

Registered number: 03536032

**CBRE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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CBRE LIMITED

CONTENTS

	Page
Company information	1
Strategic report for the year ended 31 December 2022	2
Directors' report for the year ended 31 December 2022	10
Directors' responsibilities statement	13
Independent auditor's report to the members of CBRE Limited	14
Profit and loss account for the year ended 31 December 2022	18
Statement of comprehensive income for the year ended 31 December 2022	19
Balance sheet as at 31 December 2022	20
Statement of changes in equity for the year ended 31 December 2022	21
Notes to the financial statements for the year ended 31 December 2022	22

CBRE LIMITED COMPANY INFORMATION

Directors

C Bird
E Gifon
A Hetherington
D Mercado
M Minetti
H Voskuilen

Company secretary

A Naftis

Registered number

03536032

Registered office

Henrietta House
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W1G 0NB

Independent auditor

KPMG LLP
Chartered Accountants
15 Canada Square
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London
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Solicitor

Golwing WLG
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Banker

HSBC Bank Plc
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CBRE LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their Strategic report for CBRE Limited (the "Company") for the year ended 31 December 2022.

Business review

The principal activity of the Company is the provision of property consultancy services.

Turnover increased by 13.9% to £531.0m (2021: £466.2m) reflecting a buoyant UK commercial real estate market in the first half of the year, which saw strong revenue performance across the established service portfolio and in strategic growth areas such as ESG. Contractual revenue streams such as Property Management and Valuations continued to perform strongly whilst transactions based revenue slowed down later in the year as interest rates started to increase.

Increased costs caused by both inflationary pressure and a strategic investment in headcount in growth areas early in 2022 drove increases in cost of sales – 24.4% to £337.0m (2021: £270.9m) – and administrative expenses – 9.9% to £188.1m (2021: £171.1m). This resulted in a decrease in profit before tax of 39.4% to £16.8m (2021: £27.7m).

Tax is payable for 2022 of which corporation tax has a charge of £4.4m (2021: £9.4m) and a deferred tax charge of £0.3m (2021: credit of £0.3m). Profit after taxation stands at £12.1m (2021: £18.5m). Net assets of the Company have increased by 3.7% to £555.1m (2021: £535.4m).

Principal risks and uncertainties

There has been and continues to be a period of economic volatility both in the UK and globally, including foreign exchange volatility, rising inflation and interest rate increases. The duration and extent of the volatility is difficult to assess.

Additionally, as a result of the Russian invasion of Ukraine, impacts on the regional and global economy are still uncertain and difficult to assess in terms of duration and severity. The potential impact is not expected to have an adverse impact on the Company.

The Company will continue to monitor market conditions as information becomes available and to evaluate the potential impact, if any, on its operations going forward.

Key performance indicators ("KPIs")

The KPIs presented below reflect the way the performance of the Company has been measured in 2022:

Turnover - to track the growth in the business. This is a key area of strategic focus for the board. Turnover has increased by 13.9% to £531.0m (2021: £466.2m).

Profit before taxation - to track the underlying performance of the business and to ensure sales growth translates into increased profits. Profit before taxation has decreased by 39.4% to £16.8m (2021: £27.7m).

Future developments

2023 focus

The strategy and focus is to expand on all business service lines and to meet expectations in line with the KPIs outlined above and in line with the Strategic plan.

CBRE LIMITED DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Financial risk management

The Company has adopted risk management policies that seek to mitigate the financial risks as follows:

Credit risk

Financial assets and liabilities that expose the Company to financial risk consist principally of cash, trade debtors and trade creditors.

The credit risk associated with trade debtors is managed by monitoring the credit worthiness of the Company's clients. Trade debtors are distributed in such a manner that the diversifies of credit risk is not considered extraordinary. The Company performs ongoing credit evaluation of its customers' financial condition.

The financial risk associated with cash and trade creditors is considered minimal as the Company places its cash in creditworthy institutions.

Interest and inflation risk

Having limited borrowing exposure, the directors are of the view that the Company is not exposed to significant interest or inflation rate risk, with both being low in 2022.

Exchange rate risk

The Company holds no foreign currency or interest rate derivatives.

The carrying amounts of cash and bank balances, trade debtors and payables approximate their respective fair values due to the relatively short-term maturing of these financial instruments. There is a central Treasury team who manages the exchange rates globally.

Our commitment to Section 172

Our Stakeholders

The directors of the Company have acted in accordance with their duties codified in law, which include their duty to act in the way most likely to promote the success of the Company for the benefit of its shareholders. In doing so, directors must pay regard to the Company's stakeholders and to CBRE's reputation for high standards of business conduct, having regard to matters set out in Section 172 of the Companies Act 2006.

Directors consider stakeholder factors when making decisions at Board level, when setting strategy, developing policies, fostering the corporate culture and guiding and delegating decisions to management and employees. Engagement with stakeholders also involves judgement and actions by managers and employees with whom stakeholders interact directly.

CBRE's RISE values (Respect, Integrity, Service and Excellence) reflect the Company's consideration of the wider community of stakeholders and the focus on creating outcomes that benefit all of them.

The Company has taken steps to embed a deeper understanding of the responsibilities ascribed to the directors under Section 172 of the Companies Act 2006 at a CBRE Group level in the UK and across the management committees of its associated and subsidiary companies. Guidance has been provided by the Company's Secretariat to explain the importance of the considerations referred to in Section 172 as part of good decision making, to ensure that proposals coming to the directors contain appropriate information on the potential impact of business decisions on all the Company's stakeholders, and other relevant matters.

CBRE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Our commitment to Section 172 (continued)

Our Stakeholders (continued)

The following statements identify the key stakeholder groups and outlines methods that directors used to engage with them, understand the issues to which they should have regard and gather feedback.

Employees

CBRE's success depends on its ability to attract and retain qualified and experienced employees. The Company employs around 3,400 people directly, in addition to staff employed by the wider CBRE UK Group who support the business.

- the Company participates in the global CBRE 'Your Voice' employee engagement survey. The aim of the survey is to understand how engaged its employees are and what elements of their work experience at CBRE influence their engagement; whilst also accessing what the Company can do better to improve the engagement and wellbeing of its employees, so they are able to perform at their best.
- the directors carefully analysed the results of the survey and have created focused action plans in four key areas: Effective Leadership, Process and our ways of working, Employee development and Management of teams. The Company's business leaders implement tailored action plans in these areas and the progress made against actions are tracked regularly.
- the directors understand that the Company needs to ensure that its culture is inclusive of the diversity it has, and is introducing an outcome that, year-on-year, its leaders are expected to increase their engagement results from the annual Your Voice survey.
- covering the nine characteristics of the Equality Act 2010, the Company's Diversity Equity & Inclusion (DEI) strategy aims to create an inclusive environment with equal opportunities no matter what race, religion, gender and gender identity, sexual orientation, marital status and ability.
- the Company does not tolerate any form of discrimination. It believes that diversity of thought brings innovation and the different perspectives this brings, allows the Company to provide truly creative solutions for its clients.
- the gender pay report were released and included on the Company's website. The ethnicity pay report will be released in 2023.
- other initiatives to meet the Equality Act and inclusive culture requirements include:
 - the adoption of a Diversity, Equity and Inclusion Policy, Discrimination, Harassment and Victimisation Policy, Grievance Policy and a Global Policy on Racial Misconduct. We roll out leadership learning to support the above policies.
 - a range of events and leaderships sessions to improve visibility and understanding of diverse communities.
 - visible representation targets have been set regarding gender and ethnicity at senior levels.
 - being signatories of Business in the Community's 'Race at Work' Charter, the Social Mobility Pledge, Time to Change pledge and the UK Government's Disability Confident scheme.
 - having a Faith in the Workplace Guide, Coming Out Guide, Ramadan Guidance, Working Careers Guidance, Menopause Policy and a range of other tools.
- all of the Company's Executive directors are required to attend Inclusive Leadership Workshops, that includes them making a personal pledge to progress the Company's DEI strategy.
- the Company runs a series of awareness-raising events, including an 'Inclusion Fest' showcasing the principles of inclusion, leadership commitment and role model stories.

