for the year amounted to £6,233,225 (2021 - £5,344,374). At 31 December 2022, £496,372 was unpaid (2021 - £432,262)