

Company Registration No. 06430656

Colliers Capital Holdings Limited

**Annual Report and Financial Statements for
the year ended 31 December 2022**



Colliers Capital Holdings Limited

Annual report and financial statements For the year ended 31 December 2022

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Colliers Capital Holdings Limited

Officer and professional advisers

For the year ended 31 December 2022

Director

N Holroyd

Registered office

50 George Street
London
W1U 7GA

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants
1 Embankment Place
London WC2N 6RH
United Kingdom

Colliers Capital Holdings Limited

Strategic Report

For the year ended 31 December 2022

Strategic Report

The Director presents their strategic report and the audited financial statements for Colliers Capital Holdings Limited (the “Company”) for the year ended 31 December 2022.

Principal activities of the Company

The principal activity of the Company is as property consultants providing a comprehensive range of agency, strategic, advisory and implementation services to property owners, investors, developers and occupiers primarily in the United Kingdom. The Company continues to operate within its principal activities and is forecasting continuing cash and profit generation over the coming years. The Company is registered with the Financial Conduct Authority (FCA – Reference No.583334). The Company is a private company limited by shares and is incorporated in the United Kingdom and registered in England.

Review of the business and future prospects

The Company commenced trading on 1 May 2013. 2022 saw an 19% increase in turnover year on year whilst operating profit increased to £427k (2021: £246k).

The director is pleased with the performance of the business in 2022.

Key performance indicators (KPIs) and results highlights

The performance of the Company is measured by the director and the executive management team through a series of key performance indicators. The principal measurements used to assess performance are profit on ordinary activities before taxation and revenue; both of which are deemed to be satisfactory for the year. Non-financial KPIs are not deemed necessary for this entity on the basis that there are no employees, and the revenue streams consist of contractual income from a limited number of contracts.

Revenue achieved in the year was £1.9m (2021: £1.6m) showing an increase of 19% on the prior year (2021: 8% decrease on prior year)

Operating profit increased by £181k to £427k delivering an operating profit margin for 2022 of 23%. The Director is pleased to report an increase in underlying profitability on core contractual income driven by cost efficiencies implemented in previous years.

A dividend of £750k has been declared for the year ended 31 December 2022 (2021: £Nil).

Colliers Capital Holdings Limited

Strategic Report

For the year ended 31 December 2022

Principal risks and uncertainties

The director and executive management team regularly monitor and manage potential risks and uncertainties within the Company.

A principal risk is the general health of the UK economy which has been negatively affected for a sustained period, most recently in relation to the economic fallout from Russia's invasion of the Ukraine and increased inflation both nationally and globally.

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, credit risk, liquidity risk and interest rate risk. The Company has in place a risk management programme that seeks to limit the adverse effects on its financial performance by monitoring levels of debt finance.

Given the size of the Company, the director has not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board are implemented by the Company's finance department.

Credit risk

The Company does not provide credit terms to any customers for its contracted annual income. Payments terms are immediate for all invoices. On transactional fees the Company's finance department on occasion may consider whether to allow credit terms based on a market assessment of the credit profile of the intended customer.

Liquidity risk

The Company does not have direct cash receipts and does not directly settle supplier invoices. Sales invoices are collected and expenditure is incurred by the immediate parent company, Colliers International Property Consultants Limited ('CIPCL'). Cash transactions incurred by CIPCL are settled through intercompany. The immediate parent Company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure that the Company has sufficient available funds for operations and planned expansions.

Price risk

The Company is not exposed to any price risk.

Interest rate risk

The Company can benefit from a facility secured by the immediate parent Company that provides debt finance and thus interest bearing liabilities. The Company does not have a specific policy for interest rate hedging but the director reviews the appropriateness of this stance and will look to formalise a policy should the Company's operations change in size or nature.

