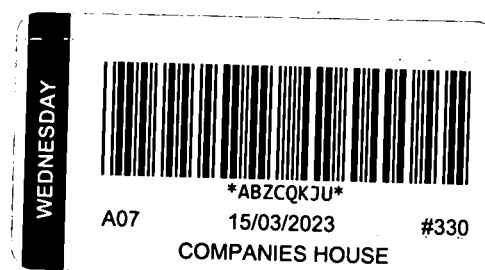


Company Registration No. 05702761 (England and Wales)

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

Annual report and financial statements

For the year ended 31 December 2021



Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

COMPANY INFORMATION

Directors	Jeannie Lee (resigned 17 Mar 2021) Jeffrey Michael Tapley (resigned 17 Mar 2021) Matthew John Allen (appointed 17 Mar 2021) James Chat Shen Goh (appointed 17 Mar 2021) Simon Richard Gordon (appointed 17 Mar 2021) Lee Sze Koo (appointed 17 Mar 2021)
Company number	05702761
Company secretary	Intertrust - UK (resigned 17 March 2021) 1 Bartholemew Lane London EC2N 2AX JTC UK Limited (appointed 17 March 2021) The Scapel, 18th Floor 52 Lime Street London EC3M 7AF
Registered office	Level 7, 40 Gracechurch Street, London EC3V 0BT The Scapel, 18th Floor (from 17 March 2022) 52 Lime Street London EC3M 7AF
Independent Auditor	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2
Solicitor	White & Case (resigned 17 March 2021) 5 Old Broad Street London EC2N 1DW
Banker	Citibank International plc 1 North Wall Dublin 1

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

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Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

STRATEGIC REPORT

For the year ended 31 December 2021

The directors present the strategic report for the year ended 31 December 2021.

Principal activities, fair review of the business and future developments

Digital Realty completed the sale of this Company to Ascendas Reit, a real estate investment trust that is listed on the Singapore Stock Exchange in March 2021. Ascendas Reit (Croydon) UK Limited was set up to lease technical data centre space to blue chip clients on a mid to long term basis. All available technical data centre space is 89% let. In May 2006, the Company entered into a 25-year leasehold interest on a warehouse building in Beddington Lane, Croydon. The facility provides 67,000 sqft of net technical space. Each bespoke customer solution is housed within a private data suite, with dedicated plant situated to maximise the usage of the technical space. The data centre also offers in excess of 4,000 sqft of dedicated office space.

Results and performance

The results of the company for the year, as set out on page 11, show a profit on ordinary activities before tax of £1,965,279 (2020: £1,219,183). The shareholders' funds of the company total £3,837,429 (2020: £9,389,893).

Strategy

The company strategy going forward is to continue to have the data centre fully leased. Once any current contracts are within 18 months of proposed expiration the company will enter into negotiations to either extend or in the event of termination to re-let the space.

Key performance indicators ('KPIs')

We have continued to make progress throughout the year in relation to key elements of our strategy. The Board monitors the progress of the company by reference to the following KPIs:

	2021	2020	
Rental Revenue	10,848,785	11,534,486	Income from rental revenue excluding utilities reimbursable revenue
Net operating profit	3,428,279	3,835,917	Net profit after deducting cost of sales and administration expense
Occupancy Rates	100%	100%	Percentage of total space occupied

Principal Risks and Uncertainties

The principal risks and uncertainties the company faces are:

- The property depends upon the demand for technology-related real estate. A decrease in the demand for data centre space or other technology related real estate would have a greater adverse effect on the business and financial condition than if the company owned a property with a more diversified tenant base or less specialised use;
- The bankruptcy or insolvency of a major tenant may adversely affect the income produced by the property;
- The company may face significant competition, which may decrease or prevent increases of the occupancy and rental rates of the properties;
- The company may be unable to renew leases, re-lease space as leases expire or lease vacant space.

The company has developed a process of risk identification, evaluation and management which is overseen regularly by the directors.

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

STRATEGIC REPORT (CONTINUED)

For the year ended 31 December 2021

The UK's exit from the EU in 2020 had created significant uncertainty which may have impacted the Company's risks. The main impact of Brexit is on macro-economic, retail, property investment and tax and regulatory risks. The EU and UK concluded a Free Trade Agreement thereby avoiding a hard Brexit which would have been damaging to both the UK and Irish economies. The Company has not suffered any material negative impact to date.


With respect to Covid-19, the company will continue to follow the government and the World Health Organisation's policies and advice and in parallel will do their best to continue operations in the best and safest way possible without jeopardising the health of people working. While the pandemic has had some operational impact, there has been no significant impact on the financial performance of the Company.


