

Company Registration No. 9733462

Acquisition Company Finance Limited

Report and Financial Statements

**For the period from 14th August 2015 to 31st
December 2016**

Acquisition Company Finance Limited

Report and financial statements for the period from 14th August 2015 to 31st December 2016

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Acquisition Company Finance Limited

Report and financial statements 2016

Officers and professional advisers

Directors

T. L. Plimmer (Resigned 18th August 2015)
C.R.Oster (Appointed 19th July 2017)
D. J. Green (Appointed 5 November 2015)
E. C. Thetford (Appointed 18th August 2015)
B. Younger (Resigned 31 May 2016)
L. H. Midler (Appointed 18th August 2015)
S.C.Thompson (Resigned 19th July 2017)
P.G.Emburey (Resigned on 05th November 2015)

Registered office

St Martin's Court
10 Paternoster Row
London
EC4M 7HP

Banker

HSBC Bank Plc
27/32 Poultry
London
EC2P 2BX

Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London, E14 5GL

Acquisition Company Finance Limited

Directors' report

The directors present their annual report and the audited financial statements for the period ended 31 December 2016.

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 419(2) of the Companies Act 2006.

Principal activity, business review and future prospects

The company is a financing holding company. There are no undertakings held by the company.

Results and dividends

The result for the period after taxation was a gain of £375,647. During the period the directors declared dividends of £nil (2014: £nil).

Donations

No donations were made to political or charitable organisations in the period.

Directors

The directors who held office throughout the period are shown on page 1.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis in preparing the financial statements continues to be adopted.

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms 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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Subsequent events

There have been no changes to the business activities or risk profile of the company subsequent to the end of the reporting period.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board of Directors
and signed on behalf of the Board



D. J. Green
Director

Acquisition Company Finance Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *the Financial Reporting Standard applicable in the UK & Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller entities).

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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's report to the members of Acquisition Company Finance Limited

We have audited the financial statements of Acquisition Company Finance Limited, for the period from 14th August 2015 to 31st December 2016, set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A of FRS 102 *the Financial Reporting Standard applicable in the UK & Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller entities).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Auditing Practices Board's Ethical Standards for Auditor.

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 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Acquisition Company Finance Limited (continued)

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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Richard Kelly (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London, E14 5GL

8 August 2017

Acquisition Company Finance Limited

Statement of comprehensive income

For the period from 14th August 2015 to 31st December 2016

| | Notes | Period from 14 th August 2015 to 31 st December 2016 £ |
|--|-------|---|
| Administration expenses | | (4,885) |
| Operating loss | 3 | <u>(4,885)</u> |
| Net Finance Income | 2 | 474,444 |
| Profit on ordinary activities before taxation | | <u>469,559</u> |
| Tax on profit on ordinary activities | 4 | (93,912) |
| Profit for the period | | <u>375,647</u> |
| Other comprehensive income for the period | | - |
| Total comprehensive income for the period | | <u><u>375,647</u></u> |

The profit for the current period derives from continuing operations.

The notes from page 9 to page 13 form part of these financial statements.

Acquisition Company Finance Limited

Statement of changes in equity For the period ended 31 December 2016

Statement of changes in equity for the period ended 31 December 2016

| | Share capital £ | Profit and loss account £ | Share Premium £ | Total shareholders' funds £ |
|---|-----------------------|---------------------------------|-----------------------|-----------------------------------|
| Issue of shares | 2 | - | - | 2 |
| Comprehensive income for the period | - | 375,647 | - | 375,647 |
| Other comprehensive income for the period | - | - | - | - |
| Additional capital contribution | - | - | - | - |
| As at 31 December 2016 | 2 | 375,647 | - | 375,649 |

The notes from page 9 to page 13 form part of these financial statements.

Acquisition Company Finance Limited

Statement of financial position As at 31 December 2016

| | Notes | 2016 £ |
|--|-------|---------------|
| Non Current assets | | |
| Debtors | 6 | 350,000,000 |
| Current assets | | |
| Debtors | 7 | 28,941,113 |
| Creditors: amounts falling due within one year | 8 | (28,565,464) |
| Net current assets | | 375,649 |
| Total assets less current liabilities | | 350,375,649 |
| Creditors: amounts falling due after more than one year | 9 | (350,000,000) |
| Net assets | | 375,649 |
| Called up share capital | | 2 |
| Share premium | | - |
| Profit and loss account | | 375,647 |
| Shareholders' funds | | 375,649 |

These financial statements were approved by the Board of Directors on 03rd August 2017.

Signed on behalf of the Board of Directors



D. J. Green

Director

Company Registration No. 9733462

The notes from page 9 to page 13 form part of these financial statements.

Acquisition Company Finance Limited

Notes to the financial statements

Period from 14th August 2015 to 31st December 2016

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law. The particular accounting policies adopted are described below. These policies have been applied consistently throughout the period.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied.

Basis of preparation

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by section 419(2) of the Companies Act, 2006, because it is a small sized group.

Going concern

Having given consideration to reasonably possible scenarios and future plans in respect of the Company for the foreseeable future, and for a period of at least 12 months following the approval of these financial statements, the directors believe the Company will be able to and will continue to meet its liabilities as they fall due. The Company's largest creditor is, or is controlled by, its ultimate parent, CBRE Group, Inc., who has confirmed to the directors that it has no intention of requiring the Company to repay the amounts due or to withdraw its continuing support for a period of at least 12 months following the approval of these financial statements. As a result, the going concern assumption has been adopted in the preparation of these financial statements.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However the nature of estimation means that actual outcomes could differ from those estimates.

