

Company Registration No:
08326708

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

LOGICOR EUROPE LTD



Logicor Europe Ltd

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Logicor Europe Ltd

COMPANY INFORMATION

Directors	Simon Clinton Sheena Singla Michael Slattery
Company Secretary	Intertrust (UK) Limited
Registered Office	4 th Floor 30 Broadwick Street London England W1F 8JB
Company Number	08326708
Auditor	Deloitte LLP Statutory Auditor 1 New Street Square London United Kingdom EC4A 3HQ

Logicor Europe Ltd

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Principal activities

The principal activities of Logicor Europe Ltd (the "Company") are to provide consultancy services to logistics property companies throughout Europe, asset management services to logistics property companies in the United Kingdom, and strategic advice to the parent companies of the Logicor Group. The logistics property companies include affiliated property companies in the Logicor Group ("Logicor", the "Logicor Group"), a wider group of Eurocor II S.à r.l., Eurocor III S.à r.l. and their subsidiaries, of which the Company is a member.

Review of the business

The profit for the year, after taxation, amounted to £2,997,713 (2020: £4,681,717). The operating profit before interest and taxation amounted to £3,828,359 (2020: £5,390,961).

In the year ended 31 December 2021, asset management fees, consultancy fees and service fees were charged by the Company to the Logicor Group. Asset management fees of £7,173,690 (2020: £7,386,974) are charged based on an attributable costs plus a 5% mark-up and are allocated based on the size of the property being managed. Consultancy fees of £15,552,217 (2020: £14,822,532) are charged by the Company based on a 5% mark-up on its head office costs. Service fees of £5,265,643 (2020: £7,259,914) are charged to the parent companies of the Logicor Group with a mark-up of 10% on attributable costs.

The Company also generated £2,476,775 (2020: £1,632,290) from asset management and transaction fees on third-party Assets under Management in the United Kingdom. These are from transactions with a related party and have been disclosed in Note 18 of the financial statements.

Key performance indicators

	2021	2020	
EBITDA (%)	22%	25%	EBITDA is the ratio of earnings before interest, tax and depreciation to revenue expressed as a percentage. It remains an essential indicator of operational performance and profitability of the Company's activities with the Logicor Group. EBITDA is consistent year-on-year and continues to be monitored to provide a measure of financial performance.

Section 172 statement

Section 172 of the Companies Act requires company Directors to "act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole". Specifically, management must consider:

- The likely consequences of any decision in the long term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and the environment;
- The desirability of the Company maintaining a reputation for high standards of business; and
- The need to act fairly between members of the Company.

As a leading owner and operator of European logistics real estate, the Logicor Group has an important role to play in building a sustainable future for the benefit of society. Logicor believes acting responsibly is vital to the long-term success of its business and will benefit stakeholders impacted by our activities. Logicor is committed to embedding policies and practices into its day-to-day operating activities in order to promote these beliefs.

The following paragraphs present in detail how the Directors of Logicor Europe Ltd demonstrate adherence to the requirements of Section 172.

The likely consequences of any decision in the long term

In managing Logicor Europe Ltd, the Directors take a long-term approach in ensuring the success of the business. Internally produced budgets, forecasts and other documentation take a multi-year view, incorporating relevant financial and economic data.

Logicor Europe Ltd

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

Section 172 statement (continued)

The interests of the Company's employees

The Company's approach to promoting the interests of employees is built around three key areas: engagement through regular employee surveys; promoting responsible conduct throughout the Company - embedded via regular training sessions; and fostering a learning and development culture built around long-term employee aspirations.

As the COVID-19 pandemic spread across Europe, the Company was quickly able to activate its business continuity plans, enabling employees to work from home with access to all relevant systems to ensure minimum disruption. The Company also rapidly set up additional communications channels and means of support for its employees, as well as with employees of the wider Logicor Group, enabling fast decision-making and ongoing operational effectiveness.

The Company also made available to employees and employees in the wider Logicor Group a number of resources aimed at promoting physical and mental wellbeing during the ongoing pandemic and thereafter.

The need to foster the Company's business relationships with suppliers, customers and others

The Company, as part of the wider Logicor Group, is working hard to deepen relationships with its top suppliers across markets and industries including construction, property management and professional services. As part of this programme, Logicor is raising awareness of its sustainability priorities via a number of channels including the publication of informative materials and guidance on ethical business conduct standards, with which it expects its suppliers to align.