Future Developments

We compete with numerous developers, owners and operators of real estate and data centres, many of which own properties similar to ours in the same markets in which our properties are located. In addition, we may in the future face competition from new entrants into the datacentre market, including new entrants who may acquire our current competitors. Overall the company's aim for the future is to maintain high occupancy levels through successful lease renewal or the re-lease of space. We aim to achieve long lease terms and low tenant turnover.

10/3/2023

This report was approved by the board on and signed on its behalf by:

DocuSigned by:

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Lee Sze Koo
Director
Date: 10/3/2023

DocuSigned by:

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Matthew John Allen
Director
Date: 10/3/2023

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

DIRECTORS' REPORT

For the year ended 31 December 2021

The directors present their report and audited financial statements for the year ended 31 December 2021.

Directors

The directors of the company who held office during the year, and subsequently to the date of this report, were:-

Jeannie Lee (resigned 17 Mar 2021)

Jeffrey Michael Tapley (resigned 17 Mar 2021)

Matthew John Allen (appointed 17 Mar 2021)

James Chat Shen Goh (appointed 17 Mar 2021)

Simon Richard Gordon (appointed 17 Mar 2021)

Lee Sze Koo (appointed 17 Mar 2021)

The directors and secretary who held office at 31 December 2021 had no interests in the shares of the company or group companies.

Financial Instruments and Risks:

A review of the financial risks is contained in the Strategic Report.

Proposed dividends

There were dividends paid during the year of £8,000,000 (2020: £nil). The dividends were paid pre company sale.

Political contributions

The company made no political contributions or incurred any political expenditure during the year.

Independent Auditor

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

Directors' confirmations


The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's statutory auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make them aware of any relevant audit information and to establish that the company's statutory auditor is aware of that information.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 3.

10/3/2023

This report was approved by the board on and signed on its behalf by:

DocuSigned by:

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Lee Sze Koo

Director

Date: 10/3/2023

DocuSigned by:

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Matthew John Allen

Director

Date: 10/3/2023

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the year ended 31 December 2021

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 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 year. 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 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 but to do so.

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

10/3/2023

This report was approved by the board on and signed on its behalf by:

DocuSigned by:

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Lee Sze Koo

Director

Date: 10/3/2023

DocuSigned by:

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Matthew John Allen

Director

Date: 10/3/2023



KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

Independent auditor's report to the members of Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited) ('the Company') for the year ended 31 December 2021 set out on pages 11 to 20, which comprise the financial statements and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as of 31 December 2021 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements have been properly 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 under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to 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.

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.



**Independent auditor's report to the member of Ascendas Reit (Croydon) UK Limited
(formerly known as Sentrum Limited)**

Report on the audit of the financial statements (continued)

Conclusions relating to going concern (continued)

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 the date 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.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company is not 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.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. On this audit we do not believe there is a fraud risk related to revenue recognition.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.



**Independent auditor's report to the member of Ascendas Reit (Croydon) UK Limited
(formerly known as Sentrum Limited)**

Report on the audit of the financial statements (continued)

Detecting irregularities including fraud (continued)

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 (irregularities) 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 remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information 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 other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

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

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.



**Independent auditor's report to the member of Ascendas Reit (Croydon) UK Limited
(formerly known as Sentrum Limited)**

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities 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 opinion in an auditor's. 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, other irregularities 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.

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

Our report is made solely to the Company's member, 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 member 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 member, as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah-Jayne Naughton (Senior Statutory Auditor)
for and on behalf of
KPMG Statutory Auditor
Chartered Accountants
1 Stokes Place, St. Stephen's Green
Dublin 2

13 March 2023

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)**STATEMENT OF COMPREHENSIVE INCOME****For the year ended 31 December 2021**

		2021		2020	
	Notes	£	£	£	£
Income					
Turnover	2	13,287,417		13,705,014	
Cost of sales		(6,150,349)		(4,938,363)	
Gross profit			7,137,068		8,766,651
Administrative expenses		(3,708,789)		(4,930,734)	
Total operating expenses			(3,708,789)		(4,930,734)
Operating profit	3		3,428,279		3,835,917
Other interest receivable and similar income	5		18,134		52,919
Interest payable and similar charges	6		(1,481,134)		(2,669,653)
Profit before taxation			1,965,279		1,219,183
Taxation	7		(1,817,608)		(644,116)
Total comprehensive income for the year			147,671		575,067


The company had no other items of comprehensive income in the current or the preceding financial year other than those shown in the profit and loss account and therefore no statement of comprehensive income has therefore been presented.


The notes on pages 14 to 20 form an integral part of these financial statements.

