

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**ANNUAL REPORTS  
FORM X-17A-5  
PART III**

<b>OMB APPROVAL</b>
OMB Number: 3235-0123 Expires: Oct. 31, 2023 Estimated average burden hours per response: 12

<b>SEC FILE NUMBER</b>
8-69448

**FACING PAGE**

**Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934**

FILING FOR THE PERIOD BEGINNING 4/1/2021 AND ENDING 3/31/2022  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF FIRM: BAILLIE GIFFORD FUNDS SERVICES LLC

TYPE OF REGISTRANT (check all applicable boxes):

☒ Broker-dealer      ☐ Security-based swap dealer      ☐ Major security-based swap participant  
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

CALTON SQUARE, 1 GREENSIDE ROW

(No. and Street)

EDINBURGH, EH1 3AN

(City) (State) (Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

JANICE PARISE      212 751-4422      JPARISE@DFPPARTNERS.COM  
(Name) (Area Code – Telephone Number) (Email Address)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing\*

CITRIN COOPERMAN & COMPANY, LLP

(Name – if individual, state last, first, and middle name)

290 WEST MT. PLEASANT AVENUE STE 3310 LIVINGSTON NJ 07039

(Address) (City) (State) (Zip Code)

11/02/2005      2468

(Date of Registration with PCAOB)(if applicable) (PCAOB Registration Number, if applicable)

**FOR OFFICIAL USE ONLY**

\* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

## OATH OR AFFIRMATION

I, DAVID SALTER, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of BAILLIE GIFFORD FUNDS SERVICES LLC, as of 3/31, 2022, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.



Notary Public

JANICE PARISE  
Notary Public, State of New York  
No. 41-4968956  
Qualified in Queens County  
Commission Expires July 9, 2022

DocuSigned by:

Signature:

Title:

CHIEF EXECUTIVE OFFICER

## This filing\*\* contains (check all applicable boxes):

- ☒ (a) Statement of financial condition.
- ☒ (b) Notes to consolidated statement of financial condition.
- ☐ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- ☐ (d) Statement of cash flows.
- ☐ (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☐ (g) Notes to consolidated financial statements.
- ☐ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☐ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☐ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☐ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☒ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☐ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: \_\_\_\_\_

\*\*To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

**BAILLIE GIFFORD FUNDS SERVICES LLC**

Statements of Financial Condition

March 31, 2022

(With Report of Independent Registered Public Accounting Firm Thereon)

## BAILLIE GIFFORD FUNDS SERVICES LLC

### Contents

Report of Independent Registered Public Accounting Firm	3
Managers' and Company Information	4
Statement of Financial Condition	5
Notes to the Financial Statement	6-10

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member and the Management of  
Baillie Gifford Funds Services LLC

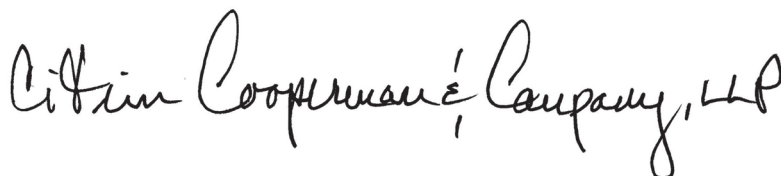
### **Opinion on the Financial Statement**

We have audited the accompanying statement of financial condition of Baillie Gifford Funds Services LLC as of March 31, 2022, and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of Baillie Gifford Funds Services LLC as of March 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

This financial statement is the responsibility of Baillie Gifford Funds Services LLC's management. Our responsibility is to express an opinion on Baillie Gifford Funds Services LLC's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to Baillie Gifford Funds Services LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.



