Registered number: 00661449

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

CBRE GWS LIMITED
CONTENTS

CBRE GWS LIMITED
COMPANY INFORMATION

Directors

K Bradbury
M Forbes
J Lawson
S O'Neill
E Gifon

Company secretary

T Chaudhary

Registered number

00661449

Registered office

61 Southwark Street
London
SE1 0HL

Independent auditor

KPMG LLP
Chartered Accountants
15 Canada Square
Canary Wharf
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E14 5GL

CBRE GWS LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

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

Principal activity

The principal activity of CBRE GWS Limited (the "Company") is the provision of facilities management services.

Business review

The Company is part of the CBRE Group, Inc., a fortune 500 listed company in the US.

CBRE Group, Inc., reports its operations through three business segments (1) Advisory Services, (2) Global Workplace Solutions and (3) Real Estate Investments. The GWS Segment provides a broad suite of integrated, contractually based outsourcing services globally for occupiers of real estate, including facilities management, project management and transaction services.

The Company has remained in operation for the period to 31 December 2022. The Company has maintained its commitment to the provision of exceptional service to all our customers. The Company has adhered to its strategy for growth by adding complementary services that are valued by its customers and has continued to broaden and enhance its skill base accordingly.

Our highly skilled and motivated people and our exceptional range of services, combined with our strong balance sheet, give us confidence that we will continue our profitable growth. The Company enhanced its processes, products, services and solutions in order to deliver improvements in the cost, quality and service to customers; these enhancements will further strengthen our relationship with customers and ensure that we retain existing contracts and win further orders despite the economic conditions.

The Company's turnover increased by 12.6% from £330.1m in 2021 to £371.6m in 2022. The increase in turnover but ultimate decrease in gross profit is a result of the change in the mix of business delivered, changes in the terms of the contracts with our clients and under performing accounts. CBRE is relentlessly focused on client outcomes and the growth we achieve is a reflection on our ability to deliver for our clients.

Gross profit in the year was £17.6m, down from £21.9m in 2021. The decrease in gross profit is a result of the change in the mix of business delivered, changes in the terms of the contracts with our clients and under performing accounts. Gross margin was 4.7%, a decrease of 2.0% in the previous year.

Administration costs have decreased year on year from £76.6m to £76.3m. The Company incurs the cost of the management of its EMEA business (administrative expenses). In 2022, the EMEA business continued to invest in its management team to support the continued growth of the EMEA business.

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

Principal risks and uncertainties

Any of the following could materially and adversely impact the results of operations of our business: loss of, or changes in, facility management supply contracts with our major customers; delays or difficulties in new product development; the introduction of similar or superior technologies; financial instability or market declines of our major or component suppliers; and a decline in the outsourcing of facility management services.

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.

The impact of economic matters that have arisen in 2022, in particular rising inflation, on the regional and global economy remains uncertain and is difficult to assess in terms of duration and severity. The Company will continue to monitor market conditions and to evaluate the potential impact, if any, on its operations going forward.

The Company has risk management and operational policies and procedures implemented in all areas of the business. Furthermore, there is a robust supervision structure which allows management to account for the delivery of the Company's contracts and to oversee relationships with its key stakeholders.

Key performance indicators

The Company's key performance indicators during the year were as follows:

	Year ended 31 December 2022	Year ended 31 December 2021
Turnover (£'000)	**371,614**	330,050
Gross profit %	**4.7**	6.7
Average number of employees	**1,769**	1,802

The review of the business above includes further commentary on the gross margin and turnover. The primary reason for the reduction of employee numbers is due to lost contracts during the year.

Future developments

The Company will continue to improve processes, products, services and solutions as part of the performance of daily work. It seeks to achieve improvements in the cost, quality and service to customers and to strengthen performance through the evolution of systems, standards and tools. We have a robust management system in place which is externally certified for Quality, Health, Safety and Environmental, with the required policies and procedures as well as an insurance policy in place for the Company.

Financial risk management

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

Credit risks

The Company's policy is that the credit-worthiness of any prospective client, contractor, subcontractor, vendor, joint venture partner or any entity engaging in an economic transaction with the Company must be evaluated to ascertain whether it has the financial capacity to enter into and perform its obligations under such transactions. This process is undertaken to ensure from a financial standpoint that any third party has the financial stability and strength necessary to fulfil its commitments to the Company. The extent of the credit evaluation must be commensurate with the level of risk associated with the inability of the counterparty to perform under the contract.

The Company's policy is to use financial institutions authorised by CBRE Group, Inc., who actively manage the global banking facilities.

Exchange rate risk

Potential exposure to currency exchange rate fluctuations is managed internally within the group. Consequently, exchange rate risk for the Company is not considered significant.

Price risk

The directors recognise the price risk associated with regular contract renewals as part of the GWS business, however management continue to focus on improving recoveries through the lives of existing and new contracts by securing variation orders and increased scope of work.

Liquidity and interest rate risk

If funding is required then this is achieved by either an internal loan from a CBRE Group, Inc. company or through finance arrangements with banks arranged by the ultimate parent company CBRE Group, Inc.

All group risk is closely managed by the corporate risk management team, which is controlled by the ultimate parent company CBRE Group, Inc.

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 key 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.

Section 172 requires a director to have regard (amongst other matters), to:

1) the likely consequences of any decision in the long term;
2) the interests of the company's workforce;
3) the need to foster the company's business relationships with suppliers, customers, and others;
4) the impact of the company's operations on the community and the environment;
5) the desirability of the company maintaining a reputation for high standards of business conduct; and
6) the need to act fairly as between members of the company.

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

Our commitment to Section 172 (continued)

Our stakeholders (continued)

The 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 wide community of stakeholders and the focus on creating outcomes that benefit all of them. The Company considers this commitment to the community and wider stakeholders as a reason for our inclusion in Fortune's Worlds Most Admired Companies for the last thirteen years.

