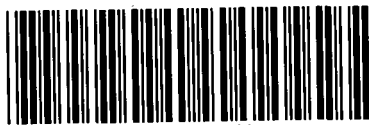


JONES LANG LASALLE CORPORATE FINANCE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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JONES LANG LASALLE CORPORATE FINANCE LIMITED

COMPANY INFORMATION

DIRECTORS

M Attolico (appointed 2 January 2018)
JF O'Driscoll (resigned 23 December 2017)
TJD Edghill
C Hepp
SJ Edwards (appointed 2 January 2018)

COMPANY SECRETARY

RH Webster
NG Taylor

REGISTERED NUMBER

01144849

REGISTERED OFFICE

30 Warwick Street
London
W1B 5NH

INDEPENDENT AUDITOR

KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

JONES LANG LASALLE CORPORATE FINANCE LIMITED

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JONES LANG LASALLE CORPORATE FINANCE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

INTRODUCTION

Jones Lang LaSalle Corporate Finance Limited provides regulated services to professional clients including merger & acquisition, joint venture and funds advice.

BUSINESS REVIEW

The results for the year and the financial position of the Company are considered to be satisfactory by the Directors. Against a backdrop of economic uncertainty following the Brexit vote, the results for the year are above expectation. A consolidation of operations took place during the year to manage the future cost base of the business and hence the Directors consider that the Company remains well-placed to successfully negotiate the current fragile political and economic environment, and to continue to look for growth opportunities.

The Directors expect that the present level of activity will be sustained for the foreseeable future, the Company will continue to develop its business in the UK and Europe and will continue to provide services to fellow group companies.

Jones Lang LaSalle Corporate Finance Limited remains focused on complex real estate and corporate M&A transactions and capital raising.

PRINCIPAL RISKS AND UNCERTAINTIES

Following the UK's decision to leave the EU, UK regulated firms may lose their MiFID passport rights, therefore the Spanish branch is being carefully monitored. The German branch ceased trading shortly before the year end. The risks are integrated with the principal risks of the Jones Lang LaSalle group of companies ('the group') and are managed in accordance with group guidelines.

In relation to the assessment and monitoring of economic, political and regulatory risks, the Company is continuing to evaluate the impact of the outcome of the 2016 referendum in relation to the UK's membership of the EU on the Company's business strategy and business risks in the short, medium and long term. In the short term there is no significant impact expected on the Company's business activities, there will be no immediate change in business strategy, and it does not affect the going concern position of the Company. Over the course of the expected two year transition period following the March 2017 notification of intention to leave the EU, the Company continues to closely monitor developments and will make appropriate changes to the business strategy once the impact on the UK and European real estate services industry is more certain.

FINANCIAL KEY PERFORMANCE INDICATORS

The results of the Company show a post tax profit of £1,403,754 (2016: £2,701,715) and sales of £12,767,123 (2016: £10,895,086). The Company has net assets of £15,124,229 (2016: £13,770,087).

This report was approved by the board on 20th April 2018 and signed on its behalf.



RH Webster
Secretary

JONES LANG LASALLE CORPORATE FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their report and the financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The Company is engaged in the provision of property related financial services and is regulated by the Financial Conduct Authority. The Company's FCA Pillar 3 disclosure document is available on www.jll.com.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,403,754 (2016: £2,701,715).

The Directors did not pay an interim dividend during the year (2016: £nil). The Directors do not recommend the payment of a final dividend (2016: £nil).

DIRECTORS

The Directors who served during the year were:

JF O'Driscoll (resigned 23 December 2017)
TJD Edghill
C Hepp

FUTURE DEVELOPMENTS

The Directors expect that the present level of activity will be sustained for the foreseeable future.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed 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 ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

Under section 487(2) of the Companies Act 2006, KPMG LLP, Statutory Auditor will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 20th April 2018 and signed on its behalf.



RH Webster
Secretary

JONES LANG LASALLE CORPORATE FINANCE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors are responsible for preparing the Strategic Report, the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), 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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JONES LANG LASALLE CORPORATE FINANCE LIMITED

OPINION

We have audited the financial statements of Jones Lang LaSalle Corporate Finance Limited (the 'Company') for the year ended 31 December 2017, which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is sufficient and appropriate basis for our opinion.

GOING CONCERN

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

OTHER INFORMATION

The Directors are responsible for the other information, which comprises the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF JONES LANG LASALLE CORPORATE FINANCE LIMITED (CONTINUED)

DIRECTORS' RESPONSIBILITIES

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the Directors are responsible for:

- the preparation of the financial statements and for being satisfied that they give a true and fair view;
- 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;
- 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES

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 our opinion in an Auditor's Report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is provided on the FRC's website at:
www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF OUR AUDIT REPORT AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Crabb (Senior Statutory Auditor)
for and on behalf of

KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

Date: 25 APRIL 2018

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover	3	12,767,123	10,895,086
GROSS PROFIT		12,767,123	10,895,086
Administrative expenses		(11,701,614)	(8,454,924)
OPERATING PROFIT	4	1,065,509	2,440,162
Interest receivable and similar income	7	358,050	274,918
Interest payable and similar expenses	8	(19,805)	(13,365)
PROFIT BEFORE TAX		1,403,754	2,701,715
PROFIT FOR THE FINANCIAL YEAR		1,403,754	2,701,715

There were no recognised gains and losses for 2017 or 2016 other than those included in the income statement.