We have served as Baillie Gifford Funds Services LLC's auditor since 2022.  
Livingston, New Jersey  
May 27, 2022

## BAILLIE GIFFORD FUNDS SERVICES LLC

### Managers' and Company Information

**Managers:**

D W Salter (Chairman)  
S A McKechnie  
A Graham  
L M Archibald  
M G Saliba  
K Hamilton  
S Quinn

**Officers:**

J D Parise (Financial & Operations Principal)

**Bankers:**

Lloyds Bank plc  
City Branch  
PO Box 72  
Bailey Drive  
Gillingham  
ME8 0LS

HSBC Bank USA N.A.  
452 5<sup>th</sup> Ave  
New York  
NY 10018

**Registered Office:**

Corporation Service Company  
251 Little Falls Drive  
Wilmington  
DE 19808  
USA

**Principal Office:**

Calton Square  
1 Greenside Row  
Edinburgh  
EH1 3AN

**UK Company Number:**

FC031788

**UK Establishment Registered Number:**

BR016858

**US (Delaware) Registered Number:**

5482323

## BAILLIE GIFFORD FUNDS SERVICES LLC

## Statement of Financial Condition

March 31, 2022

**Assets**

Cash	\$	2,399,019
Prepayments		94,588
<b>Total assets</b>	\$	<b>2,493,607</b>

**Liabilities and member's equity**

Accounts payable and accrued expenses	\$	7,203
Due to Parent		63,434
Due to affiliates		85,433
Income taxes payable		49,196
<b>Total current liabilities</b>		<b>205,266</b>

**Member's equity**

Common units 100,000 shares, par value \$1		100,000
Retained earnings		2,188,341
<b>Total member's equity</b>		<b>2,288,341</b>
<b>Total liabilities and member's equity</b>	\$	<b>2,493,607</b>

Accompanying notes on pages 6-10 are an integral part of this financial statement.

The financial statement was approved by the Board of Managers on May 27, 2022 and signed on its behalf by:

DocuSigned by:  
  
 ASD9AEAE89448447...

**D W Salter**

*Manager*

Company Number FC031788

**BAILLIE GIFFORD FUNDS SERVICES LLC****Notes to the Financial Statement****March 31, 2022****1) Nature of Business**

Baillie Gifford Funds Services LLC (the “Company”) is a wholly owned subsidiary of Baillie Gifford Overseas Limited (“BGO” or the “Parent”), a wholly owned subsidiary of Baillie Gifford & Co. (“BGC”), and is economically dependent on its Parent to sustain its operations. The Company was formed on February 14, 2014 as a limited liability company in Delaware, USA to act as distributor of securities managed and advised by BGO. On March 2, 2015, the Financial Industry Regulatory Authority (“FINRA”) approved the registration of the Company. The Company is registered as a broker-dealer with the Securities and Exchange Commission (“SEC”) and is a member of FINRA.

The primary business of the Company is to act as general distributor of Baillie Gifford US Mutual Public Offer Funds (the “Funds”), which are Open Ended Investment Companies registered under the Investment Company Act of 1940 and registered under the Securities Act of 1933. The Company does not hold funds or securities for, or owe money or securities to, customers or perform custodial services and, accordingly, claims exemption from Rule 15c3-3 of the Securities Exchange Act of 1934. The Funds were registered under the Securities Act of 1933 with the SEC. Registration was granted on April 2, 2015.

The Company also acts as distributor of private investment funds (the “BG Private Funds”) sponsored and advised by BGO and/or its affiliates that are not registered under the Securities Act of 1933. The Company is also registered, in the UK, under the Companies Act 2006 as having a UK Establishment, given at Companies House on February 14, 2014.



**BAILLIE GIFFORD FUNDS SERVICES LLC****Notes to the Financial Statement (continued)****March 31, 2022****2) Summary of Significant Accounting Policies*****a) Basis of Presentation***

The Company's Statement of Financial Condition has been prepared in accordance with U.S. Generally Accepted Accounting Principles ("US GAAP"), which require management to make estimates and assumptions and that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from those estimates. Functional and presentational currency is deemed to be US dollars ("USD").

***b) Related Party Transactions***

On February 27, 2015, the Company and BGO entered into an Expense Sharing Agreement. In accordance with the Expense Sharing Agreement, the Company will reimburse BGO on a monthly basis for a proportional share of costs borne by BGO in relation to activities performed by staff working for the Company.

In addition, the Expense Sharing Agreement incorporates the services the Company provides to BGO. A placement services fee equivalent to all of the Company's expenses, excluding financing costs, is charged to BGO on a monthly basis including a mark-up of 10%.

***c) Concentration of Credit Risk***

The Company maintains its cash accounts in two commercial banks. The Company does not consider itself to be at risk with respect to its cash balances which at times may exceed Federally insured levels.