Logicor is publicly committed to supporting the interests of the local communities in which it operates. Wherever possible, Logicor actively seek to learn about and share best practices with its customers and suppliers for community gain. Through membership of the UK Green Building Council and the Better Buildings Partnership, Logicor is committed to sharing and learning sustainability best practices, encouraging wider communities and players in the market to make a positive impact on the environment

The impact of the Company's operations on the community and the environment

Logicor's environmental and sustainability approach focuses on increasing the positive impact of its operations over the long term, as well as engaging with its customers and suppliers to positively enhance the impact of their operations. Logicor's actions not only reflect its commitment to sustainability but also aim to drive improved performance for all stakeholders.

Across the Company's and its subsidiaries' offices, employees are actively involved in running sustainability schemes to recycle waste and reduce consumption of energy and water. The Company, as part of the wider Logicor Group is also taking steps to embed sustainability in its activities and operations, including engaging with and raising awareness with employees, suppliers and customers, improving data collection and the monitoring of data to inform our sustainability initiatives.

In addition, throughout 2021, employees of the Company and the wider Logicor Group have also engaged in a number of charitable activities supporting the local communities in which we operate.

The desirability of the Company maintaining a reputation for high standards of business conduct

Strong governance, based on responsible leadership, senior accountability and open reporting, has always been integral to Logicor's operations. Commitment to the highest standards of responsible business conduct starts with the management team, which is directly responsible for ensuring that all employees always operate in line with Logicor's values – working together to achieve its business goals through excellence, honesty and open, collaborative relationships.

To ensure rigour and discipline, Logicor has in place a set of policies and procedures, systems and controls which apply to the company and which guide and direct employees in all areas of the business, from customer relationships and asset management to managing risk, sustainability and employees.

Mandatory training is required to be completed by all employees on these areas of business conduct. These policies are regularly reviewed, and where appropriate, strengthened across the Logicor Group.

Logicor Europe Ltd

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

Section 172 Statement (continued)

The need to act fairly between members of the Company

The Company has a single member, and is a wholly owned subsidiary of Logicor Europe Holdings S.à r.l.

Principal risks and uncertainties

Management has considered the impact of the United Kingdom's withdrawal from the European Union on the Company. The majority of revenue is derived from consultancy fees to European asset management companies and is not expected to change as a result of this process.

Management has considered and will continue to monitor the implications of the coronavirus pandemic (COVID-19) for its business and employees in the UK and has enacted various business continuity plans and processes. In particular, in respect of employees, all UK employees were asked to work in line with UK government guidance including when relevant, from home where possible and only go to the office if working on something that cannot be done from home. Any employee that was attending the office for such a reason was required to follow detailed health and safety processes and protocols.

Financial risks in the company, including counter-party risk, are included in the Directors' Report on Page 6.

Future developments

The Company services logistics and industrial property owners across most major European logistics markets and does not expect to materially expand the current number of locations in 2022.

Research and Development

The Company has not had any Research & Development activities during the year ended 2021.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors have made this assessment on the basis that the company will continue to generate income from related party entities that form part of the Logicor Group on a cost plus basis, and with reference to the forecast cash flows of the Logicor Group in which this Company is consolidated.

The COVID-19 pandemic has impacted economies across Europe in different ways, causing considerable disruption across many sectors. Nonetheless, Logicor's business has demonstrated resilience, supported by its wide geographic spread and highly diversified tenant base as well as the continued strong demand for logistics properties. Logicor's active asset management approach has ensured that teams around Europe are in frequent contact with customers as they navigate the uncertainty caused by the pandemic. This active engagement allows Logicor to work constructively to support those customers who need assistance.

Further details regarding the adoption of the going concern basis can be found in Note 3: Accounting Policies.

Approved by the Board and signed on its behalf by:


Simon Clinton (Nov 16, 2022 15:42 GMT)

Simon Clinton

Director

16 November 2022

4th Floor
30 Broadwick Street
London
England
W1F 8JB

Logicor Europe Ltd

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present the Annual Report and the audited financial statements for the year ended 31 December 2021.

In accordance with s414(C) (11) of the Companies Act, included in the Strategic Report is information relating to, business relationships, research and development, financial risk management and future developments which would otherwise be required by Schedule 7 of the 'large and medium sized companies and groups (accounts and reports) regulation 2008' to be contained in a Directors' Report.

Results and distributions

The results for the year are shown on page 14. No dividends have been paid, declared or proposed in the current or in the prior year. The Directors recommend payment of no final dividend.

Financial risk management objectives and policies

Foreign currency risk

The Company's activities expose it to the financial risk of adverse movements in foreign exchange rates which can negatively impact the value of its receivables.

Credit risk

The Company's principal financial assets are cash at bank, trade and other receivables, and investments in subsidiaries.

The Credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Company has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses long-term debt finance from its parent company.

