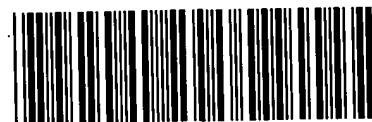


LASALLE INVESTMENT MANAGEMENT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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LASALLE INVESTMENT MANAGEMENT

COMPANY INFORMATION

DIRECTORS

Mr J Lyon
Mr A Tripp
Mr S Richmond-Watson
Mr J Agnew
Mr S Marrison

COMPANY SECRETARY

Mr C Blackmore until 9th June 2015, then Mr M Coulton

REGISTERED NUMBER

2597050

REGISTERED OFFICE

One Curzon Street
London
W1J 5HD

INDEPENDENT AUDITORS

KPMG LLP
15 Canada Square
London
E14 5GL

LASALLE INVESTMENT MANAGEMENT

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LASALLE INVESTMENT MANAGEMENT

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

INTRODUCTION

Profit after tax for the year was £12.8m, compared to £9.9m (restated for change to FRS102) in the previous year.

BUSINESS REVIEW

During the year, the Company gained two new clients, for whom LaSalle managed £262m of assets out of a total of £12.8bn Assets Under Management (AUM) at 31st December. During the year the Company's costs increased by £5.7m. The majority of this was payroll-related, in respect of bonuses.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk to which the Company is subject is delivering poor performance to its Clients. The Company needs to deliver high quality service and to maintain a good performance record for all Clients.

The Company uses this performance to retain existing Clients and attract suitable new ones. Due to the increasing range of investment styles of various Clients, we report performance on a Real Return and Relative Return basis. The combined performance of all of the Relative Return mandates for 2015 was 13.8% compared to the IPD Pension Funds benchmark of 12.6%. This means that the UK track record of outperformance of at least 100bps per annum over 1, 3, 5, and 10 year periods is maintained and the strong outperformance over the long term is reflected in the 80bps per annum outperformance over the past 20 years. The Real Return funds, which have varying performance targets but which we compare to a 3% real target, have again performed well in 2015 given their objective to deliver consistent longer term performance. The combined performance of these portfolios was 11% (10% real) in 2015 - well in excess of target and continuing to add to our excellent track record.

The average length of our relationships with current clients is 14 years. The risk to LaSalle's business of a reduced appetite towards property investment is low. Property has historically provided strong income yields, attractive relative to some other asset classes, and demand for quality core assets is strong. A majority of our clients are maintaining or increasing their exposure to real estate, utilising the asset class for both higher return seeking activity and liability matching.

A significant proportion of the fees earned by the Company are advisory fees based upon property values. Due to the volume of money targeting UK property, competition in some parts of the market has been particularly strong in 2015, which has increased values. The Company sees continuing competitiveness in fee levels in the coming year, but is also seeing a good flow of new business opportunities which, if successful, could lead to a potential increase in revenues. The Company sees itself in a good position to capture new business opportunities in 2016.

When considering potential new Clients, or amendments to existing Client agreements, the Company protects its financial position by checking that the fees generated will produce sufficient margin.

FINANCIAL KEY PERFORMANCE INDICATORS

	2015	2014
Revenue	£62m	£53m
Profit before tax	£16m	£13m
Margin	26%	25%

LASALLE INVESTMENT MANAGEMENT

STRATEGIC REPORT (continued)

OTHER KEY PERFORMANCE INDICATORS

	2015	2014
Assets Under Management (AUM)	£12.8bn	£11.2bn
AUM per employee	£79.0m	£70.4m

FINANCIAL CONDUCT AUTHORITY

The Company is regulated by the Financial Conduct Authority (registration number 179466). It is required to make Pillar 3 disclosures, and has elected to make these available on the Company website. The report is accessed on www.lasalle.com.

This report was approved by the board on 5 May 2016 and signed on its behalf.


Mr A Tripp
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The Directors present their report and the financial statements for the year ended 31 December 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, including Financial Reporting Standard 102, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £12,785,545 (2014 - £9,948,675).

The Directors do not recommend payment of a dividend.