CBRE LIMITED STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Our commitment to Section 172 (continued)

Employees (continued)

- the Company has voluntarily published its ethnicity pay gap data and will release again in 2023. This builds on its commitment to the Business in the Communities Race at Work Charter which the Company became signatories of in October 2019.
- the Company supports its employees through an array of Employee Business Resource Groups and Affinity Networks, which are as follows: Ability Network (supporting people with disabilities and long-term conditions), Faith Network, Family Network, REACH Network (CBRE's Race, Ethnicity and Cultural Heritage Network), Proud Network (supporting LGBTQ+ people and Allies), Women's Network, Armed Forces Network and Junior Board.
- the Company offers all employees the opportunity to learn and develop throughout every stage of their career. A formal performance development programme is in place, designed to enable employees to set performance goals and identify development needs with their line manager. Formal instructional learning is offered through the central Talent Coach and Learn @ CBRE platform, focusing on behavioural business skills as well as technical skills. Courses available through Talent Coach and Learn @ CBRE are a combination of instructor-led learning and digital self-directed learning.
- in addition, the Company offers coaching and mentoring programmes to allow others to learn from other experts internally and externally.
- the Company offers an internal mobility swap and share scheme to enable employees to learn about different aspects and roles within the wider business.
- the Company also offers a focused development programme for high performers and for strategic focus areas, such as management and leadership development.
- the Company has a central budget for employees to request sponsorship to enrol on any relevant professional qualifications.
- employees are regularly kept apprised of business matters via an annual All Company Business Update, the weekly 'Advisory Services UK News Roundup' and other internal communications.

The Company has pioneered a gamification platform to connect our employees with ESG at their own pace in a simple and snackable manner (Stickerbook), each employee is given the opportunity to join and learn/do more with our environmental and social initiatives e.g. update their DEI data, learn our Net-Zero Strategy or join an Affinity Group.

Suppliers

The Company carefully manages its policies on purchased services. The supply chain is regarded as fundamentally important to CBRE's own business as a provider of real estate advisory services.

The CBRE Group also expects that all contracted suppliers comply with CBRE's Supplier Code of Conduct as well as all applicable laws and legislation. The Supplier Code of Conduct sets out CBRE's fundamental ethical and business conduct requirements for its suppliers, incorporating anti-bribery, corruption, unfair business practices, information security and records maintenance, data privacy, conflicts of interest, labour, health and safety, environment and sustainability, gifts and gratuities and non-retaliation.

Suppliers are requested to contact their CBRE representative to raise any questions or concerns about the Supplier Code of Conduct, including its application to specific circumstances in connection with their performance of work for CBRE, or to report any suspected violations of the Code.

CBRE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Our commitment to Section 172 (continued)

Clients

Client Care is one of CBRE's most important strategic initiatives. It encompasses the Company's account management and client experience programmes for its largest and most impactful Occupier and Investor clients. Client Care professionals deliver the power of the CBRE platform to the Company's clients by ensuring the Company is working seamlessly across all service lines and geographies. These teams engage senior CBRE leaders, market professionals and CBRE research and technology to drive measurably superior outcomes to the Company's clients.

Client Care facilitates a Global & Regional Client Feedback Programme using qualitative research to obtain feedback on a regular basis from the Company's biggest Occupier and Investor clients. This feedback is used as part of an "outer loop process" (i.e. corrective action planning with individual client issues/areas for improvement) and "inner loop process" (i.e. to help drive internal change within CBRE for the benefit of all of the Company's clients).

Local communities

At CBRE, acting responsibly and being successful commercially, go hand-in-hand. A key element of this is creating new opportunities for our local communities.

The Company partnered with Macmillan Cancer Support for a second year and has extended for an additional third year. CBRE is in year two of its partnership with Macmillan Cancer Support raising £439,435 and providing 2,195 hours of volunteering.

The Company carried out a range of local charitable activities through various partnerships, including with LandAid. These charities enabled UK employees to donate their time to various local community projects and initiatives.

Environment

- CBRE Advisory Services UK and Ireland's ESG strategy consists of three pillars: People, Planet and Practices. These pillars are embedded into our business strategy and supported by a robust governance structure and award-winning employee engagement programme.
- the Company has set an ambition to be a net-zero carbon business (across scope 1,2 and limited scope 3) by 2030, this is a milestone towards CBRE's wider global corporate goal to be net-zero by 2040 and aligns to our commitment to the Science Based Target Initiative.
- CBRE Advisory Services UK and Ireland produced its third dedicated ESG report sharing progress achieved during 2022. In 2022, we achieved a 19% reduction in scope 1 and 2 market-based emissions from our 2019 baseline and a 32% reduction in scope 3.
- the Company's multi-disciplinary ESG Consultancy team engages with clients across the property and investment life-cycle to help them manage their environmental impacts.
- in 2022, 96% (2021: 92%) of CBRE office space used electricity from renewable sources and the Company has a target for this to be 100% by 2025.
- Henrietta House achieved BREEAM excellent and WELL Platinum accreditation. 86% of surveyed colleagues agree the design of the building encourages them to behave environmentally at work.
- our 2022 annual Inclusion Fest saw over 3,300 people take part in educational events raising awareness of key inclusion issues.

CBRE LIMITED STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Our commitment to Section 172 (continued)

Standards of Business Conduct

Across its global operations, the CBRE Group is firmly committed to conducting business with the highest integrity and in compliance with the law. Standards of Business Conduct (SOBC) have been in place since 2004 and were thoroughly updated in 2011, 2019 and 2021 and must be read and adhered to by everyone who represents CBRE.

The SOBC embodies the fundamental principles that govern CBRE's ethical and legal obligations and are at the centrepiece of a global Ethics & Compliance Programme adopted by the CBRE Group in 2004. They are designed to reinforce CBRE's RISE values and ensure compliance with the Company's policies, and laws and regulations applicable globally.

Several areas of ethics and compliance training are provided to all employees annually, including (without limitation) SOBC, Harassment Prevention, People and Culture Behaviour and Anti-Corruption Training.

Acting fairly between members

Section 172 of the Companies Act 2006 requires the Company to act fairly between its members. The Company is 100% owned by CBRE Holdings Limited, another entity within the CBRE Group.