The corporate governance practices adopted by the Company's ultimate parent, CBRE Group, Inc. (listed on the New York Stock Exchange) also applied to the Company and the wider Group during the financial year ended 31 December 2022. These practices reflect the requirements of applicable securities law, including the Sarbanes-Oxley Act, the New York Stock Exchange listing requirements and the Group's own vision of good governance practices. The Board's approach on corporate governance is based on these group-wide policies. CBRE's corporate governance guidelines and associated governance documents can be found at https://ir.cbre.com/leadership/governance-documents.

The directors are fully appraised of their responsibilities under Section 172 of the Companies Act 2006 and are so advised and updated regularly by the Company's Secretariat and, where appropriate, through external training. 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.

The following statement identifies 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 1,800 people directly, in addition to staff employed by the wider CBRE UK group who support the business. Our culture provides diverse, inclusive, innovative, and engaging workplace where our employees can realise their full potential.

Since the COVID-19 health crisis, the Company has continued to focus on the health and well-being of our employees both physically and mentally. CBRE have continued the availability of flexible working to mitigate health risks to our employees, and allow for a supportive work, life balance. Recognition of CBRE's commitment to their employees was recognised by being selected as a finalist in the category of Well-being at the Institute of Workplace and FM awards.

- In promotion of a caring workplace, our 'Be Well' campaign was launched at a global level. This is a globally connected effort to promote a caring workplace culture focusing on our employee's well-being. The campaign focuses on helping employees and enabling managers to support the well-being of their teams by providing free access to medical and mental telehealth coverage. In addition, the UK business has over 110 trained Mental Health First Aiders to effectively provide support on a first aid basis to colleagues experiencing mental health issues. The CBRE group has also developed a Mental Health First Aid policy across EMEA.

Our commitment to Section 172 (continued)

Employees (continued)

- Access to Doctor Care Anywhere app is available to CBRE staff for virtual doctor appointments, including monthly and quarterly health and well-being talks and discounted health screenings.
- We are recognised by the Living Wage Foundation as a 'Recognised Service Provider', with 100% of direct employees being paid Real Living Wage. Benefits of this include enhance workforce satisfaction resulting in higher productivity levels and reduced workforce 'churn'.
- The Company has a robust and effective Diversity, Equity & Inclusion ("DE&I") Steering Committee and action plans.The following initiatives are being encouraged:
    - Participate in at least one EBRG event or volunteer opportunity on a quarterly basis;
    - Attend at least one supplier diversity training session before the end of the year;
    - Complete at least two DE&I training modules by end of the year;
    - Refer a deserving diverse talent candidate through a recognised CBRE referral program.
- The Company supports its employees through an array of Employee Resource Groups and Affinity Networks, which are as follows: Ability Network (supporting people with disabilities and long-term conditions), Faith Network, Family Network, Multicultural Network (CBRE's Race, Ethnicity and Cultural Heritage Network), Proud Network (supporting LGBTQ+ people and Allies), Women's Network and Armed Forces Network.
- The group holds an annual Global Safety Week, which is committed to developing safe and healthier ways of working for all employees and "Harbour" - CBRE's proprietary Heath, Safety & Environment technology platform, helps to create a safe workplace experience for everyone continues and has been well received.

CBRE acts to ensure there is a cascade of information from the Board and senior leadership to all colleagues thereafter, using various methods including town halls, smaller group meetings and one to ones in order to drive engagement rather than encouraging a reliance on emails.

CBRE operates an ongoing succession and development planning process that is designed to give all of our employees the opportunity to progress their careers internally and ensures a consistent pipeline of talent is available for new roles and promotion opportunities.

Talent Coach was introduced in 2019 as an online training platform. This platform provides over 10,000 learning and development resources that can be drawn upon by all of our employees, covering both mandatory training required for CBRE compliance, and voluntary training opportunities that employees can take advantage of at their discretion.

Suppliers

The supply chain is fundamental to CBRE's business as a provider of outsourced services.

- In 2022, we were named winners of a Global Procurement Leaders award; IWFM award, PFM award, MSDUK and Social Enterprise UK awards for our efforts to drive diversity and inclusion through our supply chain. We are also finalists in the 2023 CIPS awards for our Social value programme, harnessing our procurement spend to achieve greater positive social and environmental impact.
- Our Supplier Engagement team onboards, supports and mentors our diverse suppliers, giving them the tools and knowledge required to become a successful long term partner to CBRE.
- During the past year, CBRE in the UK have increased spend with diverse suppliers by 71%, with a total spend of $37.8m split across the following groups:

    - Social enterprises: $31.1m
    - Ethnic minority businesses: $620.3k
    - Women-owned businesses: $5.7m

Our commitment to Section 172 (continued)

Suppliers (continued)

- Veteran-owned businesses: $134.9k
- In addition, we spent $625m with small and medium sized firms

We also became a founding partner of OutBritain who are the only existing UK organisation which verifies eligible businesses are majority owned (51% or more) by LGBTQ individuals and can grant certified LGBT Business Enterprise status. Our CBRE GWS Supply Chain organisation has delivered both internal and supplier facing Modern Slavery and Living Wage training which was attended and accessed by over 350 people.

Innovation:

- Each year we issue a challenge to our supplier partners: "join as we empower our clients through innovation. Bring us your greatest innovations, new ways of working and best-in-class service delivery to our customers". This aim is to facilitate innovation through engagement with supplier partners, across a range of categories including Environmental, Social and Governance (ESG), Workplace Experience and Digital & Technology.
- We run our annual Supplier Partner Event bringing together our clients, supplier partners and CBRE employees to drive innovation, lead the way on sustainability and deliver excellent service. We harness the expertise of our supplier partners and Create Exceptional Client Outcomes Through Supply Chain Collaboration.

Clients

CBRE is relentlessly focused on client outcomes and satisfaction and has one of the highest client retention rates in the industry.

- Keeping close to clients has continued to be at the forefront of our focus and we continue to adopt a partnership approach that encourages impactful workplace environments and experiences.
- CBRE uses a structured approach and framework to deliver tangible innovation and value-add to client relationships, focused on Technology, People, Energy, Environment, Communication and Asset Management.
- CBRE held The Great Idea and other client orientated events that foster our commitment to strong partnerships.
- CBRE has been continued to work closely with our customers to mitigate impact on critical spares and project materials, both of which continue to be affected by border delays relating to Brexit.
- CBRE's Customer Innovation and Improvement Charter deepens client relationships by aligning innovative ideas to client sites. It is embedded within the regular client review process. An Innovation Champion Network ensures best practice is disseminated internally.