Cash flow statement

The company's ultimate parent company is CBRE Group, Inc., and the cash flows of the company are included in the consolidated group cash flow statement of that company. Consequently the company is exempt under the terms of Section 7 of FRS 102 from publishing a cash flow statement.

Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any exchange differences arising are dealt with in the Statement of comprehensive income.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Acquisition Company Finance Limited

Notes to the financial statements

Period from 14th August 2015 to 31st December 2016

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade and other debtors.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable on trade and other creditors.

Interest receivable and similar income include interest receivable on trade and other debtors.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method

2. Net finance income

| | Period from 14 th August 2015 to 31 st December 2016 £ |
|---|---|
| Interest payable - other group undertakings | (28,466,667) |
| Interest receivable and similar incomes | 28,941,111 |
| | <hr/> |
| | 474,444 |
| | <hr/> |

3. Operating profit

| | Period from 14 th August 2015 to 31 st December 2016 £ |
|--|---|
| Operating profit is stated after charging: | |
| Legal Fees | 885 |
| Auditor's remuneration | 4,000 |
| | <hr/> |

Auditor's remuneration

Auditor's remuneration of £4,000 was borne by a fellow group company.

Acquisition Company Finance Limited

Notes to the financial statements

Period from 14th August 2015 to 31st December 2016 (continued)

4. Tax on profit on ordinary activities

| | Period from 14 th August 2015 to 31 st December 2016 £ |
|--|---|
| Current tax | |
| United Kingdom Corporation tax at 20.00% | 93,912 |
| | <hr/> |
| Tax on profit on ordinary activities | 93,912 |
| | <hr/> |

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly.

The current period tax charges are different to the standard rate for the reasons set out in the following reconciliation:

| | Period from 14 th August 2015 to 31 st December 2016 £ |
|--|---|
| Profit on ordinary activities before taxation | 469,559 |
| | <hr/> |
| Taxation on profit on ordinary activities at standard rate | 93,912 |
| | <hr/> |
| Current tax charge for the period | 93,912 |
| | <hr/> |

5. Directors and employees

The company had no employees other than its directors during the period. The directors did not receive any remuneration in respect of services to the company during the period.

Acquisition Company Finance Limited

Notes to the financial statements

Period from 14th August 2015 to 31st December 2016 (continued)

6. Debtors: amounts falling due after more than one year

| | As at 31 December 2016 £ |
|-------------------------------------|-----------------------------------|
| Amounts due from parent undertaking | 350,000,000 |
| | <u>350,000,000</u> |

On 1st September 2015, Acquisition Company Finance Limited entered into a guaranteed unsecured loan agreement with CBRE Holdings Limited lending £350m at a fixed interest rate of 6.10%. The maturity date is 2020.

7. Debtors: amounts falling due within one year

| | As at 31 December 2016 £ |
|-------------------------------------|-----------------------------------|
| Amounts due from parent undertaking | 28,941,113 |
| | <u>28,941,113</u> |

Interest receivable as at 31st December 2016 amounts to £28,941,111. The remaining £2 receivable is in relation to 2 shares issued to CBRE Holdings Limited in August 2015. The loan and interest are unsecured and mature in 2020.

8. Creditors: amounts falling due within one year

| | As at 31 December 2016 £ |
|--|-----------------------------------|
| Amounts owed to other group undertakings | 28,471,552 |
| | <u>28,471,552</u> |

On 1st September 2015, Acquisition Company Finance Limited entered into a loan agreement with CBRE Finance II Limited borrowing £350m at a fixed interest rate of 6.00%. Interest due as at 31st December 2016 amounts to £28,466,667. The loan and interest are unsecured and mature in 2020.

£885 relates to legal fees in relation to loan financing.

The remaining £4,000 is Audit Fees due.

Acquisition Company Finance Limited

Notes to the financial statements

Period from 14th August 2015 to 31st December 2016 (continued)

9. Creditors: amounts falling due after more than one year

| | As at 31 December 2016 £ |
|------------------------------------|-----------------------------------|
| Amounts owed to group undertakings | 350,000,000 |
| | <u>350,000,000</u> |

On 1st September 2015, Acquisition Company Finance Ltd entered into a loan agreement with CBRE Finance II Limited borrowing £350m at a fixed interest rate of 6.00%. The principal amount of £350m is unsecured and matures in 2020.

10. Ultimate parent company

CBRE Holdings Limited, a company incorporated in England and Wales, is the immediate parent company.

The directors regard CBRE Group, Inc., a company incorporated in the United States, as the ultimate parent company and ultimate controlling party.

CBRE Group, Inc. is the parent company of the smallest and largest group of which the company is a member and for which consolidated financial statements are drawn up. No other consolidated financial statements are drawn up.

Copies of the consolidated group financial statements for CBRE Group, Inc. are available from CBRE Limited, St Martin's Court, 10 Paternoster Row, London EC4M 7HP.

11. Related party disclosures

The company has taken advantage of the exemption contained in section 33 of FRS 102, not to disclose transactions with other members of Group. Balances due to or from the parent company and fellow subsidiary companies are disclosed. There were no other related party transactions requiring disclosure.