Streamlined Energy and Carbon Reporting

The Company is committed to ensuring environmental compliance to relevant legislation to support improved transparency across UK and, ultimately global emissions reporting. As such, in line with the UK Streamlined Energy and Carbon Reporting (SECR) regulation, the Company is reporting on all relevant FY22 emissions sources as required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Methodology

The Company has included all required emissions sources for which it had operational control in the reporting year.

Energy consumption and emissions data reported covers relevant Scope 1-3 activities. In summary, this includes owned fleet emissions (Scope 1), purchased and used electricity and purchased heat and steam (Scope 2) and employee business travel, commuting, supply chain and use of sold products and services which reflects emissions from properties the Company manages on behalf of real estate owners and investors (Scope 3). The Company maintains an Inventory Management Plan which documents the data collection and calculation methodologies for the Company's emissions reporting needs.

Dual-emissions reporting through both location and market-based methods have been included (in accordance with GHG Protocol Corporate Accounting and Reporting Standard (revised edition) guidance).

In 2022, we improved our data collection and methodology which resulted in a re-baselining of our company cars data, impacting emissions in scope 3. Previously emissions for scope 1 company cars included all CBRE leased vehicles and emissions from business travel for any colleague that was given a car allowance. However, in 2022 this was reviewed and now only emissions from CBRE leased vehicles are included in scope 1, with emissions from business travel from colleagues with a car allowance being reported in scope 3, business travel. This impacted emissions in scope 1 and 3, with re-baselining for 2019 - 2021.

CBRE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Streamlined Energy and Carbon Reporting (continued)

UK FY22 Greenhouse Gas Emissions

The tables below break down CO₂e emissions (location and market-based) by scope.

Table 1: Annual energy (MWh) consumption

Scope	MWh 2022	MWh 2021
Scope 1	—	—
Scope 2	7,115	4,556
Scope 3	495,944	543,880
Total All Scopes	503,059	548,436

Table 2: Annual location-based emissions (tCO₂e)

Scope	Location-based emissions (tCO ₂ e) 2022	Location-based emissions (tCO ₂ e) 2021
Scope 1	33	26
Scope 2	1,359	926
Scope 3	99,149	113,728
Total All Scopes	100,541	114,680

Table 3: Annual market-based emissions (tCO₂e)

Scope	Market-based emissions (tCO ₂ e) 2022	Market-based emissions (tCO ₂ e) 2021
Scope 1	—	—
Scope 2	465	362
Scope 3	29,832	42,019
Total All Scopes	30,297	42,381

Table 4: Emissions Normalisation

Metric	2022	2021
Full-Time Equivalents (FTE)	3,349	2,997
Total emissions (tCO ₂ e) - location	503,059	548,436
tCO₂e / FTE	150.212	182.995

CBRE LIMITED STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Streamlined Energy and Carbon Reporting (continued)

Energy efficiency measures

The Company is committed to identifying and implementing energy efficiency measures to decarbonise operational carbon as far as possible by 2030. Some of the measures include:

1. Working with landlords to optimise office energy performance. A recent CBRE-led energy audit of the Southampton office initiated plans to improve the time scheduling of the heating, ventilation and air conditioning system to better reflect occupancy.
2. Henrietta House has integrated smart features to optimise how the building performs such as CBRE Breathe to improve indoor air quality and Asset IQ to monitor, report and fine-tune the building's management system. Henrietta House has also achieved WELL Platinum certification as well as BREEAM Excellent.
3. The Company's ESG employee engagement network (All Greens) support company-wide behavioural change campaigns such as car sharing and cycling to work.
4. As older, fossil-fueled vehicles exit the Company's car fleet, electric and hybrid vehicles are bought in as replacements.

The Company continually reviews energy efficiency measures across its direct and indirect operations.

This report was approved by the board on 27/9/2023 and signed on its behalf by:

DocuSigned by:

David Mercado

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D Mercado

Director

CBRE LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and the audited financial statements for the Company for the year ended 31 December 2022.

Principal activities

The principal activity of the Company is the provision of property consultancy services.

Results and dividends

The Company's results for the financial year are set out in the profit and loss account on page 18.

The profit for the financial year amounted to £12,078,000 (2021: £18,534,000).

The directors do not recommend the payment of a dividend (2021: £Nil). No interim dividend was paid during the year (2021: £Nil).

Going concern

The Company's 2022 business activities and outlook, together with the principal business risks and uncertainties that are likely to affect its future development, performance and position and the directors' strategy and processes for managing these risks, including developing and implementing operational and financial resilience, are set out in the Strategic report and Directors' report.

The directors perform an annual going concern review that considers the Company's ability to meet its financial obligations as they fall due, for a period of at least twelve months after the date that the financial statements are signed.

Based on the above, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future (for a period of at least twelve months after the date that the financial statements are signed). Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Future developments

An indication of the likely future developments in the business have been included in the Strategic report on page 2.

Financial risk management

The financial risks of the Company which are detailed in the Strategic report are included in this report by cross reference on pages 2 and 3.

Streamlined Energy and Carbon Reporting

An indication of the streamlined energy and carbon reporting in the business and details have been included in the Strategic report on page 7 to 9.

CBRE LIMITED DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Directors

The directors of the Company who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

C Bird
A Hetherington
D Mercado
H Voskuilen
M Minetti (appointed 12 April 2022)
E Gifon (appointed 3 October 2022)
C Oster (resigned 25 March 2022)
O Odunaike (resigned 13 June 2022)

Directors' and officers' liability

As permitted by the Articles of Association, the directors have benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The qualifying third party indemnity provision was in place during the financial year and as at the date of the approval of the annual report. The CBRE Group maintained throughout the financial year directors' and officers' liability insurance.

Employees

The Company values the individual contribution of all employees and prospective employees from all sectors of the community at large. The Company recognises its social, moral and statutory duty to employ people with disabilities and will do all that is practicable to meet this responsibility. The Company operates a Code of Good Practice on Disability.

Applications for employment by disabled persons are always fully considered, bearing in mind their respective aptitudes and abilities. In the event of a member of staff becoming disabled, every effort is made to ensure that employment with the Company continues and the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

The directors give the highest priority to ensuring that employees of the Company are regularly informed of, and involved in, all matters connected with the day to day conduct of the business and its future development. Employees' opinions are sought on all aspects of improvement, change, progress and development. In common with many other companies, these communications are largely oral and are promoted by the constant involvement of all employees, in working together to achieve the widely understood and accepted aims of the CBRE Group.

Stakeholder engagement statement

The Company strives to maintain this standing and knows that the success of its business depends on the quality of the relationships it forges inside and outside of its organisation. The stakeholders of the Company include its employees, suppliers, clients, communities and others. As set out in Standards of Business Conduct and Ethics, the Company will complete and transact with its clients and vendors fairly. No one representing the Company will take unfair advantage of anyone.

CBRE LIMITED DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Stakeholder engagement statement (continued)

For details of how the directors have had regard to the need to foster the Company's business relationships with suppliers, customers and others, please refer to the Section 172 statement within the Strategic report on pages 3 to 7.