DIRECTORS

The Directors who served during the year were:

Mr J Lyon
Mr A Tripp
Mr S Richmond-Watson
Mr J Agnew
Mr S Marrison

FUTURE DEVELOPMENTS

The Company will continue to explore new investment opportunities for existing and future Clients, in order to provide them with outstanding investment performance.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

LASALLE INVESTMENT MANAGEMENT

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

- so far as that Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that 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 auditors are aware of that information.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

AUDITORS

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditors 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 5 May 2016 and signed on its behalf.



Mr A Tripp
Director

LASALLE INVESTMENT MANAGEMENT

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LASALLE INVESTMENT MANAGEMENT

We have audited the financial statements of LaSalle Investment Management for the year ended 31 December 2015, set out on pages 7 to 37. The financial reporting framework that has been applied in their preparation is applicable law including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion 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 directors' report has been prepared in accordance with applicable legal requirements.

LASALLE INVESTMENT MANAGEMENT

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LASALLE INVESTMENT
MANAGEMENT**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

S. McCallion

Sean McCallion (Senior Statutory Auditor)

for and on behalf of
KPMG LLP

15 Canada Square
London
E14 5GL

5 May 2016

LASALLE INVESTMENT MANAGEMENT

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 (restated) £
Turnover		62,314,629	53,255,543
Gross profit		62,314,629	53,255,543
Administrative expenses		(46,712,734)	(40,989,103)
Operating profit		15,601,895	12,266,440
Income from shares in group companies		-	(5,527)
Interest receivable and similar income	8	704,943	589,095
Interest payable and expenses	9	(550)	(98)
Other finance income		-	(24,000)
Profit before tax		16,306,288	12,825,910
Tax on profit	11	(3,520,743)	(2,877,235)
Profit for the year		12,785,545	9,948,675
Other comprehensive income for the year			
Actuarial gains (losses) on defined benefit pension scheme		400,000	(994,000)
Pension surplus not recognised		(67,000)	-
Movement of deferred tax relating to pension surplus		(165,900)	-
Tax in respect of Defined Benefit pension Scheme		-	30,660
Other comprehensive income for the year		167,100	(963,340)
Total comprehensive income for the year		12,952,645	8,985,335

LASALLE INVESTMENT MANAGEMENT
REGISTERED NUMBER:2597050

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 (restated) £
Fixed assets			
Tangible assets	13	975,856	1,106,742
Investments	14	2,014,643	1,420,325
		<u>2,990,499</u>	<u>2,527,067</u>
Current assets			
Debtors	15	80,831,194	64,335,809
Cash at bank and in hand	16	136,956	75,554
		<u>80,968,150</u>	<u>64,411,363</u>
Creditors: amounts falling due within one year	17	(23,121,022)	(18,652,108)
Net current assets		<u>57,847,128</u>	<u>45,759,255</u>
Total assets less current liabilities		<u>60,837,627</u>	<u>48,286,322</u>
Creditors: amounts falling due after more than one year	18	(1,930,943)	(1,442,509)
Pension liability	25	-	(624,100)
Net assets		<u><u>58,906,684</u></u>	<u><u>46,219,713</u></u>
Capital and reserves			
Called up share capital	23	7,125,000	7,125,000
Profit and loss account	24	51,781,684	39,094,713
		<u><u>58,906,684</u></u>	<u><u>46,219,713</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 May 2016.



Mr A Tripp

Director

The notes on pages 11 to 37 form part of these financial statements.

LASALLE INVESTMENT MANAGEMENT

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015**

	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	7,125,000	39,094,713	46,219,713
Comprehensive income for the year			
Profit for the year	-	12,785,545	12,785,545
Actuarial gains on pension scheme	-	167,100	167,100
Other comprehensive income for the year	-	167,100	167,100
Total comprehensive income for the year	-	12,952,645	12,952,645
Contributions by and distributions to owners			
Movements in respect of Share-based payments	-	(265,674)	(265,674)
Total transactions with owners	-	(265,674)	(265,674)
At 31 December 2015	7,125,000	51,781,684	58,906,684

LASALLE INVESTMENT MANAGEMENT

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2014

	Share capital £	Retained earnings £	Total equity £
At 1 January 2014 (restated)	7,125,000	31,082,603	38,207,603
Comprehensive income for the year			
Profit for the year	-	9,948,675	9,948,675
Actuarial losses on pension scheme	-	(994,000)	(994,000)
Tax on Defined Contribution pension	-	30,660	30,660
Other comprehensive income for the year	-	(963,340)	(963,340)
Total comprehensive income for the year	-	8,985,335	8,985,335
Contributions by and distributions to owners			
Movements in respect of Share-based payments	-	(973,225)	(973,225)
Total transactions with owners	-	(973,225)	(973,225)
At 31 December 2014 (restated)	7,125,000	39,094,713	46,219,713

The notes on pages 11 to 37 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 27.

