

Registered number: 01144849

JONES LANG LASALLE CORPORATE FINANCE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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JONES LANG LASALLE CORPORATE FINANCE LIMITED

COMPANY INFORMATION

DIRECTORS

M Attolico (resigned 29 October 2019)
SJ Edwards (resigned 2 December 2019)
PG Evans
MJ Richards (appointed 25 November 2019)
MA Kavanau (appointed 25 November 2019)
RP Somchand (appointed 25 November 2019)

COMPANY SECRETARY

RH Webster
NG Taylor

REGISTERED NUMBER

01144849

REGISTERED OFFICE

30 Warwick Street
London
W1B 5NH

INDEPENDENT AUDITOR

BDO LLP, Statutory Auditor
Chartered Accountants
55 Baker Street
London
W1U 7EU

JONES LANG LASALLE CORPORATE FINANCE LIMITED

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JONES LANG LASALLE CORPORATE FINANCE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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 are not considered to be satisfactory by the Directors. The loss was primarily a consequence of the investment made in building a global fundraising team and was further impacted by several major long term projects being lost or delayed during the year. Costs of running the company were significantly reduced during the reporting period and this has helped mitigate any further losses.

On the 1st January 2020 the Corporate Finance team was strengthened by the merger with the HFF team (HFF was a Capital Markets business acquired by the ultimate parent company), this has enhanced the overall teams M&A offering and expertise. Like many businesses, 2020 has seen some trading uncertainty as a result of the Covid 19 crisis. The Directors are monitoring the trading environment closely and consider the Company will continue to be a going concern and will 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. The Spanish branch was closed in 2019. The German branch ceased trading in 2017. 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.

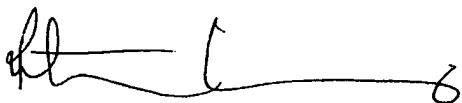
The Company is continuing to evaluate the impact of the decision to leave the EU and awaits the details of the trade agreement that is presently being negotiated. The Company will make appropriate changes to the business strategy once the impact on the UK and European real estate services industry is more certain. The Company has contingency plans in place if a no deal Brexit occurs and no significant impact on the financials is expected.

FINANCIAL KEY PERFORMANCE INDICATORS

The results of the Company show a post tax loss of £3,563,805 (2018: loss £2,761,605) and sales of £1,082,283 (2018: £7,563,506). The Company has net assets of £8,793,568 (2018: £12,369,145).

This report was approved by the board on

and signed on its behalf.



9.12.2020

PG Evans
Director

JONES LANG LASALLE CORPORATE FINANCE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present their report and the financial statements for the year ended 31 December 2019.

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 loss for the year, after taxation, amounted to £3,563,805 (2018: loss £2,761,605).

The loss sustained during the year is a result of the investment made in building a global fundraising team and the financial impact in the Corporate Finance business of the loss or delays in significant projects. However, the Board has ensured that sufficient regulatory capital was held to cover the losses.

The Directors did not pay an interim dividend during the year (2018: £nil). The Directors do not recommend the payment of a final dividend (2018: £nil).

DIRECTOR

The Directors who served during the year were:

M Attolico (resigned 29 October 2019)
SJ Edwards (resigned 2 December 2019)
PG Evans
MJ Richards (appointed 25 November 2019)
MA Kavanau (appointed 25 November 2019)
RP Somchand (appointed 25 November 2019)

POLITICAL CONTRIBUTIONS

During the year the Company made no contributions for political purposes (2018: £nil).

FUTURE DEVELOPMENTS

As described in the Strategic Report, Covid 19 has caused some trading uncertainty but the Directors expect that the present level of activity will be sustained for the foreseeable future.

GOING CONCERN

The Company's assessment of going concern is set out in note 1.3. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the annual report and accounts is prepared on the going concern basis.

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.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

AUDITOR

During 2020, the Directors ran a competitive tender to appoint auditors for the 31 December 2020 financial year end and as a result, Grant Thornton will be appointed as auditors for the 31 December 2020 year end audit.

This report was approved by the board on

and signed on its behalf.

A handwritten signature in black ink, appearing to be 'PG Evans', written over a horizontal line.

9.12.2020

PG Evans
Director

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

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 the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 2019, which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OTHER INFORMATION

The Directors are responsible for the other information which comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

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

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

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

USE OF OUR REPORT

This report is made solely to the Company's shareholders, 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 shareholders 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 shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.