Community

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. Our approach is to deliver a strategic charity, communities and giving programme, in which we will effectively monitor our inputs, outputs and impacts.

- The Company contributes to a CBRE group wide charitable giving programme which donated both volunteering time and funding to various charities within the UK and further a field – for 2022 Macmillan Cancer Support were identified as the company's corporate charity partner.

Our commitment to Section 172 (continued)

Community (continued)

- For 2022, the Company introduced additional leave entitlement for all employees, to include 2 volunteering days. These days may be taken to support and participate in charitable, community and volunteering events. In total the company is committing over 3.1 million of employee hours to supporting such activities.
- The Company has a strong and growing supplier diversity programme, which sees us engaging with and supporting over 100 recognised supply partners associated to ethnic minority groups, social enterprise groups and female owned businesses.
- In 2022 our diverse spend increased by 71% to £37.9m across the CBRE group in the UK.
- The CBRE Charitable Trust was formed in July 2003 and is constituted by a Trust Deed. It was set up to consider employees' requests for supporting their personal fundraising activities in aid of their chosen charities. The total donations granted by the Trust in 2022 were in excess of £30k. The Trust registered with the Charity Commission for England & Wales under registration number 299026.
- The non-profit, CBRE Foundation, undertakes a range of diverse activities. Employees can donate to the CBRE Foundation and CBRE will match funds up to 50%. CBRE also makes direct donations to the foundation.
- The Company encourages the creation of employee business resource groups (EBRG) to foster specific interests, including the Women's Network, Proud network, Multi Cultural Network, and Faith Network.

Environment

Our ambition is to be a Net Zero business globally by 2040 and in the UK, Net Zero by 2035 across Greenhouse Gas ("GHG") scopes 1, 2 and 3. We are accelerating and scaling our decarbonisation plans and holding ourselves accountable through data driven goals.

Our approach is to improve the operational energy and resource efficiency of our offices and reduce the environmental footprint of our business activities, whilst inspiring clients, suppliers and employees to do the same. As we work with our clients and supply partners to create a sustainable future, it is our people that enable us to take Environmental, Social and Governance (ESG) from strategy to impact. We have increased the number of ESG professionals in our GWS UK | Local and DCS business by 600%, with CBRE now employing over 590 ESG experts globally. We have hundreds of energy engineers sharing sustainability best practice and innovations. In 2022, we began our journey of our first intake of Energy and Sustainability graduates. With 700 applicants, 125 interviews and 35 candidates through our assessment centre, we were delighted to offer roles to 12 graduates.

Our annual "Green Week" in April 2022 saw our employees around the world participating in activities that help us address our sustainability commitments whilst collaborating and sharing best practice solutions for our clients. A continued focus on embedding sustainability as part of our culture and DNA has seen increased training and resources for our employees such as the Sustainability Training Academy, Sustainability Toolkit and Guidance Manual, Sustainability Toolbox Talks and many internal awareness events and campaigns.

To support our journey and offer advanced solutions to our clients, we have formed strategic partnerships and collaborations with Altus Power, Turner & Townsend and Redaptive.

To track our performance against our stated objectives, we have determined the following Environmental KPIs:

- Total GHG emissions (by scope)
- % energy from renewable sources
- Emissions from business travel

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

Our commitment to Section 172 (continued)

Environment (continued)

- % of fleet that is zero carbon
- % of waste to landfill
- % of waste recycled
- % of waste to energy
- % change in water use
- % of contracts with biodiversity plans

We have also set client service KPIs as follows:

- Tonnes of carbon saved for clients
- % of client's energy from renewables
- % of client's waste recycled
- % change in client's water use

Achieving our goals means acting now. We have mapped our Net Zero pathway using science-based targets (SBTi) and are targeting Net Zero by 2035 across GHG scopes 1, 2 and 3. This is ahead of CBRE's global target of 2040 which encompasses carbon emissions from our operations and the properties we manage for investors and occupiers, as well as indirect supply chain emissions. To help us achieve this accelerated target, we leverage smart technology, have increased the number of sustainable suppliers, trace carbon emissions from our supply chain and embed ESG into our DNA and working practices. We have set the interim target of achieving 100% renewable energy by 2025 and we have adopted an SBTi to reduce scope 1 emissions 68% by 2035 from a 2019 baseline. We measure our GHG footprint annually and track performance against our stated targets and report the results in our global Corporate Responsibility report.

Standards of business conduct

CBRE is firmly committed to conducting business with the highest integrity and in compliance with the letter and spirit of the law. Our Standards of Business conduct (SOBC) is the company's most senior policy. The SOBC has been in place since 2004, and has received updates in 2011, 2019 and 2021. It aligns with our RISE values—Respect, Integrity, Service and Excellence— and guides our everyday operations. It includes real-life scenarios to help in ethical decision making, a glossary of terms and decision trees for people who learn visually.

The SOBC outlines expectations of employees relating to each other, our business partners, clients and competitors; use of our corporate resources; and engaging in our communities. It affirms our culture of ethics and compliance and preserves the valuable trust of our clients.

Available in 34 languages and approved by our global Board of directors, all employees (including directors) are required annually to confirm they have access to the SOBC, have read and understood it, and will adhere to all company policies.

In 2022, 94.3% of employees worldwide completed the SOBC certification. Allowing for the timing of new hires and departures, the certification approaches 100% participation.

Mandatory Ethics and Compliance training is deployed to all staff annually, through an Essential Learning program overseen by our global Learning & Development team. Several areas of Ethics and Compliance training are also provided to all new employees and must be completed within 60 days of hire, including:

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

Our commitment to Section 172 (continued)

Standards of business conduct (continued)

- SOBC;
- Gifts: It's all about appearances;
- Raising concerns: Doing the right thing;
- Anti-Bribery: Making the right decisions;
- Financial integrity and fraud;
- Dignity and respect in the global workplace.