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

The following principal accounting policies have been applied:

1.2 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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and Loss Account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

1.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

Long-term leasehold property	-	10	years
Office equipment	-	7	years
Computer equipment	-	3	years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (continued)

1.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

1.6 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.

1.7 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.

1.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, 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 payables or receivables, 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 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i) at fair value with changes recognised in the Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.8. Financial instruments (continued)

- i) at cost less impairment for all other investments.

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 Profit and Loss Account.

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

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

1.9 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.

1.10 Employee share ownership plan

The cost of the Company's shares held by the ESOP is deducted from equity in the Group and Company balance sheets under the heading ESOP share reserve. Any cash received by the ESOP on disposal of the shares it holds is also recognised directly in equity. Other assets and liabilities of the ESOP (including borrowings) are recognised as assets and liabilities of the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (continued)

1.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

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.

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 Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and Loss Account within 'other operating income'.

1.12 Finance costs

Finance costs are charged to the Profit and Loss Account 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 2015**

1. ACCOUNTING POLICIES (continued)**1.13 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 payments obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

1.14 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (continued)**1.15 Provisions for Liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

1.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a change 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 balance sheet date in the countries where the Company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

Investment Management income is recognised in the month in which it is earned, but generally invoiced quarterly in arrears. The income is accrued based on past invoices, with the values adjusted for any significant events within the period. Where other fees are earned, but not invoiced, accruals are calculated on the basis of the Clients' contractual obligations.

Regular meetings are held with Senior Managers to ensure that both these fees, and any Corporate liabilities are recognised in the accounts.

Significant regular expenses are accrued in the month to which they refer, based on the most recent information available.

Defined benefit pension obligations are updated on the basis of calculations carried out by the Scheme Actuaries. The measurement of these obligations requires estimation of future changes in salaries and inflation, as well as mortality rates, future pension increases and the selection of a suitable discount rate.

3. ANALYSIS OF TURNOVER

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

	2015 £	2014 £
Advisory Fees	47,151,560	45,118,168
Acquisition Fees	2,161,917	1,033,211
Periodic Performance Fees	8,090,803	2,871,703
Other Income	4,910,349	4,232,460
	<u>62,314,629</u>	<u>53,255,542</u>

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	51,974,653	43,303,028
Rest of Europe	6,608,155	4,614,555
Rest of the world	3,731,820	5,337,960
	<u>62,314,628</u>	<u>53,255,543</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	350,154	338,301
Amortisation of intangible assets, including goodwill	-	34,500
Fees payable to the Company's auditor and its associates for the audit of the company's annual accounts	53,380	50,846

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Exchange differences	(29,806)	77,739
Defined contribution pension cost	784,781	1,065,134
Defined benefit pension cost	295,000	257,000
	<u> </u>	<u> </u>

5. AUDITORS' REMUNERATION

	2015 £	2014 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	53,380	50,846
	<u>53,380</u>	<u>50,846</u>
	<u> </u>	<u> </u>

6. EMPLOYEES

Staff costs, including Directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	26,771,059	21,416,863
Social security costs	3,244,867	2,619,899
Cost of defined benefit scheme	295,000	257,000
Cost of defined contribution scheme	784,781	1,065,134
	<u>31,095,707</u>	<u>25,358,896</u>

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

	2015 No.	2014 No.
UK	158	154
Overseas	4	5
	<u>162</u>	<u>159</u>

7. DIRECTORS' REMUNERATION

	2015 £	2014 £
Directors' emoluments	2,604,289	1,567,694
Company contributions to defined contribution pension schemes	77,000	95,187
	<u>2,681,289</u>	<u>1,662,881</u>

During the year retirement benefits were accruing to 3 Directors (2014 - 4) in respect of defined contribution pension schemes.

