

Registered number: 09226284

CBRE Global Treasury Limited
Directors report and financial statements
For the year ended 31 December 2021



CBRE Global Treasury Limited

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CBRE Global Treasury Limited

Company information

Directors	P Shackleton E Thetford G Hancock S Journay A Helgason M Minetti
Registered number	09226284
Registered office	Henrietta House Henrietta Place London England W1G 0NB
Auditor	BDO LLP 55 Baker Street London W1U 7EU
Banker	Bank Mendes Gan N.V. Herengracht 619 1017 CE, Amsterdam The Netherlands

CBRE Global Treasury Limited

Directors' report

For the year ended 31 December 2021

The directors present their directors' report and the audited financial statements of CBRE Global Treasury Limited (the "Company") for the year ended 31 December 2021.

Principal activity

The principal activity of the Company is to provide treasury management services to companies within the CBRE group.

Business review

The profit for the year after tax was \$246,814 (2020: \$4,322,988). This was mainly due to the interest income on intercompany and related party loans, offset by bank charges on bank overdraft and a net foreign exchange loss incurred during the year.

Net assets of the Company have increased by 0.7% to \$37,328,072 from \$37,081,258 (restated) in 2020. This is largely attributable to the increase in the intercompany loan and interest receivables during the year.

Details of the restatements are provided in note 3.10.

Results and dividends

The Company's results for the financial year are set out in the profit and loss account on page 8.

The profit for the financial year amounted to \$246,814 (2020: \$4,322,988).

The directors do not recommend the payment of a dividend (2020: \$Nil).

Future developments

The directors are satisfied with the performance of the Company for the year and expect the general level of activity to remain in line with the current year for the foreseeable future.

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. Due to the impact of COVID-19, the directors have performed an in-depth assessment of the business that could cast significant doubt on the ability of the Company to continue as a going concern. The Company's ultimate parent company CBRE Group, Inc. has agreed to provide the necessary financial support to enable the Company to meet its commitments as they fall due and to enable the Company to continue as a going concern for 12 months from the date of approval of the financial statements.

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:

P Shackleton
E Thetford
G Hancock (appointed 9 May 2022)
S Journey (appointed 9 May 2022)
A Helgason (appointed 20 May 2022)
M Minetti (appointed 1 November 2022)
D Fan (resigned 29 September 2021)
C Oster (resigned 25 March 2022)
M Barber (resigned 1 November 2022)

CBRE Global Treasury Limited

Directors' report (continued) For the year ended 31 December 2021

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.

Disclosure of information to auditor

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

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

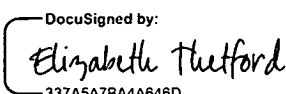
Auditor

BDO LLP were appointed as auditor following the issuance of the Company's 2020 financial statements and have expressed their willingness to continue in office.

Small companies exemption

The directors have taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 and not prepared a strategic report.

This report was approved by the board on 23/11/2022 2022 and signed on its behalf by:

DocuSigned by:

337A5A7BA4A646D...
E Thetford
Director

CBRE Global Treasury Limited

Directors' responsibilities statement For the year ended 31 December 2021

The director is responsible for preparing the directors' report and financial statements in accordance with applicable law and regulations.

Company law requires the director 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 (United Kingdom Generally Accepted Accounting Practice), industry Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also 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 reasonable 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 Global Treasury Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of CBRE Global Treasury Limited (the "Company") for the year ended 31 December 2021 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of CBRE Global Treasury Limited (continued)

Other Companies Act 2006 reporting

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Independent auditor's report to the members of CBRE Global Treasury Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