Streamlined Energy and Carbon Reporting

Streamlined Energy and Carbon Reporting is disclosed in pages 9-10 of the financial statements.

Directors and Directors' interests

The following Directors held office during and after the year end unless otherwise stated:

Michael Slattery	Appointed 24 June 2019
Simon Clinton	Appointed 17 May 2018
Sheena Singla	Appointed 17 May 2018

None of the Directors hold beneficial interests in the ordinary share capital of the Company.

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors which remain in force at the date of this report.

Logicor Europe Ltd

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, having taken all the steps the Directors ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

During the year, Deloitte LLP were reappointed as auditor of the Company for the year ended 31 December 2021.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Post balance sheet events

Following the balance sheet date, an ongoing military conflict in Ukraine commenced and related, targeted sanctions have been imposed against certain individuals and entities by certain countries and nations including the UK, EU and US.

The Company is not exposed to any significant adverse impact as result of these sanctions as at the date of these financial statements but there may be impacts on supply chains or more widely on European economies.

Management continue to monitor the ongoing events for any potential impact to the Company.

Approved by the Board and signed on its behalf by:



Simon Clinton (Nov 16, 2022 15:42 GMT)

Simon Clinton

Director

16 November 2022

Logicor Europe Ltd

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the annual 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 the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Logicor Europe Ltd

STREAMLINED ENERGY & CARBON REPORTING

The section below includes our first year of reporting under the new Streamlined Energy & Carbon Reporting requirements. The reporting period is the same as the Company's financial year, 1st January 2021 to 31st December 2021.

Organisation Boundary and Scope of Emissions

We have reported on all of the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2018. These sources fall within the Company's consolidated financial statement. An operational control approach has been used in order to define our organisational boundary. This is the basis for determining the Scope 1, Scope 2 and Scope 3 emissions for which the Company is responsible.

Methodology

For the Company's reporting, the Company has employed the services of a specialist adviser, Verco, to quantify and calculate the Greenhouse Gas (GHG) emissions associated with the Company's operations.

The following methodology was applied by Verco in the preparation and presentation of this data:

- the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development and the World Resources Institute (the "WBCSD/WRI GHG Protocol");
- application of appropriate emission factors to the Company's activities to calculate GHG emissions;
- scope 2 reporting methods – application of location-based and market-based emission factors for electricity supplies;
- inclusion of all the applicable Kyoto gases, expressed in carbon dioxide equivalents, or CO₂e;
- presentation of gross emissions as the Company does not purchase carbon credits (or equivalents); and
- presentation of annual energy use.

Absolute Emissions

The total Scope 1, 2 and Scope 3 GHG emissions from the Company's operations in the year ending 31st December 2021 were:

- 40.1 tonnes of CO₂ equivalent (tCO₂e) using a 'location-based' emission factor methodology for Scope 2 emissions; and
- 22.8 tonnes of CO₂ equivalent (tCO₂e) using a 'market-based' emission factor methodology for Scope 2 emissions.

Scope 1 emissions from onsite combustion of natural gas.

Scope 2 emissions from purchased electricity using the location-based and market-based methods.

Scope 3 emissions from air travel, rail travel and fuel for personal cars for business use.

Intensity Ratio

As well as reporting the absolute emissions, the Company's GHG emissions are reported below using a floor area-based intensity ratio. This was selected as the most appropriate metric given that the majority of the Company's emissions originate from the operation of its offices. The intensity metric has been calculated using Scope 1 and Scope 2 emissions only.

- 0.03 tCO₂e per square meter of occupied space using the location-based method;
- 0.01 tCO₂e per square meter of occupied space using the market-based method.

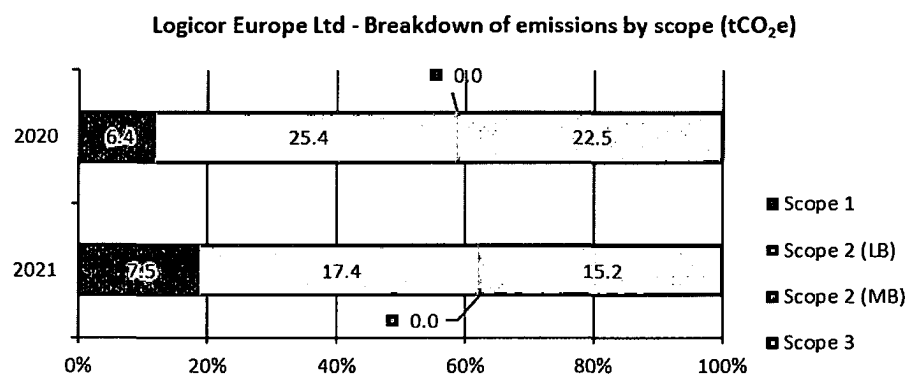
Target and Baselines

The Company's objective is to maintain or reduce its GHG emissions per square meter of occupied space each year; it will report on an annual basis whether it has been successful in this regard. The total absolute emissions have decreased by 26% using the location-based method and by 21% using the market-based method. This is due to a decrease in electricity and transport and an increase in gas consumption as employees worked from home throughout 2021. The intensity ratio in tonnes of CO₂e per square meter has remained the same.