LASALLE INVESTMENT MANAGEMENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

The highest paid Director received remuneration of £867,110 (2014 - £674,442).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £16,500 (2014 - £38,115).

The total accrued pension provision of the highest paid Director at 31 December 2015 amounted to £NIL (2014 - £NIL).

8. INTEREST RECEIVABLE

	2015 £	2014 £
Interest receivable from group companies	682,095	576,857
Other interest receivable	22,848	12,238
	<u>704,943</u>	<u>589,095</u>

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank interest payable	550	98
	<u>550</u>	<u>98</u>

10. OTHER FINANCE COSTS

	2015 £	2014 £
Net interest on net defined benefit liability	-	(24,000)
	<u>-</u>	<u>(24,000)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11. TAXATION

	2015 £	2014 (restated) £
Corporation tax		
Current tax on profits for the year	3,739,028	2,676,671
Adjustments in respect of previous periods	18,493	(45,789)
	<u>3,757,521</u>	<u>2,630,882</u>
Foreign tax		
Foreign tax on income for the year	(16,426)	72,519
	<u>(16,426)</u>	<u>72,519</u>
Total current tax	<u>3,741,095</u>	<u>2,703,401</u>
Deferred tax		
Origination and reversal of timing differences	(220,352)	173,834
Total deferred tax	<u>(220,352)</u>	<u>173,834</u>
Taxation on profit on ordinary activities	<u>3,520,743</u>	<u>2,877,235</u>

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

11. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2014 - *higher than*) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%). The differences are explained below:

	2015 £	2014 (restated) £
Profit on ordinary activities before tax	16,306,288	12,825,910
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.5%)	3,302,023	2,757,571
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	4,912	5,216
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	435,400	227,696
Capital allowances for year in excess of depreciation	23,400	23,851
Overseas tax	(16,426)	72,519
Adjustments to tax charge in respect of prior periods	18,493	(45,789)
Other timing differences leading to an increase (decrease) in taxation	152,380	(93,787)
Non-taxable income	-	1,188
Impact of share-based charges	(179,087)	(234,554)
Deferred tax	(220,352)	173,834
Other differences leading to an increase (decrease) in the tax charge	-	(10,510)
Total tax charge for the year	3,520,743	2,877,235

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

LASALLE INVESTMENT MANAGEMENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

12. INTANGIBLE ASSETS

	Goodwill
	£
Cost	
At 1 January 2015	3,631,347
At 31 December 2015	3,631,347
Amortisation	
At 1 January 2015	3,631,347
At 31 December 2015	3,631,347
Net book value	
At 31 December 2015	-
<i>At 31 December 2014 (restated)</i>	<i>-</i>

13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2015	1,156,230	438,493	537,878	2,132,601
Additions	-	8,453	188,853	197,306
At 31 December 2015	1,156,230	446,946	726,731	2,329,907
Depreciation				
At 1 January 2015	558,180	222,992	244,687	1,025,859
Charge owned for the period	159,480	60,728	129,946	350,154
Disposals	-	-	(21,962)	(21,962)
At 31 December 2015	717,660	283,720	352,671	1,354,051
At 31 December 2015	438,570	163,226	374,060	975,856
<i>At 31 December 2014</i>	<i>598,050</i>	<i>215,501</i>	<i>293,191</i>	<i>1,106,742</i>

LASALLE INVESTMENT MANAGEMENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

13. TANGIBLE FIXED ASSETS (continued)

The net book value of land and building may be further analysed as follows:

	2015 £	2014 £
Long leasehold	438,570	598,050
	<u>438,570</u>	<u>598,050</u>

14. FIXED ASSET INVESTMENTS

The Company has investments in a number of Subsidiary Companies. These are listed in the table at the end of this note.

During the year the Company made investments in two new Subsidiary Companies, and made an additional capital injection of £2.2m in the Korean Subsidiary. Upon review, the Directors considered that the performance of this Korean Subsidiary did not support the value at which it was shown in the books. Accordingly it was written down, reflecting the charge for the period in the profit and loss.