Kelly Sheppard (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom
Date:

10 December 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover	3	1,082,283	7,563,506
GROSS PROFIT		1,082,283	7,563,506
Administrative expenses		(5,111,663)	(10,814,431)
OPERATING LOSS	4	(4,029,380)	(3,250,925)
Interest receivable and similar income	7	465,575	500,517
Interest payable and similar expenses	8	-	(11,197)
LOSS FOR THE FINANCIAL YEAR		(3,563,805)	(2,761,605)

There were no recognised gains and losses for 2019 or 2018 other than those included in the income statement.

The notes on pages 12 to 21 form part of these financial statements.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Loss for the financial year		<u>(3,563,805)</u>	<u>(2,761,605)</u>
OTHER COMPREHENSIVE INCOME			
Change in foreign exchange reserve		<u>(11,772)</u>	<u>6,521</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>(3,575,577)</u></u>	<u><u>(2,755,084)</u></u>

The notes on pages 12 to 21 form part of these financial statements.

JONES LANG LASALLE CORPORATE FINANCE LIMITED
REGISTERED NUMBER:01144849

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	15,721,389	40,612,316
Cash at bank and in hand	11	-	17
		<u>15,721,389</u>	<u>40,612,333</u>
Creditors: amounts falling due within one year	12	(6,927,821)	(28,243,188)
NET CURRENT ASSETS		<u>8,793,568</u>	<u>12,369,145</u>
NET ASSETS		<u><u>8,793,568</u></u>	<u><u>12,369,145</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	225,000	225,000
Foreign exchange reserve	15	(134,637)	(122,865)
Profit and loss account	15	8,703,205	12,267,010
		<u>8,793,568</u>	<u>12,369,145</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



PG Evans
Director

1.12.2020

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Total equity £
At 1 January 2019	225,000	(122,865)	12,267,010	12,369,145
COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the year	-	-	(3,563,805)	(3,563,805)
Foreign exchange gains	-	(11,772)	-	(11,772)
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	(11,772)	-	(11,772)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	(11,772)	(3,563,805)	(3,575,577)
AT 31 DECEMBER 2019	225,000	(134,637)	8,703,205	8,793,568

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Foreign exchange reserve £	Profit and loss account £	Total equity £
At 1 January 2018	225,000	(129,386)	15,028,615	15,124,229
COMPREHENSIVE INCOME FOR THE YEAR				
Loss for the year	-	-	(2,761,605)	(2,761,605)
Foreign exchange losses	-	6,521	-	6,521
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	6,521	-	6,521
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	6,521	(2,761,605)	(2,755,084)
AT 31 DECEMBER 2018	225,000	(122,865)	12,267,010	12,369,145

The notes on pages 12 to 21 form part of these financial statements.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company is a private company limited by shares, incorporated, domiciled and registered in England and Wales in the UK. The registered number is 01144849 and the registered address is 30 Warwick Street, London, W1B 5NH.

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 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 11.42, 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 2019 and these financial statements may be obtained from Jones Lang LaSalle Incorporated, 200 East Randolph Drive, Chicago, Illinois 60601, USA.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (CONTINUED)

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 have paid particular attention to the assessment of the continued going concern of the company in the light of the outbreak of COVID-19, and the impact of the pandemic on the global economy, and have come to the conclusion that there is a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future.

By design, the company has a naturally very resilient business model, which would be able to sustain periods of revenue significantly below current trading levels without needing to draw on external facilities or cut costs, through the flexibility built into the company's bonus system which tracks the operating profit of the company. In the event of any prolonged period of lower revenue, the Directors would take mitigating action, such as reducing overheads.

The Directors have been monitoring the revenue and trade debtor KPIs closely over recent months, alongside the cashflow forecast, and are pleased to report that there has been no detrimental impact on cash collection caused by the COVID-19 pandemic.

Most importantly, the employees of the company have adapted positively to working from home and the company's ability to deliver the high quality work expected from our clients has also been unaffected.

The Company is dependent for its working capital on funds previously provided to it by Jones Lang LaSalle Incorporated, the ultimate parent Company. Jones Lang LaSalle Incorporated has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company.

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 by meeting its liabilities as they fall due for payment. As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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.

JONES LANG LASALLE CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (CONTINUED)

1.4 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.

1.5 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.