Statement of corporate governance arrangements

The Company's Corporate Governance practices reflect the requirements of applicable securities laws, including the Sarbanes-Oxley Act, the New York Stock Exchange listing requirements and the CBRE Group's own vision of good governance practices.

CBRE Group's Corporate Governance Guidelines have been adopted by the board of directors to promote the effective functioning of the board and to assist the board in fulfilling its responsibilities. The Guidelines include:

- Director Qualification Standards
- Director Responsibilities
- Director Access to Management and Independent Advisors
- Director Compensation
- Director Orientation and Continuing Education
- Management Succession
- Annual Performance Evaluations
- Board Committees
- Further Corporate Governance Guideline Recommendations

Disclosure of information to auditor


Each director in office at the date the Directors' report is approved has confirmed that:

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

Independent 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.

This report was approved by the board on 27/9/2023 and signed on its behalf by:

DocuSigned by:

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D Mercado
Director

CBRE LIMITED DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the annual report and 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 United Kingdom Accounting Standards, and applicable law 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CBRE LIMITED

Opinion

We have audited the financial statements of CBRE Limited (the "Company") for the year ended 31 December 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Company, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Company's available financial resources over this period was a significant decline in the UK property consulting services market.

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible, downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the group's financial forecasts.

We considered whether the going concern disclosure in note 3.2 to the financial statements gives a full and accurate description of the directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in note 3.2 to be acceptable.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CBRE LIMITED (CONTINUED)

Going concern (continued)

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected, or alleged fraud, and
- Reading board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue is recognised based on non-complex contractual terms for rendering of services.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included unrelated, unusual and unexpected journals posted to revenue and cash accounts; journals posted to seldom used accounts or those posted by individuals who typically do not post journal entries.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CBRE LIMITED (CONTINUED)

Fraud and breaches of laws and regulations - ability to detect (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations (continued)

Secondly, the Company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CBRE LIMITED (CONTINUED)

Directors' responsibilities

As explained more fully in their statement set out on page 13, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

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

The purpose of our audit work and to whom we owe our responsibilities

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

DocuSigned by:

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Kevin Williams (Senior Statutory Auditor)

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

Date: 27/9/2023

CBRE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Turnover	5	531,049	466,187
Cost of sales		(337,049)	(270,890)
Gross profit		194,000	195,297
Administrative expenses		(188,083)	(171,071)
Operating profit	6	5,917	24,226
Income from shares in group undertakings	9	–	22
Interest receivable and similar income	10	14,863	9,035
Interest payable and similar expense	11	(4,015)	(5,627)
Profit before tax		16,765	27,656
Tax on profit	12	(4,687)	(9,122)
Profit for the financial year		12,078	18,534

All income and expenses in the current year were derived from continuing operations.

The notes on pages 22 to 48 form part of these financial statements.

CBRE LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

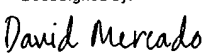
	2022	2021
	£'000	£'000
Profit for the financial year	12,078	18,534
Other comprehensive (expense)/income		
Actuarial (loss)/gain on defined benefit schemes	(8,473)	41,351
Movement on deferred tax relating to pension losses	493	(7,794)
Other comprehensive (expense)/income for the year, net of income tax	(7,980)	33,557
Total comprehensive income for the year	4,098	52,091

The notes on pages 22 to 48 are an integral part of these financial statements.

CBRE LIMITED
REGISTERED NUMBER: 03536032
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	13	35,222	33,960
Tangible assets	14	51,143	48,610
Investments	15	20,564	17,861
		106,929	100,431
Current assets			
Debtors: amounts falling due after more than one year	16	10,479	10,009
Debtors: amounts falling due within one year	16	772,485	1,906,602
Cash at bank and in hand		69,594	198,459
		852,558	2,115,070
Creditors: amounts falling due within one year	17	(337,826)	(1,589,469)
Net current assets		514,732	525,601
Total assets less current liabilities		621,661	626,032
Creditors: amounts falling due after more than one year	18	(28,564)	(58,646)
Provisions	19	(16,509)	(12,463)
Pension liability	22	(21,508)	(19,534)
Net assets		555,080	535,389
Capital and reserves			
Called up share capital	23	6,000	6,000
Share premium	24	203,769	203,769
Capital contribution	24	73,849	58,256
Profit and loss account	24	271,462	267,364
Total shareholder's funds		555,080	535,389

The financial statements on pages 18 to 48 were approved and authorised for issue by the board on 27/9/2023 and were signed on its behalf by:

DocuSigned by:

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D Mercado
Director

The notes on pages 22 to 48 form part of these financial statements.

CBRE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £'000	Share premium account £'000	Capital contribution £'000	Profit and loss account £'000	Total shareholder's funds £'000
At 1 January 2021	6,000	203,769	55,670	215,273	480,712
Comprehensive income for the year					
Profit for the financial year	–	–	–	18,534	18,534
Other comprehensive income for the year, net of income tax	–	–	–	33,557	33,557
Total comprehensive income for the year	–	–	–	52,091	52,091
Transactions with owners, recognised directly in equity					
Share based payment - capital contribution	–	–	1,850	–	1,850
Transfer of capital contribution on acquisition of subsidiary trade and assets	–	–	736	–	736
Total transactions with owners, recognised directly in equity	–	–	2,586	–	2,586
At 31 December 2021 and 1 January 2022	6,000	203,769	58,256	267,364	535,389
Comprehensive income/(expense) for the year					
Profit for the financial year	–	–	–	12,078	12,078
Other comprehensive expense for the year, net of income tax	–	–	–	(7,980)	(7,980)
Total comprehensive income for the year	–	–	–	4,098	4,098
Transactions with owners, recognised directly in equity:					
Share based payments - capital contribution	–	–	7,166	–	7,166
Intra-group loan waiver	–	–	8,427	–	8,427
Total transactions with owners, recognised directly in equity	–	–	15,593	–	15,593
At 31 December 2022	6,000	203,769	73,849	271,462	555,080

The notes on pages 22 to 48 are an integral part of these financial statements.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 General information

The principal activity of CBRE Limited (the "Company") is the provision of property consultancy services.

The Company is limited by shares and is incorporated and domiciled in England within the United Kingdom. The registered number is 03536032 and the registered office address is Henrietta House, Henrietta Place, London, England W1G 0NB.

2 Statement of compliance

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

3 Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies.

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 the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The financial statements are presented in pounds sterling rounded to the nearest £1,000.

The following principal accounting policies have been applied consistently to all years presented, unless otherwise stated:

3.2 Going concern

The Company's 2022 business activities and outlook, together with the principal business risks and uncertainties that are likely to affect its future development, performance and position and the directors' strategy and processes for managing these risks, including developing and implementing operational and financial resilience, are set out in the Strategic report and Directors' report.

The directors perform an annual going concern review that considers the Company's ability to meet its financial obligations as they fall due, for a period of at least twelve months after the date that the financial statements are signed.

Based on the above, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future (for a period of at least twelve months after the date that the financial statements are signed). Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Accounting policies (continued)

3.3 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions.

The Company has taken advantage of the following exemptions:

- under FRS 102 paragraph 1.12(b) from preparing a statement of cash flows;
- from the financial instruments, disclosures required under FRS 102 paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- from disclosing the Company key management personnel compensation as required by FRS 102 paragraph 33.7; and
- from disclosing related party transactions, under FRS 102 paragraph 33.1A.