	Other fixed asset investments £
Cost or valuation	
At 1 January 2015	1,928,834
Additions	2,219,232
At 31 December 2015	<u>4,148,066</u>
Impairment	
At 1 January 2015	508,509
Charge for the period	1,624,914
At 31 December 2015	<u>2,133,423</u>
At 31 December 2015	<u>2,014,643</u>
<i>At 31 December 2014</i>	<u>1,420,325</u>

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

14. FIXED ASSET INVESTMENTS (continued)

Name	Country of Incorporation	Proportion Owned	Activity
LaSalle Blooms (General Partner) Ltd	England and Wales	100%	General Partner
LaSalle Direct (General Partner) Ltd	England and Wales	100%	General Partner
LIC II (General Partner) Ltd	England and Wales	100%	General Partner
LaSalle UK Ventures (General Partner) Ltd	England and Wales	100%	General Partner
LaSalle Blooms (General Partner) Ltd	England and Wales	100%	General Partner
Barwood LaSalle Land (General Partner) Ltd	England and Wales	100%	General Partner
Barwood LaSalle Land Trustee Ltd	England and Wales	100%	Trustee
Triangle General Partner Ltd	England and Wales	100%	General Partner
Oxford General Partner Ltd	England and Wales	100%	General Partner
LaSalle UK Property Services Ltd	England and Wales	100%	Property Management
LaSalle Investment Management Co., Ltd	Korea	100%	Investment Management
Alaska UK (GP) Ltd	England and Wales	100%	General Partner
LREDS II Carry Partner Ltd	England and Wales	100%	General Partner

In addition, the Company has an interest in one other entity:

LaSalle Co-Investment Management (General Partner) Ltd	England and Wales	49.5%	General Partner
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LASALLE INVESTMENT MANAGEMENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

15. DEBTORS

	2015 £	2014 £
Due after more than one year		
Deferred tax asset	459,439	239,087
	<u>459,439</u>	<u>239,087</u>
Due within one year		
Trade debtors	3,206,652	1,010,101
Amounts owed by group undertakings	62,392,460	47,609,425
Other debtors	2,607,108	1,889,363
Prepayments and accrued income	12,165,535	13,587,833
	<u>80,831,194</u>	<u>64,335,809</u>

16. CASH AND CASH EQUIVALENTS

	2015 £	2014 £
Cash at bank and in hand	136,956	75,554
	<u>136,956</u>	<u>75,554</u>

17. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	462,956	621,118
Amounts owed to group undertakings	807,080	495,479
Corporation tax	4,478,074	5,478,826
Taxation and social security	3,654	-
Other creditors	3,816,832	2,425,794
Accruals and deferred income	13,552,426	9,630,890
	<u>23,121,022</u>	<u>18,652,107</u>

LASALLE INVESTMENT MANAGEMENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

18. CREDITORS: Amounts falling due after more than one year

	2015	2014
	£	£
Other creditors	1,220,516	1,220,516
Accruals and deferred income	710,427	221,993
	<u>1,930,943</u>	<u>1,442,509</u>

Secured loans

The Company neither makes nor receives secured loans.

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

19. Share-based payments

The Group operates a number of share-based payment schemes. Details of those which apply to employees of the Company follow. The shares are in the ultimate parent Company.

All of the schemes provide for shares with no performance conditions, and with the exception of the SAYE scheme, entitle participants to dividend equivalents. Therefore, the fair value of the share awards, other than SAYE, is equal to the share price at date of grant. The fair value of SAYE schemes is determined by using the Black-Scholes valuation model.

All employee Save As You Earn (SAYE) schemes

The Group operates a SAYE share option scheme for all employees to encourage participation in the Group's results. Options are exercisable at a price equal to the quoted market price of the Group's shares on the date of grant less a discount of 15 per cent. The options mature after either three years or five years, and there is an exercise period of six months from when the share options become exercisable, after which period the options lapse.

Details of the share options outstanding during the year are as follows:

	2015 No	2014 No
Outstanding at the beginning of the year	16,341	28,232
Granted during the year	5,188	4,466
Vested during the year	(406)	(12,235)
Forfeited during the year	(7,949)	(4,122)
Outstanding at the end of the year	13,174	16,341

The options outstanding at 31 December 2015 had a weighted average exercise price of £71.58 (2014: £48.55), and a weighted average remaining contractual life of 1.88 years (2014 1.43 years). During the year options were granted on 6 October 2015. The aggregate of the estimated fair values of the options granted on that date is £126,511.