Logicor Europe Ltd

STREAMLINED ENERGY & CARBON REPORTING (continued)

Key Figures



GHG emissions	Year ended 31 December 2021		Year ended 31 December 2020	
	Tonnes CO ₂ e	tCO ₂ e / m ² ⁵	Tonnes CO ₂ e	tCO ₂ e / m ² ⁵
Scope 1 ¹	7.5	0.01	6.4	0.01
Scope 2 ²	17.4	0.02	25.4	0.03
Scope 2 ³	-	0.0	-	0.0
Scope 3 ⁴	15.2	-	22.5	-
Total GHG emissions (Location-based)	40.1	0.03	54.2	0.03
Total GHG emissions (Market-based)	22.8	0.01	28.9	0.01

1 Scope 1 being emissions from the Group's combustion of fuel and operation of facilities.

2 Scope 2 being emissions from electricity (from location-based calculations), heat, steam and cooling purchased for the Group's own use.

3 Scope 2 being emissions from electricity (from market-based calculations), heat, steam and cooling purchased for the Group's own use.

4 Scope 3 being all indirect emissions (not in scope 2) that occur in the value chain of the reporting company (downstream emissions).

5 Occupied office space: 971.67 m² (FY2021); 971.67 m² (FY2020).

Total Energy Use

The total energy use for the Company for FY2021 was 167,154 kWh.

	Electricity	Gas	Mileage	Total Energy Use (kWh)
Year ended 31 December 2021	81,873	41,127	44,155	167,154
Year ended 31 December 2020	108,752	34,924	19,988	163,664

The energy use results for 2020 reflect measured usage. The results for 2021 includes estimates of energy use where measurements of actual usage are not yet available.

Energy Efficiency Actions

There were no specific energy efficiency measures taken during the reporting year. We are looking to upgrade the communal lighting to LED in 2022.

Independent auditor's report to the members of Logicor Europe Ltd

Logicor Europe Ltd

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Logicor Europe Limited (the 'company'):

- 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, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position
- the statement of changes in equity;
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs as issued by the IASB.

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 the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the '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

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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 Logicor Europe Ltd (continued)

Logicor Europe Ltd

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are 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 determine 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 are 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 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 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered 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 considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- As a result of performing the above, we identified the greatest potential for fraud in the relation to the new third party revenue contracts and our specific procedures performed was to test the design and implementation of controls and to confirm the revenue and receivables with the third party.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

Logicor Europe Ltd

Independent auditor's report to the members of Logicor Europe Ltd (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

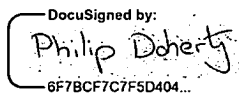
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 respect of these matters.

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:

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Philip Doherty FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK
16 November 2022

Logicor Europe Ltd

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Revenue	5		
Consultancy fees		15,552,217	14,822,532
Asset management fees		9,650,465	9,019,264
Service fees		5,265,643	7,259,914
		30,468,325	31,101,710
Expenses			
Salaries	8	(17,512,621)	(17,910,782)
Professional fees		(881,619)	(427,877)
Legal fees		(365,822)	(130,006)
Branding and marketing		(936,465)	(598,390)
Office costs and temporary staff		(1,268,595)	(1,589,836)
Travel		(47,115)	(117,301)
IT costs		(2,550,041)	(2,727,725)
General expenses		(811,696)	(640,042)
Foreign exchange gains	6	4,943	905,097
Bank charges		(14,316)	(29,972)
Depreciation	6	(2,726,426)	(2,443,915)
Gain on modification of right-of-use asset		469,807	-
		(26,639,966)	(25,710,749)
Operating profit before interest and taxation		3,828,359	5,390,961
Interest receivable		26,745	37,060
Finance costs	9	(857,391)	(746,304)
Profit before taxation	6	2,997,713	4,681,717
Taxation on profit	10	-	-
Profit for the year		2,997,713	4,681,717

The Income Statement has been drawn up on the basis that all activities are continuing.

There were no other comprehensive income or expenses for 2021 or 2020 other than those included in the Income Statement and therefore, no Statement of Comprehensive Income has been presented.