The Company has taken advantage of these exemptions on the basis that it meets the definition of a qualifying entity and its ultimate parent company, CBRE Group, Inc., includes the related disclosure in its own consolidated financial statements. Details of where those financial statements may be obtained can be found in note 27.

Other than the exemptions taken above, the Company has applied the recognition, measurement and disclosure requirements of FRS 102.

3.4 Consolidation

The Company is exempt by virtue of Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The Company is a wholly owned subsidiary of its ultimate company CBRE Group, Inc., and is included in their consolidated financial statements, which are publicly available and can be obtained from the address set out in note 27.

These financial statements present information about the Company as an individual undertaking and not about its group.

3.5 Foreign currency

Functional and presentation currency

The Company's functional and presentational currency is pounds sterling.

Transactions and balances

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the date the fair value was determined. Foreign exchange differences arising on translation are recognised in profit or loss.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Accounting policies (continued)

3.6 Turnover

Turnover comprises commissions and fees receivable in respect of services performed.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover 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.

3.7 Income from shares in group undertakings

Income from shares in group undertakings is recognised when the right to receive payment is established.

3.8 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

3.9 Interest receivable and similar income

Interest receivable and similar income is recognised in profit or loss as it accrues, using the effective interest rate method.

3.10 Interest payable and similar expenses

Interest payable and similar expenses are recognised in profit or loss over the term of the debt using the effective interest rate method.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Accounting policies (continued)

3.11 Pensions

Defined contribution pension schemes

The Company operates a defined contribution scheme for its employees. A defined contribution scheme is a pension scheme 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 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 scheme are held separately from the Company in independently administered funds.

Defined benefit pension schemes

The Company operates defined benefit schemes for certain employees. A defined benefit scheme 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 scheme is a pension plan that is not a defined contribution scheme.

The liability recognised in the balance sheet in respect of the defined benefit scheme is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of scheme 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 scheme assets are 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 scheme assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit scheme, recognised in the profit and loss account 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 scheme introductions, benefit changes, curtailments and settlements.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Accounting policies (continued)

3.11 Pensions (continued)

Defined benefit pension schemes (continued)

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 the profit and loss account as a 'interest payable and similar expenses'.

Both pension schemes operated by the Company are closed to new members and, with effect from 30 June 2007, transferred all active members to deferred and ceased accrual for future benefits. The assets of each scheme are held in trustee administrated funds, separated from the Company's own resources.

3.12 Share based payments

The Company's ultimate parent company, CBRE Group, Inc., issues equity settled share based payments (share options and restricted stock) to certain employees under its 2019 Equity Incentive Plan, 2017 Equity Incentive Plan and 2012 Equity Incentive Plan. Equity settled share based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the determined vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value of the share options issued are measured by use of the Black-Scholes Option Pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects on non-transferability, exercise restrictions and behavioural considerations.

3.13 Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit or loss 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 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 tax 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.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Accounting policies (continued)

3.13 Current and deferred tax (continued)

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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3.14 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 profit or loss over its useful economic life which has been determined to be 20 years.

Other intangible assets

Other 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 ten years.

3.15 Tangible assets

Tangible 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.

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.

Depreciation is provided on the following basis:

Leasehold improvements	– shorter of 10 years or the length of the lease
Office equipment	– 10% per annum
Computer equipment	– 33% per annum

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.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Accounting policies (continued)

3.16 Impairment of tangible assets, goodwill and other intangible assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit 'CGU' to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

3.17 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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

3.18 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.

3.19 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.

3.20 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 rate method.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Accounting policies (continued)

3.21 Provision 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 profit or loss 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.

3.22 Financial instruments

i. Financial assets

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

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

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

Basic financial liabilities, including trade and other creditors and amounts / loans owed to group undertakings are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Basic debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Accounting policies (continued)

3.22 Financial instruments (continued)

ii. Financial liabilities (continued)

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.23 Share capital

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

3.24 Distributions to equity holders

Dividends and other distributions to Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity.

4 Critical accounting judgements and 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.

(a) Critical judgements in applying the Company's accounting policies

No critical judgements have been made in applying the Company's accounting policies.

(b) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Onerous lease provisions

The Company has provided for operating lease rentals where these were above the market rate or where it is probable that a previously sublet unit will revert back to the Company.

The element of the rental which is above market rates, or above any rental costs paid relating to vacated properties is charged against the provision.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Critical accounting judgements and estimation uncertainty (continued)

(b) Critical accounting estimates and assumptions (continued)

Onerous lease provisions (continued)

Provision is also made for the rates that the Company is liable to on empty sites. The key estimation judgement in determining the onerous amount is the period over the remaining lease term that the property will remain either rented or vacant. The directors have estimated these periods after considering both the quality and the location of each of the units provided for.

Defined benefit pension scheme assumptions

The Company operates two defined benefit pension schemes. The valuation of such schemes is determined by independent qualified actuaries. In carrying out the valuations a number of assumptions are used by the actuaries, the most significant of which are the discount rate, inflation assumptions, rate of salary increases and assumed life expectancies.

5 Turnover

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

	2022 £'000	2021 £'000
Rendering of services	531,049	466,187

Analysis of turnover by country of destination:

	2022 £'000	2021 £'000
United Kingdom	423,092	337,468
Rest of Europe	71,023	103,176
Rest of the World	36,934	25,543
	531,049	466,187

All turnover is generated from the principal activity.

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

6 Operating profit

Operating profit is stated after charging:

	2022	2021
	£'000	£'000
Amortisation of intangible assets (note 13)	7,468	6,560
Depreciation of tangible assets (note 14)	10,915	10,702
Movement in provisions (note 19)	8,478	4,750
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	165	165
Fees payable to the Company's auditor and its associates for the audit of the Company's subsidiary annual financial statements	92	142
Exchange differences	2,025	4,002
Other operating lease rentals	13,314	10,996
Share based payments (note 21)	7,166	1,850
Defined benefit pension scheme cost (note 7)	110	153
Defined contribution pension scheme cost (note 7)	13,333	4,682

7 Employee information

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

	2022	2021
	£'000	£'000
Wages and salaries	368,037	302,117
Social security costs	44,448	40,500
Cost of defined benefit pension schemes	110	153
Cost of defined contribution pension schemes	13,333	4,682
	425,928	347,452

Wages and salaries includes redundancy pay of £Nil for the year ended 31 December 2022 (2021: £1,635,000).

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

	2022	2021
	Number	Number
Professional staff	2,153	1,779
Administrative staff	1,185	1,035
	3,338	2,814

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

8 Directors' remuneration

	2022	2021
	£'000	£'000
Directors' emoluments	4,714	4,509
Company contributions to defined contribution schemes	62	8
	4,776	4,517

During the year, retirement benefits were accruing to 3 directors (2021: 2) in respect of defined contribution pension schemes.

During the year, retirement benefits were accruing to no directors (2021: None) in respect of defined benefit pension schemes.

The highest paid director received remuneration of £2,572,000 (2021: £2,095,000).

During the year ended 31 December 2020, the Company had agreed to pay compensation for loss of office to a director amounting to £848,000, which will be settled by the Company over the following four years.