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)**BALANCE SHEET****AS AT 31 DECEMBER 2021**

		2021		2020	
	Notes	£	£	£	£
Non-current assets					
Tangible assets	8		25,201,044		28,388,749
Current assets					
Trade and other receivables	9	4,672,377		5,090,916	
Cash and cash equivalents		6,260,784		28,305,889	
Total current assets			10,933,161		33,396,805
Creditors: amounts falling due within one year	10		(4,001,877)		(3,902,494)
Net current assets			6,931,284		29,494,311
Non-current liabilities					
Creditors: amounts falling due after one year	11		(26,398,985)		(45,194,694)
Deferred tax liability	13		(4,195,779)		(3,298,473)
Net assets			1,537,564		9,389,893
Capital and reserves					
Share capital	14		2		2
Retained earnings			1,537,562		9,389,891
Total Equity			1,537,564		9,389,893

The financial statements on pages 11 to 20 were approved and authorised for issue on behalf of the board of Directors on 10/3/2023

DocuSigned by:

 7397E49DF685425.....
 Director Koo Lee Sze

DocuSigned by:

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 Director Matthew Allen

The notes on pages 14 to 20 form an integral part of these financial statements.

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)**STATEMENT OF CHANGES IN EQUITY****For the year ended 31 December 2021**

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2020	2	8,814,824	8,814,826
Total comprehensive income for the year	-	575,067	575,067
At 31 December 2020	2	9,389,891	9,389,893
Total comprehensive income for the year	-	147,671	147,671
Dividends paid	-	(8,000,000)	(8,000,000)
At 31 December 2021	2	1,537,562	1,537,564

The notes on pages 13 to 19 form an integral part of these financial statements.

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. Accounting policies

Ascendas Reit (Croydon) Limited (the "Company") is a private company limited by shares and incorporated, domiciled and registered in the UK. The registered number is 05702761 and the registered address is The Scapel 18th Floor, 52 Lime Street, London, EC3M 7AF.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the financial reporting standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling.

The Company's ultimate parent undertaking, Ascendas Real Estate Investment Trust includes the Company in its consolidated financial statements. The consolidated financial statements of Ascendas Real Estate Investment Trust are prepared in accordance with Singapore GAAP and are available to the public. In these financial statements, the company is considered to be a qualifying entity for the purposes of this FRS and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation

As the consolidated financial statements of Ascendas Real Estate Investment Trust include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The Company's business activities, together with the factors likely to affect its growth, performance and position are set out in the Strategic and Directors' report. Based on this, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Foreign currency

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.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as non-derivative financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

1. Accounting policies (continued)

1.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

The company assesses at each reporting date whether tangible fixed assets are impaired

Depreciation is charged to the Profit and Loss Account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Leasehold improvements	10 - 30 years
------------------------	---------------

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.6 Turnover

Rentals received under operating leases are credited to the profit and loss account on a straight-line basis over the lease term, even if the payments are not received on such a basis. Benefits provided as an incentive for the tenant to sign an operating lease are similarly spread on a straight-line basis over the term of the lease, except where the period to review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

1.7 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges comprises interest expense on borrowings. Other interest receivable and similar income include interest receivable on bank deposits and surplus cash.

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

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

1. Accounting policies (continued)

1.8 Taxation (continued)

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.9 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held on call with banks.

1.10 Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2. Turnover

	2021	2020
	£	£
Rental income	10,848,785	11,534,486
Other income	2,438,632	2,170,528
Total turnover	13,287,417	13,705,014

By Activity

	2021	2020
	£	£
Rental income	10,848,785	11,534,486
Utilities Reimbursement	2,377,001	2,107,322
Miscellaneous Income	61,631	63,206
Total turnover	13,287,417	13,705,014

3. Operating profit

	2021	2020
	£	£
Operating profit is stated after charging:		
Audit fee	25,000	15,000
Depreciation	3,199,075	3,173,353
Operating lease	823,000	782,820

4. Staff numbers and costs

The directors received no emoluments for services to the Company during the year. The company has not paid any fees or other remuneration to these directors related to the directorship role they provided to the company as part of their group-wide executive management role.

The company has no direct employees (2020: None).

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****For the year ended 31 December 2021**

5. Other interest receivable and similar income	2021	2020
	£	£
Cash pool interest income	18,134	52,919
Total interest receivable and similar income	18,134	52,919

6. Interest payable and similar charges	2021	2020
	£	£
Interest Payable on Intercompany Loans	1,481,134	2,669,653
Total other interest payable and similar charges	1,481,134	2,669,653

See note 12 for further details of intercompany loans.