The notes on pages 17 to 30 form part of these financial statements.

Logicor Europe Ltd

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

		As at 31 December 2021	As at 31 December 2020
	Note	£	£
ASSETS			
Non-current assets			
Investment in subsidiaries	11	4,875,351	4,875,351
Property, plant and equipment	12	4,841,209	4,319,267
Right-of-use assets	13	405,704	4,129,716
Total non-current assets		10,122,264	13,324,334
Current assets			
Trade and other receivables	14	31,873,214	24,936,786
Cash		1,015,940	1,864,868
Total current assets		32,889,154	26,801,654
Total assets		43,011,418	40,125,988
LIABILITIES			
Current liabilities			
Trade and other payables	15	(14,702,075)	(11,152,080)
Lease liabilities	13	(413,622)	(1,012,938)
Total current liabilities		(15,115,697)	(12,165,018)
Net current assets		17,773,457	14,636,636
Non-current liabilities			
Borrowings	9	(21,713,695)	(21,168,196)
Lease liabilities	13	(7,710)	(3,616,171)
Total non-current liabilities		(21,721,405)	(24,784,367)
Total liabilities		(36,837,102)	(36,949,385)
Net assets		6,174,316	3,176,603
EQUITY			
Share capital	17	3	3
Share premium		51,097,599	51,097,599
Profit and loss account		(44,923,286)	(47,920,999)
Total equity		6,174,316	3,176,603

The financial statements and notes thereto were approved and authorised for issue by the Board of Directors on 16 November 2022 and are signed on its behalf by:


 Simon Clinton (Nov 16, 2022 15:42 GMT)
 Simon Clinton
 Director

Registered Company Number: 08326708

The notes on pages 17 to 30 form part of these financial statements.

Logicor Europe Ltd

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital £	Share premium £	Profit and loss account £	Total equity / (deficit) £
Balance as at 1 January 2020	3	51,097,599	(52,602,716)	(1,505,114)
Profit and total comprehensive income for the year 2020	–		4,681,717	4,681,717
Balance as at 31 December 2020	3	51,097,599	(47,920,999)	3,176,603
Profit and total comprehensive income for the year 2021	–		2,997,713	2,997,713
Balance as at 31 December 2021	3	51,097,599	(44,923,286)	6,174,316

The notes on pages 17 to 30 form part of these financial statements.

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2021

1. GENERAL INFORMATION

Logicor Europe Ltd is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is 36 Carnaby Street, London, England, W1F 7DR. The nature of the Company's operations and its principal activities is to provide consultancy advice to asset management companies within Europe and asset management services to property companies located in the United Kingdom.

2. BASIS OF ACCOUNTING

The Company meets the definition of a qualifying entity under Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101") as issued by the Financial Reporting Council. As a result of the Logicor Group's parent financial statements being made publicly available and prepared under IFRS, the Company is exempt from having to prepare financial statements on a consolidated basis. The financial statements have been prepared under the historical cost convention, and in accordance with FRS 101.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash flow statement, standards and amendments not yet effective, certain financial instrument requirements of IFRS 7 and related party transactions.

The financial statements are presented in Great British Pound Sterling (£), which is the currency of the primary economic environment in which the Company operates.

3. ACCOUNTING POLICIES

Going concern

In preparing the financial statements as at 31 December 2021, the Directors have reviewed the ability of the Company to meet its obligations over 12 the months following the date of signature of these financial statements. The Company is expected to be cash positive for the foreseeable future.

The COVID-19 pandemic has impacted economies across Europe in different ways, causing considerable disruption across many sectors. Nonetheless Logicor's business has demonstrated resilience, supported by its wide geographic spread and highly diversified tenant base as well as the continued strong demand for logistics properties. Logicor's active asset management approach has ensured that teams around Europe are in frequent contact with customers as they navigate the uncertainty caused by the pandemic. This active engagement allows Logicor to work constructively to support those customers who need assistance.

Accordingly, management has adopted the going concern basis in preparing the financial statements.

Property, plant and equipment

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following basis:

Leasehold improvements	Over the life of the lease
IT	2 to 5 years
Fixtures and fittings	2 to 10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company also has a policy of capitalising consultancy fees relating to software development in accordance with IAS 38 which require that the company only recognise intangible assets when:

- it is probable that the future economic benefits attributable to the asset will flow to the entity; and
- the cost of the asset can be reliably measured.

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

3. ACCOUNTING POLICIES (continued)

Leases

Leases liabilities are accounted for in accordance with IFRS 16 'Leases' ("IFRS 16") with a lease liability and right-of-use asset being recognised and amortised over the life of the relevant lease on a straight-line basis.