**3) Amount due from Parent**

In accordance with the Expense Sharing Agreement, \$11,316 is due from BGO to the Company as of March 31, 2022; this amount is included net in Due to Parent on the Statement of Financial Condition. This is due to payments on account paid to BGO during the year that exceeded the year-end calculated costs borne by BGO.

**BAILLIE GIFFORD FUNDS SERVICES LLC****Notes to the Financial Statement (continued)****March 31, 2022****4) Amount due to Parent**

In accordance with the Expense Sharing Agreement, there is \$74,750 due to BGO from the Company as of March 31, 2022, which is included net in Due to Parent on the Statement of Financial Condition. This is due to payments on account paid to BGO during the year that exceeded the year-end calculated costs borne by BGO.

**5) Affiliated Parties**

The Company derives substantially all of its revenue by acting as the general distributor of the Funds and providing sales and marketing services to BGO. \$85,433 is due to affiliates as of March 31, 2022.

**6) Income Taxes**

The Company was organized as a single-member limited liability company but elected to be treated as a corporation for federal and state tax purposes. The Company files its federal and state income tax returns, where applicable, on a corporate basis. The tax years that remain subject to examination by the tax authorities are 2019 through 2021.

Deferred tax assets and liabilities are recognized for all future tax consequences attributable to “temporary differences” between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date.

The Company evaluates deferred tax assets periodically to determine if they are realizable. Factors in the determination include the performance of the business including the ability to generate capital gains from a variety of sources and tax planning strategies. If, based on available information, it is more likely than not that deferred income tax assets will not be realized, then a valuation allowance must be established with a corresponding charge to net income.

**BAILLIE GIFFORD FUNDS SERVICES LLC****Notes to the Financial Statement (continued)****March 31, 2022****6) Income Taxes (continued)**

The Company records liabilities for uncertain tax filing positions in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, where it is more-likely-than-not that the position will not be sustainable upon audit by taxing authorities. These liabilities are re-evaluated routinely and are adjusted appropriately based upon changes in facts or law. The Company has no unrecorded liabilities from uncertain tax filing positions.

The Company's effective tax rate would be affected to the extent there were unrecognized tax benefits that could be recognized. There are no positions for which it is reasonably possible that the total amount of unrecognized tax benefit will significantly increase within the next 12 months.

**7) Off-Balance Sheet Risk and Credit Risk**

The Company acts as general distributor of the Funds and BG Private Funds. Receipts and payments for mutual fund shares sold or redeemed are made directly to, or by, the issuers or their agents. There is no off-balance sheet risk associated with these transactions as customers will deal directly with the funds and the Company does not hold or transfer customer funds.

**8) Other Risk Factors**

Given travel restrictions over the last year due to the Coronavirus pandemic, marketing activity and supervision has largely been via email, phone and video calls.

As the impact of Coronavirus has declined, BGFS has re-emphasised the importance of physical interactions with colleagues and clients while also incorporating the flexible working benefits experienced through the recent period of remote working. The Company expect face-to-face marketing activity and supervision to pick up significantly over the year ahead.

**9) Commitments and Contingencies**

In the ordinary course of business, various claims and lawsuits may be brought by or against the Company. As of the end of the year, there were no such claims or lawsuits brought by or against the Company.

**BAILLIE GIFFORD FUNDS SERVICES LLC****Notes to the Financial Statement (continued)****March 31, 2022****10) Net Capital Requirement**

As a FINRA registered broker-dealer, the Company is subject to the SEC Uniform Net Capital Rule ("Rule 15c3-1") of the Securities Exchange Act of 1934, which requires the maintenance of minimum net capital. Under Rule 15c3-1, the Company is required to maintain minimum net capital equal to the greater of \$5,000 and 6 2/3% of aggregate indebtedness. The ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1, and that equity capital may not be withdrawn, or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At March 31, 2022, The Company had net capital of \$2,192,660, which was \$2,178,976 above its required net capital of the greater of \$5,000 or 6 2/3% of aggregated indebtedness. The ratio of aggregate indebtedness to net capital was 0.09362 to 1 at March 31, 2022.

**11) Subsequent Events**

The Company has evaluated the need for disclosures and/or adjustments resulting from subsequent events through May 27, 2022, the date the Statement of Financial Condition was available to be issued.