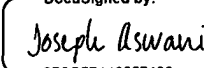
- We obtained an understanding of the legal and regulatory frameworks applicable to the entity and determined that the most significant which are directly relevant to the specific assertions in the financial statements are those related to the reporting framework (Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006);
- We determined how the entity is complying with those legal and regulatory frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance procedures, corroborating our enquiries through our review of board minutes;
- We used an engagement team with appropriate competence and capabilities to identify non-compliance with laws and regulations, with all engagement team members remaining alert to any indications of fraud or non-compliance with laws and regulations throughout the audit; and
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management from various parts of the business to understand where it is considered there was a susceptibility to fraud. We also considered the processes and controls that the entity has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how senior management monitors those process controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing journal entries meeting certain risk based criteria and considering whether material accounting estimates are free from bias.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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:

3B3CSB146557438
Joseph Aswani (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: 24 November 2022

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

CBRE Global Treasury Limited**Profit and loss account
For the year ended 31 December 2021**

	Note	2021 \$	2020 \$
Administrative expenses		(359,223)	(267,862)
Operating loss		(359,223)	(267,862)
Interest receivable and similar income	7	7,538,882	9,039,015
Interest payable and similar expenses	8	(4,837,120)	(3,327,165)
Profit before tax		2,342,539	5,443,988
Tax on profit	9	(2,095,725)	(1,121,000)
Profit for the financial year		246,814	4,322,988

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

There are no recognised gains and losses for the current year and preceding year other than the profit shown above. Consequently, no statement of other comprehensive income is presented.

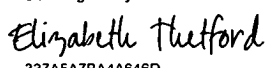
The notes on pages 11 to 21 form part of these financial statements.

CBRE Global Treasury Limited
Registered number: 09226284

Balance sheet
As at 31 December 2021

	Note	2021 \$	2021 \$	Restated 2020 \$	Restated 2020 \$
Current assets					
Debtors: amounts falling due after more than one year	10	244,682,337		132,359,794	
Debtors: amounts falling due within one year	10	910,440,303		462,199,365	
		<u>1,155,122,640</u>		<u>594,559,159</u>	
Creditors: amounts falling due within one year	11	(1,117,794,568)		(557,477,901)	
Net current assets			<u>37,328,072</u>		<u>37,081,258</u>
Net assets			<u>37,328,072</u>		<u>37,081,258</u>
Capital and reserves					
Called up share capital	12		4		4
Share premium account	13	34,999,999		34,999,999	
Profit and loss account	13	2,328,069		2,081,255	
Total shareholder's funds			<u>37,328,072</u>		<u>37,081,258</u>

The financial statements on pages 8 to 21 were approved and authorised for issue by the board on 23/11/2022 and were signed on its behalf by:

DocuSigned by:

 337A5A7BA4A646D...
E Thetford
 Director

Details of the restatements are provided in note 3.10.

The notes on pages 11 to 21 form part of these financial statements.

CBRE Global Treasury Limited**Statement of changes in equity
For the year ended 31 December 2021**

	Called up share capital	Share premium account	Profit and loss account	Total shareholder's funds
	\$	\$	\$	\$
At 1 January 2020 (as previously stated)	4	34,999,999	829,944	35,829,947
Prior year adjustment	-	-	(3,071,677)	(3,071,677)
	<u>4</u>	<u>34,999,999</u>	<u>(2,241,733)</u>	<u>32,758,270</u>
At 1 January 2020 (as restated)				
Comprehensive income for the year				
Profit for the financial year	-	-	4,322,988	4,322,988
	<u>-</u>	<u>-</u>	<u>4,322,988</u>	<u>4,322,988</u>
Total comprehensive income for the year				
	<u>-</u>	<u>-</u>	<u>4,322,988</u>	<u>4,322,988</u>
At 31 December 2020 and 1 January 2021	4	34,999,999	2,081,255	37,081,258
Comprehensive income for the year				
Profit for the financial year	-	-	246,814	246,814
	<u>-</u>	<u>-</u>	<u>246,814</u>	<u>246,814</u>
Total comprehensive income for the year				
	<u>-</u>	<u>-</u>	<u>246,814</u>	<u>246,814</u>
At 31 December 2021	4	34,999,999	2,328,069	37,328,072

Details of the restatements are provided in note 3.10.