Right-of-use assets

Right-of-use assets are recognised in respect of the Company's rented office spaces and certain items of office equipment.

When the Company is the lessee, it is required to recognise both:

- A lease liability, measured at the present value of remaining cash flows on the lease, and
- A right of use (ROU) asset, measured at the amount of the initial measurement of the lease liability, plus any lease payments made prior to commencement date, initial direct costs, and estimated costs of restoring the underlying asset to the condition required by the lease, less any lease incentives received.

Subsequently the lease liability will increase for the accrual of interest, resulting in a constant rate of return throughout the life of the lease, and reduce when payments are made. The right of use asset will amortise to the income statement over the life of the lease. The lease liability is remeasured when there is a change in one of the following:

- Future lease payments arising from a change in an index or rate;
- The Company's estimate of the amount expected to be payable under a residual value guarantee; or
- The Company's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the income statement if the carrying amount of the ROU asset has been reduced to nil.

Revenue

Revenue represents asset management fee income, consultancy fee income and service fee income receivable at invoiced amounts exclusive of Value Added Tax. Income is measured at the fair value of the consideration received or receivable and represents amounts for services provided in the normal course of business. Revenue is therefore recognisable when the costs have been incurred or the services performed.

Employee Benefits

Where the cost of employee benefits are dependent on the future value of the Company or that of affiliated companies, the value of such benefits is estimated by management. Any such benefits are charged to the Income Statement and accrued in the Statement of Financial Position.

Finance Costs

Interest income is recognised when it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis with reference to the principal outstanding and the rate of interest to be applied. Where financial liabilities are measured at amortised cost using the effective interest method, interest expense is recognised on an effective yield basis in profit or loss within finance costs.

Receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as receivables. Receivables are measured at amortised cost using the effective interest method, less any expected credit losses. Receivables are provided for using the expected credit loss model as required by IFRS 9 'Financial Instruments' ("IFRS 9"). All receivables are held with affiliated companies and as such, expected credit losses are expected to be immaterial.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the financial arrangement.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value.

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2021

3. ACCOUNTING POLICIES (continued)

Benefit schemes

Payments to defined contribution pension schemes are recognised as an expense when employees have rendered services entitling them to the contributions.

Where benefits are earned over more than one year, the cost of the benefits are recognised on a straight-line basis over the vesting period. The cost of benefits are remeasured every reporting period.

Investments

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

Foreign currencies

Transactions in currencies other than the company's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences are recognised in the Income Statement in the year in which they arise.

Current tax

The tax currently payable is based on taxable profit for the year. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax

Deferred tax assets on losses are not recognised due to the unpredictability of utilising these losses.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Due to the cost-plus nature of profit generation within the Company there are no significant areas of judgement or estimation uncertainty relating to revenue recognition.

5. REVENUE

Revenue for the year is derived from UK asset management fees and consultancy fees to European asset management companies. A service fee is also charged to the parent companies of the Logicor Group.

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Revenue by category		
Consultancy Fees	15,552,217	14,822,532
Asset Management Fees	9,650,465	9,019,264
Service fee	5,265,643	7,259,914
Total revenue	30,468,325	31,101,710

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

6. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging / (crediting):

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Salaries (see Note 8)	17,512,621	17,910,782
Depreciation	2,726,426	2,443,915
Foreign exchange gains	(4,943)	(905,097)
Fees payable to the Company's auditor and their associates for the audit of the Company's annual financial statements	57,651	53,500

No non-audit fees were payable to the Company's auditor in the year ended 31 December 2021 (2020: £nil).

7. DIRECTORS' REMUNERATION

Remuneration in respect of Directors was as follows:

Aggregate remuneration comprised:

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Salaries and other short term benefits	5,130,382	2,222,290
Pension contributions to money purchase pension schemes	10,000	7,500
Total aggregate remuneration	5,140,382	2,229,790

During the year one Director (2020: one) participated in money purchase pension schemes.

The amounts set out above include remuneration in respect of the highest paid Director as follows:

Aggregate remuneration comprised:

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Salaries and other short term benefits	2,138,440	999,953
Pension contributions to money purchase pension schemes	-	-
Total aggregate remuneration	2,138,400	999,953

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

8. SALARIES

The average monthly number of employees (including Directors) was 59 (2020: 68).

	2021	2020
	No. of employees	No. of employees
Senior Management / Finance	25	26
Management / Investment	16	20
Employees / Other	18	22
Total average monthly number of employees	59	68

Aggregate remuneration (including Directors) comprised:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Wages and salaries	14,708,773	15,894,380
Social security costs	2,331,621	1,524,828
Other benefits	472,227	491,574
Total aggregate remuneration	17,512,621	17,910,782

From 1 January 2014, the Company operated a defined contribution pension scheme for the benefit of the employees and Directors. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the year amount to £430,861 (2020: £413,399).