During the year, 2 directors received shares under the long term incentive schemes (2021: 2).

9 Income from shares in group undertakings

	2022	2021
	£'000	£'000
Income from shares in group undertaking	–	22

10 Interest receivable and similar income

	2022	2021
	£'000	£'000
Interest receivable from group undertakings	13,281	8,979
Bank interest receivable	1,582	56
	14,863	9,035

11 Interest payable and similar expenses

	2022	2021
	£'000	£'000
Interest payable to group undertakings	3,614	4,788
Net cost of financing of retirements benefits	333	839
Other finance expense	68	–
	4,015	5,627

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tax on profit

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on profits for the year	5,061	7,043
Adjustments in respect of previous periods	(658)	2,219
Foreign tax suffered	–	168
Total current tax	4,403	9,430
Deferred tax		
Origination and reversal of timing differences	129	(153)
Effect of changes in tax rate	41	(1,318)
Adjustments in respect of previous periods	114	1,163
Total deferred tax	284	(308)
Total tax charge for the year	4,687	9,122

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit before tax	16,765	27,656
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	3,185	5,255
Effects of:		
Income not subject to tax	–	(4)
Deferred tax not provided	320	–
Expenses not deductible for tax purposes	2,920	2,781
Effect of overseas tax rates	–	136
Adjustments in respect of previous periods	(544)	3,382
Tax rate changes	41	(1,318)
Pension movements between IS and OCI	(1,235)	(1,110)
Total tax charge	4,687	9,122

Factors that may affect future tax charges

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

13 Intangible assets

	Goodwill	Other intangible assets	Total
	£'000	£'000	£'000
Cost			
At 1 January 2022	161,657	2,657	164,314
Additions	8,007	723	8,730
At 31 December 2022	169,664	3,380	173,044
Accumulated amortisation			
At 1 January 2022	129,442	912	130,354
Charge for the year	6,434	1,034	7,468
At 31 December 2022	135,876	1,946	137,822
Net book value			
At 31 December 2022	33,788	1,434	35,222
At 31 December 2021	32,215	1,745	33,960

During the year the Company acquired the trade of CWM Commercial Property Advisors LLP. There were no assets or liabilities acquired and the purchase price was recorded as Goodwill.

Amortisation of goodwill and other intangible assets is presented within administration expenses.

14 Tangible assets

	Leasehold improvements	Office equipment	Computer equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2022	62,387	9,129	90,453	161,969
Additions	10,381	33	6,893	17,307
Disposals	(6,745)	(928)	(1,295)	(8,968)
At 31 December 2022	66,023	8,234	96,051	170,308
Accumulated depreciation				
At 1 January 2022	24,008	8,269	81,082	113,359
Charge for the year	2,558	226	8,131	10,915
Disposals	(2,924)	(890)	(1,295)	(5,109)
At 31 December 2022	23,642	7,605	87,918	119,165
Net book value				
At 31 December 2022	42,381	629	8,133	51,143
At 31 December 2021	38,379	860	9,371	48,610

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

15 Investments

	Investments in subsidiaries £'000	Unlisted investments £'000	Total £'000
Cost			
At 1 January 2022	17,861	350	18,211
Additions	2,703	–	2,703
At 31 December 2022	20,564	350	20,914
Accumulated impairment			
At 1 January 2022	–	350	350
At 31 December 2022	–	350	350
Net book value			
At 31 December 2022	20,564	–	20,564
At 31 December 2021	17,861	–	17,861

During the first half of the year, the Company made 3 acquisitions for a total consideration of £11.9m. On 28 February 2022, the Company acquired Heddon Street Properties LLP (formerly CWM Commercial Property Advisors LLP), on 15 March 2022, the Company acquired VSL & Partners and on 25 April 2022, the Company acquired DougraySmith Limited.

On 1 November 2022, CB Richard Ellis Limited held at a book value of £Nil was dissolved.

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

15 Investments (continued)

Subsidiaries

The list of direct subsidiaries is as follows:

Name	Country of incorporation	Class of shares	Holding	Principal activity
CBRE Loan Services Limited	United Kingdom	Ordinary	100%	Property services
CBRE Indirect Investment Services Limited	United Kingdom	Ordinary	100%	Financial services
CBRE Management Services Limited	United Kingdom	Ordinary	100%	Management services
Mareagle Unlimited Company	Ireland	Ordinary	100%	Investment holding
CBRE Hotels Limited	United Kingdom	Ordinary	100%	Real estate brokerage
Fintan Limited	United Kingdom	Ordinary	100%	Investment holding
CBRE Investment Management Europe Holdings Limited	United Kingdom	Ordinary	100%	Investment holding
CB Hiller Parker Pension Scheme Trustee Limited	United Kingdom	Ordinary	100%	Pension fund trustee
Richard Ellis St Quintin Trustee Limited	United Kingdom	Ordinary	100%	Pension fund trustee
Heddon Street Properties LLP (formerly CWM Commercial Property Advisors LLP)	United Kingdom	n/a	n/a	Property services
VSL & Partners	United Kingdom	n/a	n/a	Property services
DougraySmith Limited	United Kingdom	Ordinary	100%	Property services

The registered office address of the above subsidiaries is Henrietta House, Henrietta Place, London, England, W1G 0NB.

The registered address of Mareagle Unlimited Company is Connaught House, 1 Burlington Road, Dublin 4, Ireland.

The registered address of CBRE Investment Management Europe Holdings Limited is Third Floor, One Newchange, London, England, EC4M 9AF.

The registered address of Heddon Street Properties LLP (formerly CWM Commercial Property Advisors LLP) is 4 Warwick Avenue, London, England, W2 1XB.

The registered address of VSL & Partners is The Dutch Barn, Grange Farm, Eynsham Road, Oxford, OX2 9NH.

The registered address of DougraySmith Limited is 9 Ainslie Place, Edinburgh, Midlothian, EH3 6AT.

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

16 Debtors

	2022 £'000	2021 £'000
Amounts falling due after more than one year		
Deferred tax asset (note 20)	10,479	10,009
	10,479	10,009
Amounts falling due within one year		
Trade debtors	137,533	106,240
Amounts owed by group undertakings	156,089	1,354,322
Loans owed by group undertakings	356,683	352,679
Corporation tax receivable	34,987	20,568
Other debtors	40,187	36,641
Prepayments and accrued income	46,715	35,600
Deferred tax asset (note 20)	291	552
	772,485	1,906,602

Trade debtors are stated after provisions for impairment of £3,068,000 (2021: £3,280,000).

Amounts owed by group undertakings are unsecured and repayable on demand.

Loans owed by group undertakings are repayable on demand. Interest is receivable at a rate of 6-month SONIA (2021: LIBOR plus 2% to 2.5%).

In 2022, a netting agreement was signed with certain companies within the CBRE UK Advisory group. Therefore, the 2022 intercompany balances within the CBRE UK Advisory group are shown on the net basis.

17 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	6,777	7,010
Amounts owed to group undertakings	136,104	1,342,879
Loans owed to group undertakings	129	65,284
Other taxation and social security	12,308	9,258
Other creditors	47,265	30,273
Accruals and deferred income	135,243	134,765
	337,826	1,589,469

Amounts owed to group undertakings are unsecured and repayable on demand.