CBRE encourages all employees and stakeholder to bring issues forward if there is a concern that someone is, or may be, doing something that violates our values, policies or the law. We operate an Ethics HelpLine: a worldwide, anonymous reporting and inquiry system available 24 hours a day and accessible in all languages spoken by CBRE employees.

Acting Fairly Between Members

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

Streamline Energy and Carbon Reporting

The Company is committed to ensuring environmental compliance to relevant legislation to support in improved transparency across global emissions reporting. As such, in line with UK Streamlined Energy and Carbon Reporting (SECR) regulation, we are 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 we 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) and natural gas (Scope 1), purchased and used electricity and employee business travel (Scope 3). The reporting has been updated this year aligning natural gas data in Scope 1.

With regards to transport emissions (across both Scope 1 and 3), some estimations have been made on the basis of FTE, so that these could be split across CBRE entities as appropriate. Furthermore Network Rail data energy source splits were also utilised to calculate electric versus diesel based emissions.

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).

CBRE's global FY22 greenhouse gas (GHG) data was externally verified. UK source data was taken from our global data management system, where all GHG data is collected and stored.

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

Streamline Energy and Carbon Reporting (continued)

UK FY22 Energy and Emissions

Below tables break down energy consumption and emissions (location and market-based) by scope.

Table 1: Annual energy (MWh) consumption

	2022	2021
	MWh	MWh
Scope 1	**23,518**	24,057
Scope 2	**1,815**	1,341
Scope 3	**23,133**	3,359
Total	**48,466**	28,757

Table 2: Annual location-based emission (tCO2e)

	2022	2021
	Location-based emissions (tCO2e)	Location-based emissions (tCO2e)
Scope 1	**5,630**	5,961
Scope 2	**351**	285
Scope 3	**4,075**	6,776
Total all scopes	**10,056**	13,022

Table 3: Annual market-based emission (tCO2e)

	2022	2021
	Market-based emissions (tCO2e)	Market-based emissions (tCO2e)
Scope 1	**5,630**	5,961
Scope 2	**623**	389
Scope 3	**4,075**	6,776
Total all scopes	**10,328**	13,126

UK FY22 Energy and Emissions (continued)

Table 4: Emissions Normalisation

	2022	2021
Full-Time Equivalents (FTE)	**10,062**	11,001
Total emissions (tCO2e) location	**10,055**	13,022
tCO2e / FTE	**0.999**	1.184

Streamline Energy and Carbon Reporting (continued)

Energy Efficiency Measures

The Company is committed to identifying and implementing energy efficiency measures across both our building and accountable transport portfolios. Energy efficient action identified includes:

- Elevator programming optimisation
- Heating and cooling optimisation reviewing optimisation levels

This report was approved by the Board on 23 August 2023 and signed on its behalf by:

DocuSigned by:
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T Chaudhary
Secretary

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

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

Principal activity

The principal activity of the Company is the provision of board suit of integrated, contractually based outsourcing services globally for occupiers of real estate, including facilities management, project management and transaction services.

Results and dividends

The Company's results for the financial year are set out in the profit and loss account on page 22.

The loss for the financial year amounted to £5,301,000 (2021: profit of £5,028,000).

The directors do not recommend the payment of a dividend (2021: £Nil).

Going concern

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. In reaching their conclusion, the directors considered:

- stress tests on reasonable plausible downside scenarios such as significant reduction in revenue and increase in costs over time;
- level of existing and projected cash resources available in a stressed scenario;
- the directors' review of the performance of the business on an ongoing basis. The directors have financial reports available to assist that review. This includes monthly and year-to-date budget vs actual analysis, monthly reporting to group parent companies and other monitoring activities;
- the Company has adequate liquidity available through the shared treasury function;
- the overall operational and financial stability of the CBRE group as a whole; and
- transfer pricing agreements currently in place mean that the Company is benefiting from improved performance across the GWS EMEA entities.

In 2022, the Company was recapitalised which was beneficial to the balance sheet. There is a net current asset position of £97,757,000 as at 31 December 2022, which further supports the going concern basis.

Based on the above, the directors have concluded 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 development in the business and details of significant events which have occurred since the end of the financial year have been included in the strategic report on page 3.

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 page 4.

CBRE GWS 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:

K Bradbury
M Forbes
J Lawson
S O'Neill
E Gifon (appointed 25 May 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 indemnity was in force throughout the financial year and is currently in force. 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.

Employment policies

It is the policy of the Company that there should be no unfair discrimination in considering applications for employment, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The Company gives full and fair consideration to applications for employment for disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the group. If members of staff become disabled the group continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

The Company systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the Company is encouraged, achieving a common awareness on the part of all employees on the financial and economic factors affecting the group. The Company encourages the involvement of employees by means of regular employee briefings, an annual global employee survey and regular awareness days on different topics for company specific matters.

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

Environmental, health and safety matters

CBRE Group, Inc. is a global market leader and therefore has adopted a uniform global approach to managing Environmental, Health and Safety matters by following the principles and guidance contained in both international standards ISO 14001 and OHSAS 18001. All parts of the corporation are expected to demonstrate through their EHS management system that the principles and objectives set out in these two key standards have been met. The organisation has clear management and functional lines with detailed responsibilities at all levels, which ensure hazards and risks are properly identified and controlled through effective management processes and performance related objectives and targets.

A team of qualified and competent HSE professionals assist the business with the implementation and development of the CBRE management system, as well as providing support and guidance to wider business activities. Every employee, in the organisation has a responsibility for the success in HSE management and risk mitigation. Over 40 'Risk Champions' have been nominated on Accounts and sites, who help drive the agenda down through the business.

A number of programs were successfully launched in 2022, including the roll-out and adoption of Harbour, CBRE's proprietary incident, observation and assurance management platform. In addition, the Sypol system was procured and implemented for the digital management of hazardous substance risk assessments.