9. FINANCE COSTS & BORROWINGS

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Finance costs		
Interest payable on loans from parent company	756,681	600,551
Interest payable on lease liabilities	100,710	145,753
Total finance costs	857,391	746,304

	As at 31 December 2021	As at 31 December 2020
	£	£
Borrowings		
Loan payable to parent company	21,713,695	21,168,196
Total non-current borrowings	21,713,695	21,168,196

Interest payable on loans from parent company is charged at GBP LIBOR + 3% and matures on 29 November 2023. In respect of GBP LIBOR, the company has made a transition of the benchmark interest rate to Sterling Overnight Indexed Average (SONIA) from 1st January 2022.

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2021
10. TAXATION ON PROFIT

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Current tax	-	-
Current year	-	-
Prior year	-	-
Total tax charge for the year	-	-

Corporation tax is calculated at 19% (2020: 19%) of the taxable profit for the year. The March 2021 Budget announced an increase to the main rate of corporation tax to 25% from April 2023. This rate was not been substantively enacted at the balance sheet date, as a result deferred tax balances as at 31 December 2021 were measured at 19%. The charge for the year can be reconciled to the profit before tax as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
	£	£
Profit before tax	2,997,713	4,681,717
Profit at the standard rate of corporation tax in the UK of 19% (2020: 19%)	569,566	889,526
Effect of:		
Items disallowable for tax purposes	(441,597)	(106,389)
Depreciation in excess of capital allowances	(277)	274,344
UK losses utilised	(127,693)	(1,057,481)
Prior year adjustment	-	-
Total tax charge on profit for the year	-	-

No deferred tax asset has been recognised in respect of tax losses carried forward as at 31 December 2021 which total £24.1m (2020: £24.4m) due to the unpredictability of utilising these losses.

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

11. INVESTMENT IN SUBSIDIARIES

	Investment in subsidiaries £
Cost	
At 1 January 2021	4,875,351
Additions	-
At 31 December 2021	4,875,351
Impairment	
At 1 January 2021	-
Impairment in the year	-
At 31 December 2021	-
Net book value at 31 December 2020	4,875,351
Net book value at 31 December 2021	4,875,351

There are no other movements in investment in subsidiaries in the year.

The subsidiaries of the Company as at 31 December 2021 are as follows:

	Incorporated/ acquired	Country	Registered address	% ownership
Logicor Beheer B.V.	23 July 2013	Netherlands	Stadsplateau 7, Utrecht, 3521 AZ Netherlands	100
Logicor Management Polska Sp. z o.o	16 April 2013	Poland	Elektrownia Powisle Building C, 5 th Floor ul.Dobra 40, Warsaw 00-344, Poland	100
Logicor Deutschland GmbH	19 December 2013	Germany	Bockenheimer Landstraße, 13-15, 60325 Frankfurt am Main, Germany	100
Logicor Italia S.R.L.	4 February 2014	Italy	Via Gaetano Giardino, 4 20124 Milan, Italy	100
Logicor España S.L.	4 April 2014	Spain	Calle Genova 17, 6th Floor, Madrid, 28004, Spain	100
Logicor Gestion SAS	31 October 2014	France	134 Boulevard Haussmann, Paris, 75008, France	100
Logicor Property France SA*	31 October 2014	France	134 Boulevard Haussmann, Paris, 75008, France	100
Logicor Portugal SUL	28 May 2015	Portugal	Av. Miguel Bombarda, N°36, 4E 1050-165 Lisbon, Portugal	100
Logicor Management Hungary Kft	1 March 2016	Hungary	2040 Budaors, Vasut utca 11, Budapest, Hungary	100
Logicor Management Czech Republic s.r.o.	21 May 2021	Czech Republic	Karolinská 654/2, 186 00 Prague 8, Czech Republic	100

*Indirectly owned through Logicor Gestion SAS.

The above percentages show the amounts of ordinary shares held by Logicor Europe Ltd.