Loans owed to group undertakings are repayable on demand. Interest is payable at a rate of 6-month SONIA (2021: LIBOR plus 3.31% to 5.079%).

In 2022, a netting agreement was signed with certain companies within the CBRE UK Advisory group. Therefore, the 2022 intercompany balances within the CBRE UK Advisory group are shown on the net basis.

CBRE LIMITED **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2022**

17 Creditors: amounts falling due within one year (continued)

Other creditors consist of £16.4m of short-term accruals and £15.2m of advanced billings to customers and other individually insignificant items.

18 Creditors: amounts falling due after more than one year

	2022	2021
	£'000	£'000
Deferred consideration	3,057	–
Other creditors	25,507	25,507
Loans owed to group undertakings	–	33,139
	28,564	58,646

The deferred consideration is payable in fixed instalments commencing on 31 March 2025 and ending on 22 April 2027. The amount has been discounted.

19 Provisions

	Provision for annuities	Provision for onerous leases	Dilapidation provision	Total
	£'000	£'000	£'000	£'000
At 1 January 2022	369	10,258	1,836	12,463
Charged to the profit and loss account	195	4,751	3,532	8,478
Utilised in the year	(183)	(2,401)	(1,848)	(4,432)
At 31 December 2022	381	12,608	3,520	16,509

Onerous lease

A provision is being carried for the future property rental costs (net of estimated sublease income) in respect of St Martin's Court, which was vacated following a company reorganisation and expansion of the Henrietta House office. Management anticipates that this provision will be utilised over the remaining term of 4 years. The £4.8m charge for the year relates mainly to St. Martin's Court's impairment recognised in 2022.

Dilapidation provision

As part of the Company's property leasing arrangements there is an obligation to return the UK portfolio of properties back to their original condition. The cost is charged to profit and loss account as the obligation arises. The provision is expected to be utilised when the leases terminate.

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

20 Deferred tax

	2022	2021
	£'000	£'000
At beginning of year	10,561	18,001
(Charged)/credited to profit or loss	(284)	308
Credited/(charged) to other comprehensive income	493	(7,794)
Movement arising from the transfer of assets	–	46
At end of year	10,770	10,561

The deferred tax asset is made up as follows:

	2022	2021
	£'000	£'000
Fixed asset timing differences	5,019	5,127
Pensions	5,377	4,883
Other timing differences	374	551
	10,770	10,561

Deferred tax assets recognised in respect of the defined benefit pension schemes will reverse over the life of the schemes and are subject to changes in valuations of the defined benefit obligation and plan assets. There is expected to be no material reversal of the deferred tax asset in the year ended 31 December 2023.

21 Share based payments

CBRE Limited operates two separate share based payment schemes with awards being made in either the form of share options or restricted stock units in CBRE Group, Inc.

Share options

There were no outstanding share options held by employees of CBRE Limited as at 31 December 2022 or 31 December 2021.

Restricted stock

Restricted stock units in CBRE Group, Inc. are granted to senior employees. Fair value is ascertained by reference to the listed share price at the date of grant. The vesting of the shares is dependent upon employees meeting service based vesting conditions with a maximum condition on the current outstanding shares of 4 years. If an employee leaves employment in the Company within the vesting period the unvested shares are forfeited. There are no market based conditions to be met in order for the shares to vest and the exercise price of the shares is £Nil. Details of the restricted stock units are summarised below:

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Share based payments (continued)

	2022 Units	2021 Units
Outstanding at the beginning of the year	173,387	133,509
Granted during the year	20,511	80,356
Forfeited during the year	(3,299)	(2,253)
Shares adjusted due to multipliers	3,406	(1,877)
Vested during the year	(28,865)	(36,716)
Net transfers	613,935	368
Outstanding at the end of the year	779,075	173,387

Included within wages and salaries is a total expense of restricted share awards amounting to £7,166,460 (2021: £1,850,000) from transactions accounted for as equity settled share based payment transactions.

22 Pension commitments

The Company operates two defined benefit pension schemes, namely the CB Hillier Parker Pension scheme and the Richard Ellis St Quintin Retirement Fund. Both pension schemes are closed to new members and with effect from 30 June 2007 the CB Hillier Parker Pension Scheme and the Richard Ellis St Quintin Retirement Fund transferred all active members to deferred and ceased accrual for future benefits.

The assets of each scheme are held in trustee administered funds, separated from the group's own resources. Contributions to the schemes are determined by independent qualified actuaries on the basis of periodic valuations using the projected unit method.

A full actuarial valuation of the schemes were carried out as at 31 December 2021 and updated to 31 December 2022 by qualified independent actuaries.

A summary of the actuarial gain, pension liability and pension reserve for both schemes can be found below:

	Actuarial loss 2022 £'000	Actuarial gain 2021 £'000	Pension Liability 2022 £'000	Pension Liability 2021 £'000	Pension reserve 2022 £'000	Pension reserve 2021 £'000
CB Hillier Parker Pension Scheme	(7,428)	31,952	(15,594)	(12,970)	(58,053)	(65,481)
Richard Ellis St Quintin Retirement Fund	(1,045)	9,399	(5,914)	(6,564)	(20,518)	(21,563)
	(8,473)	41,351	(21,508)	(19,534)	(78,571)	(87,044)

CBRE LIMITED **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2022**

22 Pension commitments (continued)

CB Hiller Parker Pension Scheme

The scheme was closed to new entrants in April 2002. Existing active members continued to accrue future service benefits under the rules of the scheme until 30 June 2007, when active members were transferred to deferred and the scheme ceased to accrue for future benefits.

The employer contribution for the year was £5,110,000 (2021: £5,021,000).

The pension charge to the Company for the year from the scheme was a cost of £308,000 (2021: £721,000).

The amount recognised in the balance sheet are as follows:

	2022 £'000	2021 £'000
Fair value of scheme assets	129,223	221,924
Present value of scheme liabilities	(144,817)	(234,894)
Net pension scheme liability	(15,594)	(12,970)

The movement in the scheme assets and liabilities is as follows:

	2022 £'000	2021 £'000
Reconciliation of fair value of scheme assets		
At the beginning of the year	221,924	197,140
Benefits paid	(7,602)	(6,339)
Employer contributions	5,110	5,021
Scheme administrative cost	(78)	(101)
Interest income	4,193	2,554
Return on plan assets, excluding interest income	(94,324)	23,649
At the end of the year	129,223	221,924

	2022 £'000	2021 £'000
Reconciliation of present value of scheme liabilities		
At the beginning of the year	234,894	246,362
Benefits paid	(7,602)	(6,339)
Interest cost	4,422	3,174
Actuarial gains	(86,897)	(8,303)
At the end of the year	144,817	234,894

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

22 Pension commitments (continued)

The amounts recognised in the profit and loss account are as follows:

	2022	2021
	£'000	£'000
Service costs - administrative cost	78	101
Net interest on net defined benefit liability	230	620
Total amount recognised in the profit and loss account	308	721

The cumulative amount of actuarial gains and losses recognised in the statement of comprehensive income was £58,053,000 (2021: £65,481,000).