The board of Directors of the Company consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefits of its members as a whole. In doing this, the Director has had regard to the stakeholders and amongst other matters to those set out in s172(1) (a-f) of the Act in the decisions taken during the year end 31 December 2022:

- (a) likely consequences of any decisions in the long term;
- (b) interests of the Company's employees;
- (c) need to foster the Company's business relationships with suppliers, customers and others;
- (d) impact of the company's operations on the community and the environment,
- (e) Company's reputation for high standards of business conduct, and

Colliers Capital Holdings Limited

Strategic Report

For the year ended 31 December 2022

(f) need to act fairly as between members of the company.

The disclosures set out on this page are some examples of how the Director has had regard to the matters set out in s172 (1)(a-f) as listed above when discharging their duties. A number of the items below represent the central measures taken across the group of Colliers International Property Advisers UK LLP and its subsidiaries operating in the UK (including the Company) and references below to the Colliers International UK business or similar are to be taken in this context.

Governance

The board of Directors meet regularly throughout the year to discuss the operations of the business focusing on all of our Stakeholders. The Director's intention is to behave responsibly toward shareholders and treat them fairly and equally, so they too benefit from the successful delivery of the Company's plan. Ensuring the Colliers International UK business maintains high standards of business conduct is a key consideration and this is demonstrated by, for example, the maintenance of the following certifications: ISO 9001 (quality system certification), ISO 22301 (business continuity management), ISO 27001 (information security management), ISO 14001 (environmental system certification) and ISO 45001 (safety system certification).

Finance

The finance team monitors performance throughout the year reforecasting four times annually to ensure we can be responsive to market changes and sentiment in order to safeguard the business.

Engaging with customers

Creating and fostering long term relationships with the Company's clients is of paramount importance. The Colliers International UK business keeps in constant contact with all of its customers and seeks regular feedback to appraise its performance upon delivery of its services. This feedback is vital to improving the service offering. An internal client engagement board focuses on all areas of customer experience and translating feedback into positive change where required.

Engaging with employees

The aim of the Colliers International UK business is to articulate its values to all of its staff and the UK business plan is displayed prominently across its estate so that all employees are working towards a common goal. During the year, employee engagement surveys were conducted and in 2022 the Colliers International UK business continued promoting its mental health awareness project and delivering the balance in business initiative which focuses on diversity and inclusion. The Colliers International UK business provides specialist tailored training to all staff through its dedicated learning and development function as well as making significant online development resources available including the Colliers International global initiative of "Colliers University".

Community and environment

Community is one of the Colliers International UK business's core values and it has a sustainability steering group and charity committee to assist in promoting and demonstrating such values. The Colliers International UK business holds a certification in ISO 14001 (environmental system certification).

Approved by the Board and signed on its behalf by

Nigel Holroyd

N Holroyd

Director

Date: 25 April 2023

Colliers Capital Holdings Limited

Director's report

For the year ended 31 December 2022

The Director presents their report and the audited financial statements for Colliers Capital Holdings Limited (the "Company") for the year ended 31 December 2022.

Results and dividends

The results for the year can be seen on page 10 of these financial statements. A dividend of £750k has been recommended and declared by the Director for the year ended 31 December 2022 (2021: £Nil).

Environmental matters

The Company understands the importance of its impact on the environment and implements policies to minimise damage that may be caused by its activities. The Company is exempt from disclosing its energy and carbon report within these financial statements on the basis that it is included within the consolidated financial statements within the group, Colliers International Property Advisors UK LLP.

Political donations and political expenditure

No political donations were made during the year (2021: £Nil).

MIFIDPRU8 Disclosures

The Company is authorised by the Financial Conduct Authority ('FCA') and has prepared a public disclosure as set out in MIFIDPRU8. A copy of this unaudited disclosure can be obtained from the Company's website at www.colliersglobalinvestors.com.

Going Concern

The Director has prepared detailed forecasts covering a period of at least 12 months from the date of signature of these financial statements as well as assessing the availability of cash resources to fulfil its financing requirements. Further, Colliers International Property Consultants Limited ('CIPCL'), immediate parent undertaking, directly incurs the majority of fixed and variable costs of the Colliers International UK business and reimburses the appropriate portion to the other group companies, including Colliers Capital Holdings Limited ('CCH'). A letter has been received from CIPCL which confirms that, CIPCL would not seek reimbursement of the expenses from CCH in the event that CCH's revenues are reduced to the extent that the liability for the expenses would directly cause CCH to become insolvent, for a period of at least 12 months from the date of signing of these financial statements. Having completed their review, it remains the view of the Director that the Going Concern assumption for the basis of preparation of these financial statements remains appropriate.