Another key initiative that was successfully launched was the evolution of CBRE's core QHSE training. A new QHSE Induction course and courses covering control of work, hazard identification and risk assessment were also launched via our Learning Management System, Talent Coach.

A focal point for the year was CBRE's Global Safety & Wellbeing week, held every October. The central theme was 'Safe and Well - Across Every Dimension' and employees took part in a range of activities, including a global 'Time Out for Safety.

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.

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 4 to 10.

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 pages 10 to 12.

Modern Slavery Act

The Company understands its role in eradicating slavery or forced labour of any kind. The Company, as part of the wider CBRE Group, continues to be committed to social and environmental responsibility and has zero tolerance for slavery and human trafficking. A copy of our 2022 Modern Slavery Statement can be found on the Company's website. This statement details the steps CBRE is taking to ensure that slavery and human trafficking do not take place in any off our supply chains or in any part of our business.

Disclosure of information to auditors

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

- so far as they 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 been 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 23 August 2023 and signed on its behalf by:

DocuSigned by:
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T Chaudhary
Secretary

CBRE GWS LIMITED
DIRECTORS' RESPONSIBILITIES STATEMENT

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 "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 UK 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 to 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 GWS LIMITED

Opinion

We have audited the financial statements of CBRE GWS Limited ("the Company") for the year ended 31 December 2022 which comprise the profit and loss account, the balance sheet, the statement of comprehensive income, 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 loss 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").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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; and
- 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.

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.

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

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 and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included manual journals with keywords within the journal description and those with unrelated/unexpected account pairings.

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.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance 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 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.

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

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

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 the 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 the directors' report;
- in our opinion the information given in those reports 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.

Directors' responsibilities

As explained more fully in their statement set out on page 17, 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.

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

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, UK
E14 5GL

Date: 23 August 2023

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

	Note	2022 £'000	2021 £'000
Turnover	5	**371,614**	330,050
Cost of sales		**(353,994)**	(308,053)
Gross profit		**17,620**	21,997
Administrative expenses		**(76,276)**	(76,574)
Other operating income	6	**53,480**	60,416
Operating (loss)/profit	7	**(5,176)**	5,839
Interest receivable and similar income	10	**958**	275
Interest payable and similar expenses	11	**(1,688)**	(26)
(Loss)/profit before tax		**(5,906)**	6,088
Tax on (loss)/profit	12	**605**	(1,060)
(Loss)/profit for the financial year		**(5,301)**	5,028

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

The notes on pages 26 to 45 form part of these financial statements.

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

	2022	2021
	£'000	£'000
(Loss)/profit for the financial year	**(5,301)**	5,028
Other comprehensive (expense)/income		
Remeasurement of net defined benefit asset after tax	**(9,539)**	4,586
Other comprehensive (expense)/income for the year	**(9,539)**	4,586
Total comprehensive (expense)/income for the year	**(14,840)**	9,614

The notes on pages 26 to 45 form part of these financial statements.

CBRE GWS LIMITED
REGISTERED NUMBER: 00661449
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	13	**18,445**	29,324
Tangible assets	14	**5,830**	8,479
Investments	15	**–**	–
		24,275	37,803
Current assets			
Stock	16	**2,671**	1,921
Debtors: amounts falling due after more than one year	17	**1,582**	744
Debtors: amounts falling due within one year	17	**148,998**	158,537
Cash at bank and in hand		**85,524**	2,940
		238,775	164,142
Creditors: amounts falling due within one year	18	**(141,018)**	(215,368)
Net current assets/(liabilities)		**97,757**	(51,226)
Total assets less current liabilities		**122,032**	(13,423)
Creditors: amounts falling due after more than one year	19	**(90,998)**	(175)
Deferred tax	20	**(3,497)**	(6,655)
Net assets/(liabilities) excluding pension asset		**27,537**	(20,253)
Pension asset	21	**13,989**	26,619
Net assets		**41,526**	6,366
Capital and reserves			
Called up share capital	23	**5,260**	5,260
Share premium account	24	**2,102**	52,102
Capital redemption reserve	24	**100,000**	–
Profit and loss account	24	**(65,836)**	(50,996)
Total shareholder's funds		**41,526**	6,366

The financial statements on pages 22 to 45 were approved and authorised for issue by the Board on 23 August 2023 and were signed on its behalf by:

DocuSigned by:
Simon O'Neill
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S O'Neill
Director

The notes on pages 26 to 45 form part of these financial statements.

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

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total shareholder's funds
	£'000	£'000	£'000	£'000	£'000
At 1 January 2021	**5,260**	**52,102**	**–**	**(60,610)**	**(3,248)**
Comprehensive income for the year					
Profit for the financial year	–	–	–	5,028	**5,028**
Remeasurement on net defined benefit asset after tax	–	–	–	4,586	**4,586**
Total comprehensive income for the year	**–**	**–**	**–**	**9,614**	**9,614**
At 31 December 2021 and 1 January 2022	**5,260**	**52,102**	**–**	**(50,996)**	**6,366**
Comprehensive expense for the year					
Loss for the financial year	–	–	–	(5,301)	**(5,301)**
Remeasurement on net defined benefit asset after tax	–	–	–	(9,539)	**(9,539)**
Total comprehensive expense for the year	**–**	**–**	**–**	**(14,840)**	**(14,840)**
Transactions with owners:					
Issue of shares (note 23)	–	50,000	–	–	**50,000**
Reduction of share premium (note 24)	–	(100,000)	100,000	–	–
Total transactions with owners	–	(50,000)	100,000	–	**50,000**
At 31 December 2022	**5,260**	**2,102**	**100,000**	**(65,836)**	**41,526**

The notes on pages 26 to 45 form part of these financial statements.

1 General information

The principal activity of the Company is the provision of board suit of integrated, contractually based outsourcing services globally for occupiers of real estate, including facilities management, project management and transaction services.

The Company is limited by shares and incorporated, registered and domiciled in England. The registered number is 00661449 and the registered office address is 61 Southwark Street, London, England, SE1 0HL.

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 in the nearest £'000.