The Company expects to contribute £5,300,000 to this defined benefit pension scheme in 2023.

The CB Hiller Parker Pension Scheme composition of scheme assets are as follows:

	2022	2021
	£'000	£'000
Diversified growth funds	43,705	78,355
Equity linked LDI	72,508	91,971
Multi asset credit fund	6,015	9,576
Fixed income global fund	5,533	9,100
Cash	1,462	32,922
Total scheme assets	129,223	221,924

CB Hiller Parker Pension Scheme principal actuarial assumptions at the balance sheet date (expressed as weighted averages) are as follows:

	2022	2021
Discount rate	4.80 %	1.90 %
Future pension increase in line with increase in RPI capped at 7% pa (LPi)	3.25 %	3.40 %
Inflation assumption	3.25 %	3.40 %

The mortality rate assumptions used were as follows:

	2022	2021
	Years	Years
Longevity at age 60 now		
Men	27.7	28.3
Women	29.8	30.0
Longevity at age 60 (aged 40 now)		
Men	29.2	29.7
Women	31.3	31.4

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Pension commitments (continued)

Post retirement mortality assumptions in 2022 are 87%/92% of the SAPS3 tables for males and females respectively with allowance for improvements from 2013 in line with CMI 2021 model, with a smoothing parameter (SK) of 7, a w2020 parameter of 0%, an initial addition of 0.0% and a long term annual rate improvement of 1.25% pa.

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

	2022	2021	2020	2019	2018
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	(144,817)	(234,894)	(246,362)	(239,768)	(218,120)
Scheme assets	129,223	221,924	197,140	177,919	153,425
Deficit	(15,594)	(12,970)	(49,222)	(61,849)	(64,695)

Richard Ellis St Quintin Retirement Fund

The scheme was closed to new entrants in April 1997 for the Richard Ellis scheme and March 1998 for the St Quintin scheme. Existing active members continued to accrue future service benefits under the rules of the scheme until 30 June 2007, when active members were transferred to deferred and the scheme ceased to accrue for future benefits. In addition, a small number of former Richard Ellis directors who are currently in service were granted salary linkage on their accrued deferred pensions up to 30 June 2007.

The employer contribution for the year was £1,830,000 (2021: £1,800,000).

The pension charge to the Company for the year from the scheme was a cost of £135,000 (2021: £261,000).

The amount recognised in the balance sheet are as follows:

	2022	2021
	£'000	£'000
Fair value of scheme assets	53,524	82,104
Present value of scheme liabilities	(59,438)	(88,668)
Net pension scheme liability	(5,914)	(6,564)

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

22 Pension commitments (continued)

The movement in the scheme assets and liabilities is as follows:

	2022	2021
	£'000	£'000
Reconciliation of fair value of scheme assets		
At the beginning of the year	82,104	80,095
Benefits paid	(3,879)	(3,966)
Employer contributions	1,830	1,800
Scheme administrative cost	(32)	(42)
Interest income	1,459	1,027
Return on plan assets, excluding interest income	(27,958)	3,190
At the end of the year	53,524	82,104

	2022	2021
	£'000	£'000
Reconciliation of present value of scheme liabilities		
At the beginning of the year	88,668	97,597
Benefits paid	(3,879)	(3,966)
Interest cost	1,562	1,246
Actuarial gains	(26,913)	(6,209)
At the end of the year	59,438	88,668

The amounts recognised in the profit or loss account are as follows:

	2022	2021
	£'000	£'000
Service costs - administrative cost	32	42
Net interest on net defined benefit liability	103	219
Total amount recognised in the profit and loss account	135	261

The cumulative amount of actuarial gains and losses recognised in the statement of comprehensive income was £20,518,000 (2021: £21,563,000).

The Company expects to contribute £1,900,000 to this defined benefit pension scheme in 2023.

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

22 Pension commitments (continued)

The Richard Ellis St Quintin Retirement Fund composition of scheme assets are as follows:

	2022	2021
	£'000	£'000
Equity	2,341	2,579
Diversified growth fund	20,515	33,479
Equity linked LDI	19,292	25,200
Multi asset credit fund	9,039	14,163
Fixed income global fund	2,074	2,973
Cash	263	3,710
Total scheme assets	53,524	82,104

Richard Ellis St Quintin Retirement Fund principal actuarial assumptions at the balance sheet date (expressed as weighted averages) are as follows:

	2022	2021
Discount rate	4.80 %	1.80 %
Future pension increase in line with increase in RPI capped at 5% pa	3.25 %	3.50 %
Inflation assumption	2.95 %	2.80 %

The mortality rate assumptions used were as follows:

	2022	2021
	Years	Years
Longevity at age 60 now		
Men	27.2	23.5
Women	29.3	25.1
Longevity at age 60 (aged 40 now)		
Men	28.7	24.7
Women	30.8	26.4

Post retirement mortality assumptions in 2022 are 92%/98% of the SAPS3 tables for males and females respectively with allowance for improvements from 2013 in line with CMI 2021 model, with a smoothing parameter (SK) of 7, a w2020 parameter of 0%, an initial addition of 0.0% and a long term annual rate improvement of 1.25% pa.

CBRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Pension commitments (continued)

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

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Defined benefit obligation	(59,438)	(88,668)	(97,597)	(91,703)	(85,540)
Scheme assets	53,524	82,104	80,095	72,089	61,661
Deficit	(5,914)	(6,564)	(17,502)	(19,614)	(23,879)

23 Called up share capital

	2022 £'000	2021 £'000
Called up, allotted and fully paid		
6,000,104 (2021: 6,000,104) ordinary shares of £1 each	6,000	6,000

24 Reserves

Share premium account

This represents the additional amount paid by shareholders for their issued shares over the nominal value of those shares.

Capital contribution

The capital contribution reserve relates to restricted shares in CBRE Group, Inc. awarded to senior employees, and intra-group loan waivers.

Profit and loss account

This includes all current and prior period retained profits and losses including accumulated actuarial gains and losses on the defined benefit pension schemes.

25 Related party transactions

The Company has taken advantage of the exemption contained in FRS 102 33.1A not to disclose transactions with other members of the group controlled by CBRE Group, Inc.

CBRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

26 Commitments under operating leases

At 31 December, the Company had future minimum lease payments due under non-cancellable operating leases as follows:

	2022	2021
	£'000	£'000
Property leases		
Not later than 1 year	13,279	16,259
Later than 1 year and not later than 5 years	46,020	60,268
Later than 5 years	73,699	83,541
	132,998	160,068
	2022	2021
	£'000	£'000
Other leases		
Not later than 1 year	599	709
Later than 1 year and not later than 5 years	697	1,860
	1,296	2,569

27 Immediate parent and ultimate controlling party

The immediate parent company is CBRE Holdings Limited, a company incorporated in England and Wales. The registered address is Henrietta House, Henrietta Place, London, W1G 0NB.

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

CBRE Group, Inc. is the parent company of the largest group of which the Company is a member and for which consolidated financial statements are drawn up. Copies of the consolidated group financial statements for CBRE Group, Inc. are available from 2100 McKinney Ave Suite 700, Dallas, TX 75201, United States of America.