Principal risks and uncertainties

Refer to the Strategic report for disclosures made on risks and uncertainties.

Future developments

An analysis of future developments has been included in the Strategic report.

Director's and officers' liability insurance

The Company maintained throughout the year, and continues to maintain, qualifying third party indemnity insurance covering the Director of the Company.

Financial risk management

Refer to the Strategic report for disclosures made on risk management.

Key performance indicators (KPIs)

An analysis of the Company's KPI's has been included in the Strategic report.

Directors

The Directors who have served throughout the year and up to the date of signing the financial statements are as follows:

N Holroyd

D Amel-Azizpour (resigned on 17 April 2023)

Colliers Capital Holdings Limited

Director's report

For the year ended 31 December 2022

Statement of director's responsibilities in respect of the financial statements

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, a director 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 the financial statements, the director is required to:

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

The director is responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The director is also 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.

Director's confirmations

In the case of each director in office at the date the director's report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board and signed on its behalf by

Nigel Holroyd

N Holroyd

Director

Date: 25 April 2023

Independent auditors' report to the members of Colliers Capital Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Colliers Capital Holdings Limited's 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 and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 December 2022; the profit and loss account, statement of changes in equity, and statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Reporting on other information

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

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

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

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

Strategic report and Director's report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Director's report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Director's report.

Responsibilities for the financial statements and the audit

Responsibilities of the director for the financial statements

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

In preparing the financial statements, the director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the client assets sourcebook 'CASS' and corporate tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent financial reporting and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and internal legal counsel, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Richard Porter (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
26 April 2023

Colliers Capital Holdings Limited

Profit and loss account

For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Turnover	3	1,880	1,597
Administrative expenses		(1,453)	(1,351)
Operating profit and profit before taxation		427	246
Tax on profit	8	-	-
Profit for the financial year		427	246

All amounts derive from continuing operations.

There was no other comprehensive income for 2022 (2021: £Nil).

The notes on pages 14 to 20 are an integral part of these financial statements.

Colliers Capital Holdings Limited

Balance sheet

As at 31 December 2022

	Note	2022 £'000	2021 £'000
Current assets			
Debtors	9	1,887	2,210
Cash at bank and in hand		396	396
		<u>2,283</u>	<u>2,606</u>
Net current assets		<u>2,283</u>	<u>2,606</u>
Total assets less current liabilities		<u>2,283</u>	<u>2,606</u>
Net assets		<u>2,283</u>	<u>2,606</u>
Capital and reserves			
Called up share capital	12	-	-
Share premium account		267	267
Retained earnings		<u>2,016</u>	<u>2,339</u>
Total shareholders' funds		<u>2,283</u>	<u>2,606</u>

The notes on pages 14 to 20 are an integral part of these financial statements.

These financial statements on pages 10 to 20 were approved by the Board of Directors on 25 April 2023

Signed on behalf of the Board of Directors

Nigel Holroyd

N Holroyd

Director

Colliers Capital Holdings Limited
Registered No. 06430656

Colliers Capital Holdings Limited

Statement of Changes in Equity For the year ended 31 December 2022

		Called up share capital £'000	Share premium account £'000	Retained earnings £'000	Total equity £'000
At 1 January 2021		-	267	2,093	2,360
Comprehensive income for the year:					
Profit for the year		-	-	246	246
Dividend	13	-	-	-	-
At 1 January 2022 and as at 31 December 2021		-	267	2,339	2,606
Comprehensive income for the year:					
Profit for the year		-	-	427	427
Dividend	13			(750)	(750)
At 31 December 2022		-	267	2,016	2,283

The notes on pages 14 to 20 are an integral part of these financial statements.