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

3.2 Going concern

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. In reaching their conclusion, the directors considered:

- stress tests on reasonable plausible downside scenarios such as significant reduction in revenue and increase in costs over time;
- level of existing and projected cash resources available in a stressed scenario;
- the directors' review of the performance of the business on an ongoing basis. The directors have financial reports available to assist that review. This includes monthly and year-to-date budget vs actual analysis, monthly reporting to group parent companies and other monitoring activities;
- the Company has adequate liquidity available through the shared treasury function;
- the overall operational and financial stability of the CBRE group as a whole; and
- transfer pricing agreements currently in place mean that the Company is benefiting from improved performance across the GWS EMEA entities.

3 Accounting policies (continued)

3.2 Going concern (continued)

In 2022, the Company was recapitalised which was beneficial to the balance sheet. There is a net current asset position of £97,757,000 as at 31 December 2022, which further supports the going concern basis.

Based on the above, the directors have concluded 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.

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., include the related disclosure in its own consolidated financial statements. Details of where those financial statements may be obtained can be found in note 26.

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 parent 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 26.

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

3 Accounting policies (continued)

3.5 Foreign currency

Functional and presentation currency

The Company's functional and presentational currency is pound 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.

3.6 Turnover

Contracts for facilities management services are typically structured for the Company to receive a monthly management fee, reimbursement of client-dedicated personnel costs and associated overhead expenses, reimbursement of third party subcontractor and vendor costs, and in some cases, pricing incentives.

The basis of the monthly management fee can vary from contract to contract, but common structures include i) fixed fees, ii) cost plus basis, and iii) Guaranteed Maximum Price contracts.

Turnover for facility management services is recognised in the period in which the related service is delivered. For example, fixed fees for annual maintenance contracts are recognised on a straight line over the period of the contract, revenue for small extra work are recognised when the service delivered. Whilst turnover for larger and longer contracts are recognised on the percentage of completion basis.

There is little or no judgement or estimation in determining the transaction price or when the service is delivered as these are usually stipulated in the contract and or occur in line with the associated costs. The percentage of completion is determined based on the output method alongside acceptance by the customer.

3.7 Operating lease

The costs of operating leases are charged to profit or loss in the year to which they relate on a straight line basis.

During the normal course of business the Company can be required to act as an intermediary lessor of equipment under operating leases. Operating lease income and rentals are recognised in the profit or loss in the year to which they relate on a straight line basis. Differences are taken straight to profit or loss.

3 Accounting policies (continued)

3.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

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

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

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

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

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

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

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

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

3.9 Interest receivable and similar income

Interest receivable and similar income is recognised in profit or loss on an accruals basis.

3 Accounting policies (continued)

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.

3.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in 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 income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred 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.

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.

3.12 Intangible assets

Intangible assets in respect of purchased contractual rights are stated at historical cost and amortised on a straight-line basis over 6 years, the period for which they are granted.

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill that arose upon acquisition of the trade, assets and liabilities of Johnson Controls Facilities Limited (formerly Johnson Controls Limited) is being amortised on a straight-line basis over 20 years, which the directors consider to be their best estimate of the useful economic life of the related goodwill.

Other intangible assets referred to deferred transition cost that incurs significant upfront, including third party, costs during the transition of a new contract into client portfolio of services. The transition costs include costs related to internal staff such as salaries and benefits, accounting allocations, IT project management and travel & entertainment required for CBRE employees to complete the transition. The estimated useful lives are over the term of contract.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 net realisable value and its value in use.

3 Accounting policies (continued)

3.13 Tangible assets

Tangible assets are stated at historical purchase cost, which is the original purchase price plus incidental expenses, less accumulated depreciation. Depreciation is calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful economic life, as follows:

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	–	remaining life of lease
Fixtures and fittings	–	2 - 10 years
Computer equipment	–	3 - 5 years

Assets under construction are not depreciated until they are brought into service.

Development costs are written off in the year in which the costs is incurred.

3.14 Impairment

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.

3.15 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

3.16 Stock

Contract work in progress is stated at costs incurred, less those transferred to profit or loss, after deducting foreseeable losses and payments on accounts not matched with turnover.

3 Accounting policies (continued)

3.17 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.

3.18 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

i. Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, amounts recoverable under contracts and amounts 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, payments received on account and amounts 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.

3 Accounting policies (continued)

3.18 Financial instruments (continued)

ii. Financial liabilities (continued)

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 method.

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

3.19 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.

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 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.

Defined benefit pension scheme

The Company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 21 for the disclosures relating to the defined benefit pension scheme.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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5 Turnover

The turnover is all attributable to the principal activity.

An analysis of turnover by country of destination:

	2022	2021
	£'000	£'000
United Kingdom	**349,879**	296,241
Europe	**14,788**	25,973
Rest of World	**6,947**	7,836
	371,614	330,050

6 Other operating income

	2022	2021
	£'000	£'000
Service fee	**77,451**	76,149
Intercompany management recharges	**(23,971)**	(15,733)
	53,480	60,416

7 Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	2022	2021
	£'000	£'000
Amortisation of intangible assets (note 13)	**10,433**	10,314
Depreciation of tangible assets (note 14)	**5,276**	5,154
Fees payable to the Company's auditor and their associates for the audit of the Company's annual financial statements	**439**	257
Operating lease charges	**352**	323

8 Employees

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

	2022 Number	2021 Number
Operations and maintenance	**1,170**	1,167
Administration and management	**599**	635
	1,769	1,802

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

	2022 £'000	2021 £'000
Wages and salaries	**117,679**	106,885
Social security costs	**12,152**	11,119
Cost of defined contribution pension schemes	**3,661**	1,995
Cost of defined benefit pension schemes	**460**	1,036
	133,952	121,035

9 Directors' remuneration

	2022 £'000	2021 £'000
Directors' emoluments	**1,364**	257
Company contributions to defined contribution pension schemes	**11**	4
	1,375	261

Of the directors serving during the year, 3 (2021: 6) received remuneration from other group companies.

The highest paid director received remuneration of £687,000 (2021: £261,000).