The notes on pages 10 to 19 form part of these financial statements.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Profit for the financial year		<u>1,403,754</u>	<u>2,701,715</u>
OTHER COMPREHENSIVE INCOME			
Change in foreign exchange reserve		<u>(49,612)</u>	<u>(78,484)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR		<u>(49,612)</u>	<u>(78,484)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>1,354,142</u></u>	<u><u>2,623,231</u></u>

The notes on pages 10 to 19 form part of these financial statements.

JONES LANG LASALLE CORPORATE FINANCE LIMITED
REGISTERED NUMBER:01144849

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	35,068,252	30,960,708
Cash at bank and in hand	11	-	22,666
		<u>35,068,252</u>	<u>30,983,374</u>
Creditors: amounts falling due within one year	12	<u>(19,944,023)</u>	<u>(17,213,287)</u>
NET CURRENT ASSETS		15,124,229	13,770,087
TOTAL ASSETS LESS CURRENT LIABILITIES		15,124,229	13,770,087
NET ASSETS		15,124,229	13,770,087
CAPITAL AND RESERVES			
Called up share capital	14	225,000	225,000
Foreign exchange reserve	15	(129,386)	(79,774)
Profit and loss account	15	15,028,615	13,624,861
		<u>15,124,229</u>	<u>13,770,087</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
~~20th~~ April 2018



.....
SJ Edwards
 Director

The notes on pages 10 to 19 form part of these financial statements.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Total equity £
At 1 January 2017	225,000	(79,774)	13,624,861	13,770,087
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	1,403,754	1,403,754
Foreign exchange losses	-	(49,612)	-	(49,612)
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	(49,612)	-	(49,612)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(49,612)	1,403,754	1,354,142
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	-
AT 31 DECEMBER 2017	225,000	(129,386)	15,028,615	15,124,229

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Total equity £
At 1 January 2016	225,000	(1,290)	10,923,146	11,146,856
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	2,701,715	2,701,715
Foreign exchange losses	-	(78,484)	-	(78,484)
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	(78,484)	-	(78,484)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(78,484)	2,701,715	2,623,231
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	-
AT 31 DECEMBER 2016	225,000	(79,774)	13,624,861	13,770,087

The notes on pages 10 to 19 form part of these financial statements.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The functional and presentational currency of these financial statements is pound sterling rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Jones Lang LaSalle Incorporated as at 31 December 2017 and these financial statements may be obtained from Jones Lang LaSalle Incorporated, 200 East Randolph Drive, Chicago, Illinois 60601, USA.

1.3 Going concern

The financial statements have been prepared on the going concern basis which the Directors believe to be appropriate for the following reasons:

- The Directors assessed the Company's financial position, and they have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future;
- There are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern.

On the basis of their assessment the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Specifically, revenue comprises financing and consulting fees for the following types of transactions:

- Mergers and acquisitions - where the revenue is recognised on unconditional exchange;
- Joint ventures - where the revenue is recognised on unconditional exchange;
- Capital raising - where the revenue is recognised on contractual commitment of capital.

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Financial instruments (continued)

is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

1.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.9 Foreign currency translation

Profit and loss

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

Other comprehensive income

Foreign currency translation differences arising from the translation of assets, liabilities, income and expenses from a Company's branch functional currency to a Company's presentation currency.

The exchange differences recognised in other comprehensive income result from:

- Translating income and expenses at the spot or average rate and assets and liabilities at the closing rate.
- Translating opening net assets that continue to be recognised at a closing rate different from the previous closing rate.

1.10 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.11 Share based payments

Employees of the Company are entitled to participate in the Save As You Earn ('SAYE') scheme of the Jones Lang LaSalle group. This is administered by the Company's immediate parent, Jones Lang LaSalle Limited. All costs of this scheme are borne by the parent entity, in accordance with the group policy.

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Income Statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to Income Statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Income Statement is charged with fair value of goods and services received.

1.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

1.13 Interest income

Interest income is recognised in the Income Statement using the effective interest method.

1.14 Borrowing costs

All borrowing costs are recognised in the Income Statement in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.15 Taxation

Tax is recognised in the Income Statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Directors have not made any judgements in the process of applying the accounting policies that have a significant effect on the amounts recognised in the financial statements other than already disclosed in the notes to the accounts or made any key assumptions concerning the future and any other key sources of estimation uncertainty at the reporting date, that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities within the next financial year.