The notes on pages 11 to 21 form part of these financial statements.

CBRE Global Treasury Limited

Notes to the financial statements For the year ended 31 December 2021

1. General information

The principal activity of CBRE Global Treasury Limited (the "Company") is to provide treasury management services to companies within the CBRE group.

The Company is a private company limited by shares and incorporated, registered and domiciled in England. The registered number is 09226284 and the registered office address is Henrietta House, Henrietta Place, London, England, W1G 0NB.

2. Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the 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 US dollar rounded to the nearest \$1.

The following principal accounting policies have been applied consistently for 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. Due to the impact of COVID-19, the directors have performed an in-depth assessment of the business that could cast significant doubt on the ability of the Company to continue as a going concern. The Company's ultimate parent company CBRE Group, Inc. has agreed to provide the necessary financial support to enable the Company to meet its commitments as they fall due and to enable the Company to continue as a going concern for 12 months from the date of approval of the financial statements.

CBRE Global Treasury Limited

Notes to the financial statements For the year ended 31 December 2021

3. Accounting policies (continued)

3.3 Exemptions for qualifying entities under FRS 102

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

The Company has taken advantage of the following exemptions:

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

The Company has taken advantage of these exemptions on the basis that it meets the definition of a qualifying entity and its ultimate parent company, CBRE Group, Inc., includes the related disclosure in its own consolidated financial statement. Details of where those financial statements can be found are contained in note 15.

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

3.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is US dollars (\$).

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 the profit and loss account.

3.5 Interest receivable and similar income

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

3.6 Interest payable and similar expenses

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

CBRE Global Treasury Limited

Notes to the financial statements For the year ended 31 December 2021

3. Accounting policies (continued)

3.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity, is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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. Deferred tax is not discounted.

3.8 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 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 the profit and loss account.

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 the profit and loss account.

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.

CBRE Global Treasury Limited

Notes to the financial statements For the year ended 31 December 2021

3. Accounting policies (continued)

3.8 Financial instruments (continued)

ii. Financial liabilities

Basic financial liabilities, including bank overdrafts 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.

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

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

iii. Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.9 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 proceeds.

3.10 Prior year restatements

(i) Intercompany debt forgiveness

The directors have identified that an intercompany debt forgiveness was not recognised in the correct year.

The 2020 comparatives have therefore been restated accordingly. There was no effect on the profit and loss account for the year ended 31 December 2020 however the following balance sheet line items at 31 December 2020 have been restated as follows:

- opening reserves at 1 January 2020 have decreased by \$3,071,677;
- within debtors, amounts falling due within one year, amounts owed by group undertakings has decreased by \$3,071,677;

The directors also note that the Company did not have sufficient distributable reserves at the time the balance was forgiven, hence this was an unlawful distribution. However, the Company had total equity in excess of the deemed distribution therefore could have created distributable reserves by way of a share capital reduction which would correct the unlawful nature of this distribution. The Company had positive distributable reserves as at 31 December 2021 and 31 December 2020.

(ii) Presentation of amounts owed by/to group undertakings

In 2020, the Company's balances with group undertakings have been presented on a gross basis.

The Company, both as an individual legal entity and, as a wholly owned subsidiary of CBRE Group, Inc., has various intercompany relationships, both payables and receivables, which arise as part of its day to day operations. It is the intention of all parties in the wider CBRE group, both currently and at each reporting date presented in the financial statements (being the year ended 31 December 2020 and year ended 31 December 2021) to settle these balances on a net basis and therefore a restatement is required to present these balances net rather than gross.

CBRE Global Treasury Limited

Notes to the financial statements For the year ended 31 December 2021

3. Accounting policies (continued)

3.10 Prior year restatements (continued)

(ii) Presentation of amounts owed by/to group undertakings (continued)

Furthermore (i) historic settlements for the Company and wider group show that this intention is enacted upon settlement and (ii) CBRE Group, Inc. has confirmed in writing that each legal entity who is party to intercompany relationships and balances, has the legal right of offset of those balances, unless there is a termed loan agreement which states otherwise.