The inputs into the binomial model that the company uses to value share options were:

	2015 3 year	2015 5 year	2014 3 year	2014 5 year	2013 3 year	2013 5 year	2012 5 year	2011 5 year
Share price at date of grant	\$147.65	\$147.65	\$124.16	\$124.16	\$91.35	\$91.35	\$69.72	\$98.50
Share price at date of grant	£96.67	£96.67	£74.18	£74.18	£60.08	£60.08	£45.36	£61.14
Exercise price	£82.72	£82.72	£63.05	£63.05	£51.07	£51.07	£38.56	£51.96
Expected volatility	20.76%	32.71%	38.82%	36.36%	40.70%	47.10%	47.20%	51.40%
Expected life	3 years	5 years	3 years	5 years	3 years	5 years	5 years	3 years
Risk free rate	0.90%	1.34%	0.82%	1.63%	0.50%	1.03%	0.73%	1.18%
Expected dividend yield	0.29%	0.29%	0.29%	0.29%	0.35%	0.35%	1.00%	1.00%

Expected volatility was determined by calculating the historical volatility for 3 and 5 years up to the date of grant.

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

Share Ownership Programme

The Group operated a Share Ownership Programme (SOP), the participants in this were the directors & senior managers of the Company. Under the SOP the participants receive part of their discretionary bonus in the form of shares. These shares vested eighteen and thirty months after the financial year to which they relate. Vesting was conditional upon the participant remaining in the employ of a Group company, unless they retired in the intervening period at normal retirement age.

Details of the shares outstanding under the SOP during the year are as follows:

	<u>2015</u> No	<u>2014</u> No
Outstanding at the beginning of the year	-	1,800
Granted during the year		
Exercised during the year		(1,800)
Forfeited during the year		
Outstanding at the end of the year	<u>-</u>	<u>-</u>

The options outstanding at 31 December 2015 had a weighted average remaining contractual life of 0 years (2014 0 years).

International Directors' Long Term Incentive Plan

The Group operates a long term incentive plan (LTIP), under which some directors and senior managers may receive awards of shares. Shares under this plan vest on 1st January five years after the grant date. Vesting is conditional upon the participant remaining in the employ of a Group company.

Details of the shares outstanding under the LTIP during the year are as follows:

	<u>2015</u> No	<u>2014</u> No
Outstanding at the beginning of the year	3,952	3,952
Granted during the year	681	
Exercised during the year		
Forfeited during the year		
Outstanding at the end of the year	<u>4,633</u>	<u>3,952</u>

The options outstanding at 31 December 2015 had a remaining contractual life of 0.64 years (2014: 1.42). Awards of 681 shares were granted during the year.

Restricted Stock Grant Plan

The Group operates a restricted stock grant plan (RSG), under which some directors and senior managers may receive awards of shares. Shares under this plan vest in equal instalments forty months and sixty four months from the grant date. Vesting is conditional upon the participant remaining in the employ of a Group company.

Details of the shares outstanding under the RSG during the year are as follows:

	<u>2015</u> No	<u>2014</u> No
Outstanding at the beginning of the year	7,914	7,723
Granted during the year	1,861	952
Exercised during the year	(155)	(761)
Forfeited during the year	(2,895)	
Outstanding at the end of the year	<u>6,725</u>	<u>7,914</u>

The options outstanding at 31 December 2015 had a remaining contractual life of 1.80 years (2014: 1.79). Awards totalling 1,861 shares were granted during the year (2014: 952).

LASALLE INVESTMENT MANAGEMENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

20. FINANCIAL INSTRUMENTS

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	78,876,474	63,237,201
	<u>78,876,474</u>	<u>63,237,201</u>
 Financial liabilities		
Financial liabilities measured at amortised cost	(20,117,314)	(14,568,365)
	<u>(20,117,314)</u>	<u>(14,568,365)</u>

Financial assets measured at amortised cost comprise loans, repayable on demand to Jones Lang LaSalle Finance BV (£61m); accrued income (£11m); trade receivables (£3m); loans (£2m).