1.6 INTEREST INCOME

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

1.7 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (CONTINUED)

1.8 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.

1.9 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.

1.10 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.

1.11 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.

1.12 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.

1.13 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt

JONES LANG LASALLE CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (CONTINUED)

1.13 FINANCIAL INSTRUMENTS (continued)

instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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

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:

	2019 £	2018 £
Professional Services	1,082,283	7,563,506

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	1,082,283	7,408,690
Rest of Europe	-	154,816
	1,082,283	7,563,506

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. OPERATING LOSS

The operating loss is stated after charging:

	2019 £	2018 £
Defined contribution pension cost	<u>151,091</u>	<u>185,878</u>

5. AUDITOR'S REMUNERATION

	2019 £	2018 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>10,000</u>	<u>10,000</u>

Client asset engagement (CASS) fees	<u>10,000</u>	<u>10,000</u>
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The audit fees and CASS engagement fees have been borne by Jones Lang LaSalle Limited, the parent company, in both 2019 and 2018.

6. EMPLOYEES

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	3,373,143	5,959,090
Social security costs	522,122	935,735
Cost of defined contribution scheme	<u>151,091</u>	<u>185,878</u>
	<u>4,046,356</u>	<u>7,080,703</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:

	2019 No.	2018 No.
Managerial and professional	<u>25</u>	<u>28</u>

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. INTEREST RECEIVABLE

	2019 £	2018 £
Interest receivable from group companies	<u>465,575</u>	<u>500,517</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019 £	2018 £
Loans from group undertakings	<u>-</u>	<u>11,197</u>

9. TAXATION

	2019 £	2018 £
TOTAL CURRENT TAX	<u>-</u>	<u>-</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	<u>(3,563,805)</u>	<u>(2,761,605)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	<u>(677,123)</u>	<u>(524,705)</u>
EFFECTS OF:		
Group relief	<u>677,123</u>	<u>524,705</u>
TOTAL TAX CHARGE FOR THE YEAR	<u>-</u>	<u>-</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The main rate of UK corporation tax for 2019 is 19% (2018: 19%).

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. DEBTORS

	2019 £	2018 £
Trade debtors	44,491	401,411
Amounts owed by group undertakings	14,882,465	38,557,731
Other debtors	424,262	239,580
Prepayments and accrued income	370,171	1,413,594
	<u>15,721,389</u>	<u>40,612,316</u>

11. CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank and in hand	-	17
	<u>-</u>	<u>17</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

	2019 £	2018 £
Trade creditors	19,072	-
Amounts owed to group undertakings	5,583,760	23,851,828
Other taxation and social security	153,836	562,797
Accruals and deferred income	1,171,153	3,828,563
	<u>6,927,821</u>	<u>28,243,188</u>

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

13. FINANCIAL INSTRUMENTS

	2019 £	2018 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	-	17
Financial assets that are debt instruments measured at amortised cost	<u>15,721,389</u>	<u>40,612,316</u>
	<u>15,721,389</u>	<u>40,612,333</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(6,773,985)</u>	<u>(27,680,391)</u>

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

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

14. SHARE CAPITAL

	2019 £	2018 £
ALLOTTED, CALLED UP AND FULLY PAID		
225,000 (2018: 225,000) Ordinary shares of £1.00 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.

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 and amounted to £151,091 (2018: £185,878). The Company's immediate parent company, Jones Lang LaSalle Limited, settles the contributions payable to the fund on behalf of the company and is subsequently reimbursed by the Company. At the reporting date the Company had pension commitments of £nil (2018: £nil).

JONES LANG LASALLE CORPORATE FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

17. NON-ADJUSTING POST BALANCE SHEET EVENT

In line with the FRC's guidance that COVID-19 should be treated as a non-adjusting post balance sheet event given our year-end and the development of the pandemic after that date, we have performed a reassessment (but not adjustment) of the carrying value of the reported assets and liabilities.

Trade receivables and their recoverability

The Company supply to a wide range of customers and sectors, at the date of these financial statements there had been no specific issues identified in the recoverability of amounts due from the Company's customers. Furthermore, the Company holds a level of credit insurance. There is an increased risk associated with the trading performance of our customers and their ability to meet their obligations.

Receivables from related parties and their recoverability

The Company holds various receivables from related parties. At the date of these financial statements there had been no specific issues identified in the recoverability of amounts due from the related parties.

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