The effect of the reclassification is as follows:

- there was no impact on the Company's profit or loss for the year ended 31 December 2020;
- there was no impact on net assets at 1 January 2020;
- at 31 December 2020, within debtors, amounts owed by group undertakings was overstated by \$596,709,666; and
- at 31 December 2020, within creditors: amounts falling due within one year, amounts owed to group undertakings was overstated by \$596,709,666.

(iii) Presentation of amounts owed by related parties

The directors have identified that within amounts owed by group undertakings, amounts with related parties not 100% owned by CBRE Group, Inc. have been incorrectly recognised.

The 2020 comparatives have therefore been restated accordingly to disclose amounts owed by related parties separately. There was no effect on the profit and loss account for the year ended 31 December 2020 however the following balance sheet line items at 31 December 2020 have been restated as follows:

- within debtors, amounts falling due within one year, amounts owed by group undertakings has decreased by \$10,757,947; and
- within debtors, amounts falling due within one year, amounts owed by related parties has increased by \$10,757,947.

CBRE Global Treasury Limited**Notes to the financial statements
For the year ended 31 December 2021****4. Critical accounting judgement 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

The judgements in applying accounting policies at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are discussed below.

Interest rates on loan agreements

The Company enters into a number of loan agreements with related group companies. The Company considers a number of estimates when entering these transactions to ensure that they are conducted on an arms' length basis. When assessing whether loan agreements with other group companies have been conducted on an arms' length basis, the directors note that these decisions involve the input of internal and external tax advisors to the Company, including an analysis of comparable companies and groups who operate in similar markets to the CBRE group.

(b) Critical accounting estimates and assumptions**Carrying value of amounts owed by group undertakings**

The Company makes an estimate of the recoverable value of amounts owed by group undertakings. When assessing impairment of amounts owed by group undertakings, management considers factors including current market and industry conditions, and historical experience and CBRE Group, Inc., the ultimate parent undertaking, has pledged to correct the financial position of the entities, so that no credit loss is incurred by the Company.

5. Auditor's remuneration

Audit fees of \$20,625 (2020: \$17,445) have been incurred by the Company for the audit of the Company's annual financial statements.

6. Employee and directors information

The Company had no employees other than its directors during the current and preceding year. The directors did not receive any remuneration in respect of services to the Company during the year (2020: \$Nil).

7. Interest receivable and similar income

	2021 \$	2020 \$
Intercompany interest receivable	<u>7,538,882</u>	<u>9,039,015</u>

Within intercompany interest receivable, amounts totalling \$453,519 (2020: \$412,476) relate to interest receivable from related parties not wholly owned by CBRE Group, Inc. (see note 14).

CBRE Global Treasury Limited**Notes to the financial statements
For the year ended 31 December 2021****8. Interest payable and similar expenses**

	2021 \$	2020 \$
Bank interest paid	3,870,186	3,721,523
Net foreign exchange loss/(gain)	966,934	(850,371)
Debt forgiveness	-	456,013
	<u>4,837,120</u>	<u>3,327,165</u>

In January 2020, the Company booked debt forgiveness related to the intercompany loan/interest receivable with CBRE Finance Europe LLP due to its liquidation.