10 Interest receivable and similar income

	2022 £'000	2021 £'000
Bank interest	**482**	–
Net interest pension income	**476**	275
	958	275

11 Interest payable and similar expenses

	2022 £'000	2021 £'000
Interest payable on bank overdrafts	–	26
Interest payable to group undertakings	1,688	–
	1,688	26

12 Tax on (loss)/profit

	2022 £'000	2021 £'000
Current tax		
UK tax on income for the year	1,556	3,559
Adjustments in respect of previous periods	(1,586)	(5,816)
Total current tax	(30)	(2,257)
Deferred tax		
Origination and reversal of timing differences	(370)	(87)
Adjustment in respect of previous periods	(88)	2,356
Effects of changes in tax rates	(117)	1,048
Total deferred tax	(575)	3,317
Total tax (credit)/charge for the year	(605)	1,060

Factors affecting tax charge for the year

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

	2022 £'000	2021 £'000
(Loss)/profit before tax	(5,906)	6,088
(Loss)/profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(1,122)	1,157
Effects of:		
Expenses not deductible	751	757
Goodwill amortisation	1,557	1,558
Adjustments from previous periods	(1,674)	(3,460)
Tax rate changes	(117)	1,048
Group relief claimed	(1,556)	(3,559)
Payment for group relief	1,556	3,559
Total tax (credit)/charge for the year	(605)	1,060

12 Tax on (loss)/profit (continued)

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.

13 Intangible assets

	Payment for Contracts	Deferred transition costs	Goodwill	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2022	32,438	10,974	163,981	**207,393**
Disposals	–	(615)	–	**(615)**
Acquisitions	–	169	–	**169**
At 31 December 2022	32,438	10,528	163,981	**206,947**
Accumulated amortisation				
At 1 January 2022	32,438	8,293	137,338	**178,069**
Charge for the year	–	2,235	8,198	**10,433**
At 31 December 2022	32,438	10,528	145,536	**188,502**
Net book value				
At 31 December 2022	–	–	**18,445**	**18,445**
At 31 December 2021	–	2,681	26,643	29,324

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

14 Tangible assets

	Long-term leasehold property £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost				
At 1 January 2022	1	243	18,940	**19,184**
Additions	–	–	2,627	**2,627**
At 31 December 2022	1	243	21,567	**21,811**
Accumulated depreciation				
At 1 January 2022	1	243	10,461	**10,705**
Charge for the year	–	–	5,276	**5,276**
At 31 December 2022	1	243	15,737	**15,981**
Net book value				
At 31 December 2022	**–**	**–**	**5,830**	**5,830**
At 31 December 2021	–	–	8,479	8,479

15 Investments

Subsidiary undertakings

The following are subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
CBRE GWS Pension Trustees Limited	England	Ordinary	100%	Act as a corporate trustee

CBRE GWS Pension Trustees Limited is registered in England, at 61 Southwark Street, London, SE1 0HL. The Company is non-trading and was established to act as a corporate trustee to the GWS Retirement Benefits Plan (formerly the Johnson Controls UK Pension Scheme).

16 Stock

	2022 £'000	2021 £'000
Contract work in progress	**2,671**	1,921

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

17 Debtors

	2022	2021
	£'000	£'000
Amounts falling due after more than one year		
Deferred tax asset (note 20)	**1,582**	744
	1,582	744
Amounts falling due within one year		
Trade debtors	**88,890**	99,187
Amounts owed by group undertakings	**26,165**	21,650
Amounts recoverable on contracts	**27,425**	20,861
Other debtors	**6,435**	9,791
Corporation tax receivable for group relief	**–**	6,737
Deferred tax asset (note 20)	**83**	311
	148,998	158,537

Trade debtors are net of a provision for impairment of £169,000 (2021: £201,000).

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

18 Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Bank loans and overdrafts (note 19)	**–**	67,699
Payments received on account	**5,589**	8,276
Trade creditors	**38,017**	64,392
Amounts owed to group undertakings	**54,007**	36,297
Corporation tax payable	**2,266**	–
Other taxation and social security	**602**	5,388
Accruals and deferred income	**40,537**	33,316
	141,018	215,368

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

At December 2022 the bank overdraft attracted interest at a variable rate of interest which was then 1.96% - 4.8019% (2021: 0.0271%).

19 Creditors: amounts falling due after more than one year

	2022	2021
	£'000	£'000
Amounts owed to group undertakings	**90,414**	–
LTIP accrual	**584**	175
	90,998	175

The short term loan owed to group undertaking is unsecured and repayable on demand. The interest shall be payable on the loan at a rate of LIBOR plus 1% per annum during the term of the loan.

19 Creditors: amounts falling due after more than one year (continued)

The Company drew a short term loan of £90m from group undertakings in 2022, which was used to repay the bank loans and overdraft.

The Long-Term Incentive cash scheme was put in place. These bonuses are calculated based on the financial performance of a collective group of companies called GWS EMEA.

20 Deferred tax

	2022	2021
	£'000	£'000
At beginning of year	**(5,600)**	(741)
Credited/(charged) to profit and loss account	**575**	(3,317)
Credited/(charged) to other comprehensive income	**3,193**	(1,542)
At end of year	**(1,832)**	(5,600)

The provision for deferred tax is made up as follows:

	2022	2021
	£'000	£'000
Fixed asset timing differences	**1,436**	744
Short term timing differences	**229**	311
Pension asset	**(3,497)**	(6,655)
	(1,832)	(5,600)
Comprising:		
Asset - due after one year	**1,582**	744
Asset - due within one year	**83**	311
Liability	**(3,497)**	(6,655)
	(1,832)	(5,600)

21 Pension commitments

The Company participated in the GWS Retirement Benefits Plan (formerly the Johnson Controls UK Pension Scheme). The scheme is a funded pension schemes providing benefits based on final pensionable pay. The assets of the schemes are held in separate trustee administered funds.

The Company also operates a defined contribution scheme and participates in a group defined contribution scheme.