Colliers Capital Holdings Limited

Statement of Cash Flows For the year ended 31 December 2022

	2022 £'000	2021 £'000
Cash flows from operating activities		
Profit before taxation	427	246
Adjustments for:		
Decrease / (Increase) in debtors	323	(246)
Non-cash dividend	(750)	-
Net cash generated from operating activities	<u>-</u>	<u>-</u>
Net cash increase in cash and cash equivalents during the year	-	-
Cash and cash equivalents at the beginning of the year	<u>396</u>	<u>396</u>
Cash and cash equivalents at the end of the year	<u><u>396</u></u>	<u><u>396</u></u>
Cash and cash equivalents comprise of:		
Cash at bank and in hand	<u><u>396</u></u>	<u><u>396</u></u>

Colliers Capital Holdings Limited

Notes to the financial statements For the year ended 31 December 2022

1. General information

Colliers Capital Holdings Limited (Company number 06430656), having its registered office at 50 George Street, London, W1U 7GA is a private limited company incorporated in England and Wales, United Kingdom.

The Company's trading name is Colliers Global Investors.

The principal activity of the Company is as property consultants providing a comprehensive range of agency, strategic, advisory and implementation services to property owners, investors and occupiers primarily in the United Kingdom. All revenue is derived from the Company's principal activity.

Statement of compliance

The individual financial statements of Colliers Capital Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

2. Summary of significant accounting policies

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention and in compliance with United Kingdom Accounting Standards.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are considered to be significant in these financial statements.

Going Concern

The Director has prepared detailed forecasts covering a period of at least 12 months from the date of signature of these financial statements as well as assessing the availability of cash resources to fulfil its financing requirements. Further, Colliers International Property Consultants Limited ('CIPCL'), immediate parent undertaking, directly incurs the majority of fixed and variable costs of the Colliers International UK business and reimburses the appropriate portion to the other group companies, including Colliers Capital Holdings Limited ('CCH'). A letter has been received from CIPCL which confirms that, CIPCL would not seek reimbursement of the expenses from CCH in the event that CCH's revenues are reduced to the extent that the liability for the expenses would directly cause CCH to become insolvent, for a period of at least 12 months from the date of signing of these financial statements. Having completed their review, it remains the view of the Director that the Going Concern assumption for the basis of preparation of these Financial Statements remains appropriate.

Colliers Capital Holdings Limited

Notes to the financial statements (Continued) For the year ended 31 December 2022

2. Summary of significant accounting policies (continued)

Turnover

Turnover, which excludes value added tax and amounts collected on behalf of third parties, represents the value of services rendered. Fees in respect of clients' property transactions are recognised as earned on unconditional exchange of contract. In the case of long-term developments and other professional services, fees are recognised when the Company is entitled to receive them in accordance with its terms of business.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash held in bank accounts only. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the Statement of income and retained earnings, except to the extent that it relates to items recognised directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current taxation

Current tax, including UK corporation 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.

(ii) Deferred taxation

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.

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

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

Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Employee benefits

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

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

There are no direct employees of the Company as their contracts are held within CIPCL and their costs are recharges to the Company.

Colliers Capital Holdings Limited

Notes to the financial statements (Continued) **For the year ended 31 December 2022**

2. Summary of significant accounting policies (continued)

Foreign currency translation

(i) Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

(ii) Transactions and balances

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.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial assets, which include trade debtors, cash, bank balances and amounts owed by group undertakings are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial liabilities, including trade and other creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Dividends

Dividends are recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Colliers Capital Holdings Limited

Notes to the financial statements (Continued) For the year ended 31 December 2022

3. Turnover

The geographical analysis of turnover is shown below;

	2022 £'000	2021 £'000
Guernsey	-	10
UK	1,880	1,587
	<u>1,880</u>	<u>1,597</u>

Revenue split by activity:

	2022 £'000	2021 £'000
Investment Management fees	1,664	1,597
Sales Commission Fees	216	-
	<u>1,880</u>	<u>1,597</u>

4. Audit fee

The audit fee for the year was £26k (2021: £25k) and was recharged to (2021: borne on behalf of) the Company by Colliers International Property Consultants Limited, the Company's immediate parent undertaking. No non-audit services were provided to the Company.