Financial Liabilities measured at amortised cost comprise trade creditors (£0.5m), accrued expenses, including bonus (£15m), current payroll taxes & social charges (£1m), intercompany (£1m).

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

21. DEFERRED TAXATION

	Deferred tax £
At 1 January 2015	239,087
Credited to the profit or loss	220,352
At 31 December 2015	459,439

The deferred tax asset is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	54,714	(9,197)
Other timing differences	404,725	248,249
	459,439	239,087

22. PROVISIONS

All provisions are in respect of pensions. Detailed information about pensions is in note 25.

23. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
7,125,000 Ordinary shares of £1 each	7,125,000	7,125,000

24. RESERVES

The Company's reserves consist primarily of cumulative profit, available to shareholders; with the balance being made up of actuarial movements on the defined benefits pension scheme, and movements in share-based payments, which reduce the equity.

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

25. PENSION COMMITMENTS

The Company operates a Defined Benefit Pension Scheme.

The Defined Benefit pension scheme is the Industry-Wide Coal Staff Superannuation Scheme. The Company's obligations are updated on the basis of calculations carried out by the Scheme Actuary. The measurement of these obligations requires estimation of future changes in salaries and inflation, as well as mortality rates, future pension increases and the selection of a suitable discount rate. To this end the Company adopts, subject to suitability, the estimates used by other parts of the UK Group for their final salary pension schemes. These estimates are prepared with assistance from external consultants.

The Actuary's report has resulted in the Company recognising neither a surplus nor a liability this year.

Reconciliation of present value of plan liabilities:

	2015 £	2014 £
At the beginning of the year	(624,100)	(508,760)
Current service cost	(295,000)	(257,000)
Interest income	(17,000)	(24,000)
Actuarial gains/losses	400,000	(994,000)
Deferred tax on actuarial gain/loss	(165,900)	30,660
Contributions	769,000	1,129,000
Derecognition of surplus	(67,000)	-
At the end of the year	-	(624,100)

Composition of plan assets:

	2015 £	2014 £
UK Equities	2,373,000	2,197,000
Overseas Equities	5,538,000	5,127,000
UK Corporate Bonds	2,646,000	2,487,000
Index Linked Bonds	1,715,000	1,713,000
Alternatives	1,384,000	1,390,000
Property	823,000	721,000
Other	70,000	67,000
Total plan assets	14,549,000	13,732,000

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

25. PENSION COMMITMENTS (continued)

The relevant charges to the statement of comprehensive income are as follows:

	2015	2014
	£	£
Profit and loss		
Current service cost	266,000	215,000
Interest on obligation	17,000	24,000
Administration expenses	29,000	42,000
Total	312,000	281,000

Other Comprehensive Income

Experience adjustments on scheme liabilities	(83,000)	(235,000)
Experience adjustments on scheme assets	254,000	(594,000)
Changes in Assumptions underlying the present value of liabilities	(571,000)	1,823,000
Total	(400,000)	994,000

Reconciliation of fair value of plan liabilities were as follow:

	2015	2014
	£	£
Opening defined benefit obligation	14,522,000	12,297,000
Current service cost	309,000	255,000
Interest cost	-	24,000
Interest on DBO, less interest above	533,000	548,000
Actuarial gains and (losses)	(654,000)	1,588,000
Benefits paid	(228,000)	(190,000)
Closing defined benefit obligation	14,482,000	14,522,000

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

25. PENSION COMMITMENTS (continued)

Reconciliation of fair value of plan assets were as follows:

	2015 £	2014 £
Opening fair value of scheme assets	13,732,000	11,653,000
Actuarial gains and (losses)	(254,000)	594,000
Contributions by employer	769,000	1,129,000
Contributions by scheme participants	43,000	40,000
Benefits paid	(228,000)	(190,000)
Admin expenses	(29,000)	(42,000)
Interest on plan assets	516,000	548,000
	<u>14,549,000</u>	<u>13,732,000</u>

The Company expects to contribute £751,524 to its Defined Benefit Pension Scheme in 2016.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2015	2014
Discount rate at 31 March	3.90%	3.70%
Future salary increases	3.50%	3.50%
Future pension increases	2.95%	2.95%
Mortality - current pensioners from age 60	25.4	25.5
Mortality - future pensioners from age 60	26.4	26.6