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

21 Pension commitments (continued)

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

	Actuarial gain/(loss)	Actuarial gain	Pension asset/ (liability)	Pension asset/ (liability)
	2022	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000
GWS Retirement Benefits Plan	**(13,325)**	6,128	**15,236**	28,512
VERS Scheme	**593**	41	**(1,247)**	(1,893)
	(12,732)	6,169	**13,989**	26,619

GWS Retirement Benefits Plan

A full actuarial valuation of the scheme was carried out as at 31 March 2019 and updated to 31 December 2022 by qualified independent actuaries.

Since 30 September 2014, the pension scheme membership of all sections of the scheme has been closed to the future accrual of benefits.

The contributions made by the employer over the financial year have been £Nil (2021: £Nil).

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

	2022	2021
	£'000	£'000
At the beginning of the year	**124,295**	132,004
Interest cost	**2,208**	1,694
Actuarial gains on liabilities	**(40,482)**	(6,058)
Benefits paid	**(3,713)**	(3,345)
At end of the year	**82,308**	124,295

Reconciliation of fair value of scheme assets:

	2022	2021
	£'000	£'000
At the beginning of the year	**152,807**	155,123
Interest income	**2,717**	1,995
(Loss)/return on assets	**(53,807)**	70
Benefits paid	**(3,713)**	(3,345)
Administration expenses	**(460)**	(1,036)
At end of the year	**97,544**	152,807

21 Pension commitments(continued)

The assets in the scheme were:

	2022 £'000	2021 £'000
Insured annuities	**46,801**	64,723
Diversified Growth fund	**16,742**	40,308
Liability Driven Investment	**32,835**	46,927
Cash and estimated net current assets	**1,166**	849
Total scheme assets	**97,544**	152,807

	2022 £'000	2021 £'000
Fair value of scheme assets	**97,544**	152,807
Present value of scheme liabilities	**(82,308)**	(124,295)
Net pension scheme asset	**15,236**	28,512

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

	2022 £'000	2021 £'000
Net interest on the net defined benefit asset	**509**	301
Service cost - administrative cost	**(460)**	(1,036)
Total amount recognised in the profit and loss account	**49**	(735)
Actual (loss)/return on plan assets	**(53,807)**	70
Actuarial gains on the scheme liabilities	**40,482**	6,058
Remeasurement (losses)/gains	**(13,325)**	6,128

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages) are as follows:

	2022 %	2021 %
Inflation - RPI	**3.5**	3.4
Inflation - CPI	**3.0**	2.7
Discount rate	**4.8**	1.8

	2022 Years	2021 Years
Mortality weighted average life expectancy		
for a male aged 65 now	**21.6**	21.6
for a female aged 65 now	**24.2**	24.2
at 65 for a male aged 45 now	**22.2**	22.7
at 65 for a female member aged 45 now	**25.4**	25.8

21 Pension commitments (continued)

Non-pensioners - 108% S3PMA tables / 93% S3PFA (middle) tables, CMI 2021, Long term rate of improvement of 1.25% p.a. Pensioners - 105% S3PMA tables / 94% S3PFA (middle) tables, CMI 2021, Long term rate of improvement of 1.25% p.a.

VERS (Voluntary Early Retirement Scheme)

The Voluntary Early Retirement Scheme (VERS) relates to a limited number of employees who TUPE'd to the Company from the UKAEA and elected, when taking voluntary redundancy, to exchange a lump sum payment for a continuing annual payment under the scheme. The scheme is ongoing and was, prior to December 2015, recognised as a provision in the Company's accounts.

A full actuarial valuation of the scheme was carried out as at 31 March 2019 and updated to 31 December 2022 by qualified independent actuaries.

The contributions made by the employer during the financial year amounted to £86,000 (2021: £103,000)

The following amounts were measured in accordance with the requirements of FRS 102 Section 28:

	2022	2021
Reconciliation of present value of scheme liabilities	**£'000**	£'000
At the beginning of the year	**1,893**	2,011
Benefits paid	**(86)**	(103)
Interest cost	**33**	26
Actuarial gains on liabilities	**(593)**	(41)
At end of the year	**1,247**	1,893

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

	2022	2021
	£'000	£'000
Interest expense	**33**	26
Interest expense recognised in the profit and loss account	**33**	26

	2022	2021
	£'000	£'000
Actuarial gains on liabilities	**593**	41
Actuarial gains recognised in statement of comprehensive income	**593**	41

Defined contribution scheme

The Company also operates a defined contribution scheme and participates in a group defined contribution scheme. The assets of the schemes are administered by insurance companies and are held in funds independent from the assets of the Company. The pension charge for the year in respect of the defined contribution schemes was £3,661,000 (2021: £1,995,000) of which £Nil were outstanding as at 31 December 2022 (2021: £Nil).

22 Operating lease commitments

At 31 December, the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£'000	£'000
Not later than 1 year	**117**	179
Later than 1 year and not later than 5 years	**114**	91
	231	270

23 Called up share capital

	2022	2021
	£'000	£'000
Allotted, called up and fully paid		
526,059 (2021: 29,722) ordinary shares of £10 each	**5,260**	297
Nil (2021: 4,963,355) preference ordinary shares of £1 each	**–**	4,963
	5,260	5,260

On 18 January 2022, the Company issued 1 ordinary share at nominal value £10 for the total consideration of £50,000,000.

On 18 January 2022, the Company issued 5 preference ordinary shares at nominal value £1 each.

On 18 January 2022, the Company converted all its 4,963,360 preference ordinary shares to ordinary shares of £10 each, resulting in holding 526,059 ordinary shares.

24 Reserves

Share premium account

This represents the additional amount paid by shareholders for their issued shares over the nominal value of those shares (note 23).

Capital redemption reserve

This represents the reduction in the share premium account of £100m.

Profit and loss account

This includes all current and prior period retained profits and losses.

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.

26 Immediate parent and ultimate controlling party

On 13 July 2022, CBRE Holdings Limited became the immediate parent, a company incorporated and registered in England and Wales. The registered address is Henrietta House, Henrietta Place, London, England, 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 at https://ir.cbre.com/financial-reports/financial-results.