3. TURNOVER

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Professional services	12,767,123	10,895,086
	<u>12,767,123</u>	<u>10,895,086</u>

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	12,122,140	10,480,033
Rest of Europe	644,983	415,053
	<u>12,767,123</u>	<u>10,895,086</u>

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. OPERATING PROFIT

The operating profit is stated after charging:

	2017 £	2016 £
Amortisation of intangible assets, including goodwill	-	36,775
Impairment of intangible assets	-	324,847
Defined contribution pension cost	178,561	171,368
	<u>178,561</u>	<u>459,440</u>

5. AUDITOR'S REMUNERATION

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	28,000	19,591
	<u>28,000</u>	<u>19,591</u>

The audit fee has been borne by Jones Lang LaSalle Limited, the parent Company, in both 2017 and 2016.

6. EMPLOYEES

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	7,134,812	5,152,561
Social security costs	1,005,322	685,054
Cost of defined contribution scheme	178,561	171,368
	<u>8,318,695</u>	<u>6,008,983</u>

Employee cost paid in the UK is recharged from the parent Company, Jones Lang LaSalle Limited, with whom UK employees are contracted.

The Directors did not receive any remuneration in either year for qualifying services, as a Director of this entity, from the Company.

The average monthly number of employees, including the Directors, during the year was as follows:

	2017 No.	2016 No.
Managerial and professional	25	30
	<u>25</u>	<u>30</u>

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. INTEREST RECEIVABLE

	2017 £	2016 £
Interest receivable from group companies	358,050	274,918
	<u>358,050</u>	<u>274,918</u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2017 £	2016 £
Loans from group undertakings	19,805	13,365
	<u>19,805</u>	<u>13,365</u>

9. TAXATION

	2017 £	2016 £
TOTAL CURRENT TAX	<u>-</u>	<u>-</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	1,403,754	2,701,715
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%)	270,223	540,343
EFFECTS OF:		
Non-tax deductible amortisation of goodwill and impairment	-	72,324
Group relief	(270,223)	(612,667)
TOTAL TAX CHARGE FOR THE YEAR	<u>-</u>	<u>-</u>

JONES LANG LASALLE CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

9. TAXATION (CONTINUED)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The main rate of UK corporation tax for 2017 is 19.25%, it was reduced from 20% to 19% effective from 1 April 2017 (2016: 20.00%) by Finance Act 2016.

Finance Act 2016 has set the UK corporation tax rate for the Financial Year 2020, commencing 1 April 2020, at 17%.

10. DEBTORS

	2017 £	2016 £
Trade debtors	3,242,809	3,314,825
Amounts owed by group undertakings	27,374,725	26,733,820
Other debtors	273,311	38,299
Prepayments and accrued income	4,177,407	873,764
	<u>35,068,252</u>	<u>30,960,708</u>

11. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	-	22,666
Less: bank overdrafts	(5,310)	-
	<u>(5,310)</u>	<u>22,666</u>

Jones Lang LaSalle Corporate Finance Limited, as a part of the JLL Group, is included in the Group regional cash pooling and has a regional cash facility.

12. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	5,310	-
Trade creditors	-	(181)
Amounts owed to group undertakings	15,634,720	14,136,450
Other taxation and social security	518,877	387,264
Accruals and deferred income	3,785,116	2,689,754
	<u>19,944,023</u>	<u>17,213,287</u>

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13. FINANCIAL INSTRUMENTS

	2017 £	2016 £
FINANCIAL ASSETS		
Financial assets that are debt instruments measured at amortised cost	<u>30,616,534</u>	<u>30,086,944</u>
	<u><u>30,616,534</u></u>	<u><u>30,086,944</u></u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(19,419,836)</u>	<u>(16,820,048)</u>
	<u><u>(19,419,836)</u></u>	<u><u>(16,820,048)</u></u>

Financial assets measured at amortised cost comprise trade debtors and amounts owed by group undertakings.

Financial Liabilities measured at amortised cost comprise accruals and amounts owed to group undertakings.

14. SHARE CAPITAL

	2017 £	2016 £
Allotted, called up and fully paid		
225,000 Ordinary shares of £1 each	<u>225,000</u>	<u>225,000</u>

15. RESERVES

Foreign exchange reserve

Foreign currency translation differences arising from the translation of assets, liabilities, income and expenses from a Company's branch functional currency to Company's presentational currency.

Profit and loss account

Company's accumulated profits less any accumulated losses available for the distribution to shareholders.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

16. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £171,368 (2016 - £171,368). Included in creditors are £nil of accrued pension payments (2016 - £3,201).

17. POST BALANCE SHEET EVENTS

There are no events after the reporting period, up to the date the financial statements are signed, requiring disclosure in these financial statements.

18. CONTROLLING PARTY

The Company's immediate parent company during the year was Jones Lang LaSalle Limited, a company incorporated in England and Wales, registered office at 30 Warwick Street, London, W1B 5NH. The ultimate parent company is Jones Lang LaSalle Incorporated, a company incorporated in Maryland, USA.

The only group in which the financial statements of the Company are consolidated is that headed by Jones Lang LaSalle Incorporated. Copies of the group financial statements of Jones Lang LaSalle Incorporated can be obtained from Jones Lang LaSalle Incorporated, 200 East Randolph Drive, Chicago, Illinois 60601