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

25. PENSION COMMITMENTS (continued)

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(14,482,000)	(14,522,000)	(12,297,000)
Scheme assets	14,549,000	13,732,000	11,653,000
	<u>67,000</u>	<u>(790,000)</u>	<u>(644,000)</u>
Surplus(Deficit)			
Related deferred tax asset	-	165,900	135,240
Surplus derecognised	(67,000)	-	-
	<u>-</u>	<u>(624,100)</u>	<u>(508,760)</u>
Net liability			

The Company also participates in a group-wide defined benefit scheme that provides pensions linked to final salaries. It is not practicable to determine the present value of the Company's obligation as this is accounted for at Group level only.

26. CONTROLLING PARTY

99.9% of the equity of the Company, which is registered in England, is owned by LaSalle Partners International, a Company also registered in England. The remaining 0.1% is owned by Jones Lang LaSalle International Inc., a Company registered in Maryland USA.

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

LASALLE INVESTMENT MANAGEMENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

		As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
27. FIRST TIME ADOPTION OF FRS102	Note						
Fixed assets		4,183,157	(922,013)	3,261,144	3,270,742	(743,675)	2,527,067
Current assets		49,539,394	-	49,539,394	64,411,362	-	64,411,362
Creditors: amounts falling due within one year		(13,411,051)	-	(13,411,051)	(18,652,108)	-	(18,652,108)
Net current assets		36,128,343	-	36,128,343	45,759,254	-	45,759,254
Total assets less current liabilities		40,311,500	(922,013)	39,389,487	49,029,996	(743,675)	48,286,321
Creditors: amounts falling due after more than one year		(906,853)	-	(906,853)	(1,442,509)	-	(1,442,509)
Provisions for liabilities in respect of pensions		(840,560)	331,800	(508,760)	(1,015,940)	391,840	(624,100)
Net assets		38,564,087	(590,213)	37,973,874	46,571,547	(351,835)	46,219,712
Capital and reserves		38,564,087	(590,213)	37,973,874	46,571,547	(351,835)	46,219,712
		-	-	-	-	-	-
		-	-	-	-	-	-

LASALLE INVESTMENT MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

27. FIRST TIME ADOPTION OF FRS 102 (continued)

	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Note			
Turnover	53,255,543	-	53,255,543
	53,255,543	-	53,255,543
Administrative expenses	(41,125,443)	136,340	(40,989,103)
Operating profit	12,130,100	136,340	12,266,440
Income from shares in group undertakings	(5,527)	-	(5,527)
Interest receivable and similar income	589,095	-	589,095
Interest payable and similar charges	(98)	-	(98)
Other finance income	199,000	(223,000)	(24,000)
Taxation	(2,877,235)	-	(2,877,235)
Profit on ordinary activities after taxation and for the financial year	<u>10,035,335</u>	<u>(86,660)</u>	<u>9,948,675</u>

Explanation of changes to previously reported profit and equity:

Changes to fixed assets are in relation to Goodwill (reduction of £922,013 at 1st January 2014). This change to Goodwill led to a reduction in Administrative expenses in 2014 of £178,340, as this Goodwill had then been written off.

All other changes are in respect of the Defined Benefit Pension Scheme, where accounting entries are now under FRS102, rather than FRS 17. These resulted in:

The recognition of £42,000 additional Administrative expenses

A reduction in Other Finance Income of £223,000

The removal of the allowance for expenses, that were previously included under FRS17, has resulted in a change in the balance sheet position as at 1 January 2014 of £331,800.

For leases that commenced after 1 January 2014, benefits to the lessee in the form of rent free periods, cash incentives and capital contributions should be recognised on a straight line basis over the life of the lease term, in accordance with FRS 102. For leases that commenced before 1 January 2014, the Company can choose to take the option to "grandfather" these leases and continue to account for under previous UK GAAP (UITF 28 'operating lease incentives'). These leases have been recognised on a straight line basis over the shorter of the lease term of the period up to the next lease event such as the next rent review date. This first-time adoption exemption is granted under FRS 102. Since the only lease incentive as at the date of transition, commenced prior to 1 January 2014, there has been no change in the accounting treatment.