9. Tax on profit

	2021 \$	2020 \$
Current tax		
UK tax on income for the year	361,891	1,121,000
Adjustment in respect of prior periods	1,295,985	-
	<u>1,657,876</u>	<u>1,121,000</u>
Foreign tax suffered	437,849	-
Total current tax	<u>2,095,725</u>	<u>1,121,000</u>
Total tax charge for the year	<u>2,095,725</u>	<u>1,121,000</u>

CBRE Global Treasury Limited**Notes to the financial statements
For the year ended 31 December 2021****9. Tax on profit (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 \$	2020 \$
Profit before tax	<u>2,342,539</u>	<u>5,443,988</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	445,082	1,034,358
Effects of:		
Expenses not deductible	-	86,642
Effects of overseas tax rates	354,658	-
Adjustment in respect of prior periods	1,295,985	-
Group relief surrendered	(361,891)	-
Receipt from group relief	361,891	-
Total tax charge for the year	<u><u>2,095,725</u></u>	<u><u>1,121,000</u></u>

Factors that may affect future tax charges

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

CBRE Global Treasury Limited**Notes to the financial statements
For the year ended 31 December 2021****10. Debtors**

	2021 \$	2020 \$
Amounts falling due after more than one year		
Amounts owed by group undertakings	244,682,337	132,359,794

Amounts owed by group undertakings include two loans which are earning interest on varying rates that were due to mature respectively in 2022 and 2023. However, during the year, the loan terms were extended and the balance at 31 December 2021 relates to five intercompany loans as follows:

- \$81,407,181 earning interest at a fixed rate of 4.08%, maturing 19 December 2023;
- \$24,070,318 earning interest at a floating rate of 3.84%, maturing 3 December 2025;
- \$595,732 earning interest at a floating rate of 17.53%, maturing 9 July 2023;
- \$96,532,511 earning interest at a floating rate of 4.32%, maturing 28 September 2026; and
- \$42,076,595 earning interest at a floating rate of 2.82%, maturing 21 December 2026.

	2021 \$	Restated 2020 \$
Amounts falling due within one year		
Amounts owed by group undertakings	899,403,534	451,441,418
Amounts owed by related parties (note 14)	11,036,769	10,757,947
	910,440,303	462,199,365

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

Amounts owed by related parties are unsecured, repayable on demand and are earning interest on varying rates between 1.91% and 10.95%.

Details of the restatements are provided in note 3.10.

11. Creditors: amounts falling due within one year

	2021 \$	Restated 2020 \$
Bank overdrafts	1,117,794,568	557,477,901

The bank overdraft is bearing interest at rates determined on a daily basis driven by the BMG base rate and is repayable on demand.

Details of the restatements are provided in note 3.10.

CBRE Global Treasury Limited**Notes to the financial statements
For the year ended 31 December 2021****12. Called up share capital**

	2021	2020
	\$	\$
Called up, allotted and fully paid		
3 (2020: 3) ordinary shares of £1 each	4	4
	<u>4</u>	<u>4</u>

13. Reserves**Share premium account**

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

Profit and loss account

This includes all current and prior period retained profits and losses net of distributions.

14. 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.

The Company had the following balances at the year end with related parties not wholly owned by CBRE Group, Inc.:

	2021	Restated 2020
	\$	\$
CBRE Corporate Outsourcing (Pty) Limited	1,330,013	1,331,240
CBRE Excellerate GWS Facilities Management (Pty) Limited	844,393	875,628
CBRE GWS SARL	287,388	289,761
CBRE Real Estate and Global Workplace Solutions LLC	3,219,848	3,239,891
CBRE Services CO. W.L.L.	529,213	514,925
CBRE Egypt LLC	4,825,914	4,506,502
	<u>11,036,769</u>	<u>10,757,947</u>

CBRE Global Treasury Limited**Notes to the financial statements
For the year ended 31 December 2021****14. Related party transactions (continued)**

The Company has the following transactions during the year with related parties not wholly owned by CBRE Group, Inc. that form the above year end balances:

	2021 \$	2020 \$
Interest receivable	453,519	412,476
Foreign exchange differences	(174,697)	(180,468)
	<u>278,822</u>	<u>232,008</u>

Details of the restatements are provided in note 3.10.

15. Immediate parent and ultimate controlling party

The immediate parent company is CBRE Holdings LLC, a company incorporated and registered in the United States of America.

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

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