5. Operating profit before taxation

Operating profit is stated after charging:

	2022 £'000	2021 £'000
Staff Costs	<u>1,127</u>	<u>1,038</u>

6. Staff costs

	2022 £'000	2021 £'000
Wages and salaries	961	866
Social security costs	131	114
Other pension costs	35	58
	<u>1,127</u>	<u>1,038</u>

All payroll costs are recharges from other group entities. The Company has no direct employees (2021: Nil). Staff costs include directors' emoluments. The monthly average number of employees working for this entity were 4 (2021: 4).

Colliers Capital Holdings Limited

Notes to the financial statements (Continued) For the year ended 31 December 2022

7. Directors' emoluments

The directors are remunerated by the immediate parent, Colliers International Property Consultants Limited. The amount recharged to the Company in respect of their services for the year ended 31 December 2022 was £227k (2021: £222k). A mark up of 5% is added to any recharge. The highest paid director was remunerated £217k (2021: £212k) in relation to services to the Company. The company does not operate a defined benefit pension scheme. No contributions were made in respect of the highest paid director relating to money purchase schemes.

8. Tax on profit

	2022 £'000	2021 £'000
Current Tax		
Current tax on profit for the year	-	-
Adjustments in respect of prior periods	-	-
Total current tax	-	-
Tax on profit	-	-
	2022 £'000	2021 £'000
Profit before taxation:	427	246
Profit before taxation multiplied by standard rate of corporation tax in UK of 19% (2021: 19%)	81	47
Effects of:		
- Adjustments in respect of prior periods	-	-
- Group relief surrendered	(81)	(47)
Total tax charge/(credit) for the year	-	-
Factors affecting current and future tax changes:		
The tax rate for the 2022 year is 19%. On 1 April 2023 the main rate of corporation tax will increase from 19% to 25%.		

9. Debtors

	2022 £'000	2021 £'000
Trade debtors	74	42
Amounts owed by Group undertakings	1,813	2,168
	1,887	2,210

Amounts owed by Group undertakings are unsecured, interest free and repayable on demand. Trade debtors are stated after provision of £Nil (2021: £Nil).

Colliers Capital Holdings Limited

Notes to the financial statements (Continued) For the year ended 31 December 2022

10. Financial instruments

	2022 £'000	2021 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	396	396
Financial assets that are debt instruments measured at amortised cost	1,887	2,210
	<u>2,283</u>	<u>2,606</u>

Financial assets measured at fair value comprise cash. Financial assets that are debt instruments measured at amortised cost comprise amounts due from group undertakings, trade debtors and other debtors.

11. Reserves

Profit and loss account

Includes all current retained profits and losses, less dividends declared.

Share premium account

Includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares were deducted from share premium.

12. Called up share capital

	2022 £'000	2021 £'000
267 ordinary shares of £1 each (2021: 267 shares of £1)	-	-

Colliers Capital Holdings Limited

Notes to the financial statements (Continued) For the year ended 31 December 2022

13. Dividends

	2022 £'000	2021 £'000
Dividends payable	750	-

The Director has declared a non-cash dividend for the year ended 31 December 2022 (£2021: £Nil), which has been settled as an amount owed to Colliers International Property Consultants Limited, immediate parent company, and offset against amounts owed from them.

14. Related party transactions

The Company has taken advantage of the exemptions available under FRS 102 Section 33.1A- Related Party Disclosures, not to disclose transactions with other Group companies that are wholly owned within the Group. There have been no other related party transactions.

15. Ultimate parent Company

The immediate parent undertaking is Colliers International Property Consultants Limited. The ultimate parent undertaking is Colliers International Group Inc., a Company incorporated in Canada. This is the largest group of undertakings to consolidate these financial statements as at 31 December 2022. The intermediate parent, Colliers International Property Advisors UK LLP, is the smallest group to consolidate these financial statements as at 31 December 2022. The consolidated financial statements of Colliers International Group Inc. are available from the group's website, www.colliers.com.