7. Tax on ordinary activities	2021	2020
	£	£
a) Factors affecting the corporation tax charge for the current year		
b) Analysis of tax charge in the year		
Current tax		
UK corporation tax at 19.00% (2020: 19.00%)	920,388	456,523
Adjustment in respect of previous periods	(86)	5,943
	920,302	462,466
Deferred tax		
Origination and reversal of timing differences	(353,967)	(181,004)
Adjustment in respect of prior periods	159,334	(3,607)
Effect of increased/decreased tax rate on opening balance	1,091,939	366,261
Tax on profit on ordinary activities	1,817,608	644,116

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

	2021	2020
	£	£
Profit on ordinary activities before tax	1,965,279	1,219,183
Current tax at 19.00% (2020: 19.00%)	373,403	231,645
Effects of:		
Non-deductible expenses	277,970	41,168
Adjustment from previous periods	159,248	2,336
Gains/rollover relief etc.	-	2,706
Tax rate changes	1,006,987	366,261
Current corporation tax charge for the year	1,817,608	644,116

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****For the year ended 31 December 2021**

8. Tangible fixed assets	2021	2020
	£	£
Cost		
Balance at 1 January	68,863,106	67,265,247
Additions	11,370	1,597,859
Fair value at end of the year	68,874,476	68,863,106
Depreciation		
Balance at 1 January	(40,474,357)	(37,301,005)
Depreciation charge for the year	(3,199,075)	(3,173,352)
Balance at 31 December	(43,673,432)	(40,474,357)
Net book value 31 December	25,201,044	28,388,749

Fixed assets primarily relate to leasehold improvements and these are depreciated on varying useful lives depending on the nature of the costs. The accounting policy on depreciation outlines the useful lives.

9. Debtors	2021	2020
	£	£
Trade debtors	2,936,008	3,013,075
Other debtors	1,106,145	1,279,293
Amounts owed by group undertakings	250,000	-
Corporation tax receivable	106,608	572,229
Prepayments	273,616	226,319
	4,672,377	5,090,916

10. Creditors: amounts falling due within one year	2021	2020
	£	£
Amounts owed to group undertakings	-	569,595
VAT liability	733,642	439,281
Accruals	1,453,913	293,268
Deferred income	1,814,322	2,600,350
	4,001,877	3,902,494

Amounts owed to group undertakings in less than one year are unsecured and carry no interest.

11. Creditors: amounts falling due after one year	2021	2020
	£	£
Amounts owed to group undertakings	26,148,011	44,943,720
Deferred income	250,974	250,974
	26,398,985	45,194,694

See note 12 for further details of group loans.

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****For the year ended 31 December 2021****12. Interest-bearing loans and borrowings**

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2021	2020
	£	£
As at 1 January	45,616,619	45,616,619
Repayment during the year	(43,876,337)	-
Loan provided by Ascendas Reit (Europe Sub 3) Ltd under Loan facility	23,475,154	-
Interest accrued during the year	1,481,134	2,669,653
Interest paid during the year	(548,559)	(2,669,653)
As at 31 December	26,148,011	45,616,619

Details of loan facilities:**Ascendas Reit (Europe Sub 3) Ltd**

On 17 March 2021, the company entered into loan agreement with Ascendas Reit (Europe Sub 3) Limited for a loan facility of £25,000,000. This facility will mature in February 2026. The loan is due to be repaid at the end of the term. This facility is unsecured and has interest rates of 5%.

13. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Accelerated capital allowances	-	-	(4,195,779)	(3,298,473)	(4,195,779)	(3,298,473)
Net tax assets / (liabilities)	-	-	(4,195,779)	(3,298,473)	(4,195,779)	(3,298,473)

14. Share capital

	2021	2020
	£	£
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

The owners of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All shares rank equally with regard to the company's residual assets.

Ascendas Reit (Croydon) UK Limited (formerly known as Sentrum Limited)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****For the year ended 31 December 2021****15. Operating leases**

The company has the following commitment in respect of operating lease rentals, in respect of the lease of the building, as follows:

	2021	2020
	£	£
Less than one year	823,000	823,000
Between one and five years	2,469,000	2,469,000
More than five years	4,430,483	5,253,483
	7,722,483	8,545,483

16. Related party transactions

The company has availed of the exemption in FRS 102.33.1A from disclosing transactions with other wholly-owned group companies. The company has availed of the exemption in FRS 102.1.12 (e) from disclosing total compensation of key management personnel as the company is a qualifying entity in the group accounts of the parent company which are available to the public.

17. Ultimate controlling party

The Company's ultimate parent undertaking, Ascendas Real Estate Investment Trust includes the Company in its consolidated financial statements. The consolidated financial statements of Ascendas Real Estate Investment Trust are prepared in accordance with Singapore GAAP and are available to the public.

18. Subsequent events

On 31 August 2022, the company entered into an unsecured, interest-free and repayable on demand loan to Ascendas Reit (Europe Sub 3) Limited ("the Shareholder") for an amount of £3,485,370. Further the Company also declared an interim dividend of £3,485,370 to the Shareholder. The declaration of the dividend was considered as satisfaction of the repayment of the loan.

On 8 December 2022, the directors also declared a further interim dividend of £5,000,000.