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

12. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements	Fixtures & fittings	IT equipment	Total
Cost	£	£	£	£
At 1 January 2021	927,693	387,155	8,004,435	9,319,283
Additions	-	7,863	2,512,890	2,520,753
At 31 December 2021	927,693	395,018	10,517,325	11,840,036
Depreciation				
At 1 January 2021	635,896	254,383	4,109,737	5,000,016
Depreciation	195,133	76,071	1,727,607	1,998,811
At 31 December 2021	831,029	330,454	5,837,344	6,998,827
Net book value at 31 December 2021	96,664	64,564	4,679,981	4,841,209
	Leasehold improvements	Fixtures & fittings	IT equipment	Total
Cost	£	£	£	£
At 1 January 2020	927,693	387,155	6,178,079	7,492,927
Additions	-	-	1,826,356	1,826,356
At 31 December 2020	927,693	387,155	8,004,435	9,319,283
Depreciation				
At 1 January 2020	450,357	178,843	2,653,151	3,282,351
Depreciation	185,539	75,540	1,456,586	1,717,665
At 31 December 2020	635,896	254,383	4,109,737	5,000,016
Net book value at 31 December 2020	291,797	132,772	3,894,698	4,319,267

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

13. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	Buildings £	Equipment £	Total £
Cost			
At 1 January 2021	5,457,074	72,837	5,529,911
Lease modification	(2,996,395)	-	(2,996,395)
At 31 December 2021	2,460,679	72,837	2,533,516
Depreciation			
At 1 January 2021	1,358,525	41,670	1,400,195
Depreciation	706,781	20,836	727,616
At 31 December 2021	2,065,306	62,506	2,127,812
Net book value at 31 December 2021	395,373	10,331	405,704

	Buildings £	Equipment £	Total £
Cost			
At 1 January 2020	5,457,074	72,837	5,529,911
At 31 December 2020	5,457,074	72,837	5,529,911
Depreciation			
At 1 January 2020	678,333	20,835	699,168
Depreciation	680,192	20,835	701,027
At 31 December 2020	1,358,525	41,670	1,400,195
Net book value at 31 December 2020	4,098,549	31,167	4,129,716

Leases recognised in the financial statements relate to office premises in London and Solihull as well as some items of office equipment.

	As at 31 December 2021 £	As at 31 December 2020 £
Maturity Analysis		
Within one year	418,750	1,012,938
In the second to fifth year inclusive	7,710	3,121,460
Above five years	-	995,837
Total	426,460	5,130,235

	As at 31 December 2021 £	As at 31 December 2020 £
Maturity Analysis		
Effect of discounting	(5,128)	(501,126)
Total liability	421,332	4,629,109

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2021
13. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)
Analysed as:

	As at 31 December 2021 £	As at 31 December 2020 £
Current	413,622	1,012,938
Non-current	7,710	3,616,171
Total	421,332	4,629,109

The Company has the option to terminate the lease for its office premises in London with effect from 24 March 2022. No decision to terminate the lease was made prior to the balance sheet date.

14. TRADE AND OTHER RECEIVABLES

	As at 31 December 2021 £	As at 31 December 2020 £
Trade receivables with affiliated companies	3,483,939	1,810,640
Trade receivables with subsidiary companies	2,700,395	916,367
Accrued income from affiliated companies	2,919,875	2,893,239
Accrued income from subsidiary companies	5,363,644	3,047,803
Deposits and other receivables from affiliated companies	14,847,254	14,922,076
Prepayments and deferred expenditure	1,802,315	863,034
Other receivables	755,792	483,627
Total trade and other receivables	31,873,214	24,936,786

Payment of asset management, consultancy and service fee invoices are due within 30 days of receipt of invoice. An amount of £14,486,065 (2020: £14,402,373) is included within Deposits and other receivables from affiliated companies and is part of a cash pooling arrangement with the Group's treasury companies, Eurocor Treasuryco S.à r.l and Logicor Treasuryco S.à r.l. This accrues interest at 0.496%. All other balances are non-interest bearing. Trade receivables with affiliated companies and amounts payable to affiliated companies are repayable on demand.

The Directors consider that the carrying amount of trade and other receivables approximates their fair value. No provisions for expected credit losses have been recognised.

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2021
15. TRADE AND OTHER PAYABLES

	As at 31 December 2021 £	As at 31 December 2020 £
Payables to affiliated companies	5,512,935	880,461
Payables to subsidiary companies	218,151	35,403
Accrued payables to affiliated companies	-	1,267,695
Other payables to affiliated companies	158,179	7,897
Trade payables with third parties	3,457,357	1,565,037
Accruals and deferred income	5,355,453	7,395,587
Total trade and other payables	14,702,075	11,152,080

The Directors consider that the carrying amount of trade payables approximates to their fair value. Trade payables with affiliated companies and amounts payable to affiliated companies are repayable on demand and are non-interest bearing.

16. FINANCIAL INSTRUMENTS

	As at 31 December 2021 £	As at 31 December 2020 £
Categorisation of financial instruments:		
Trade and other receivables	36,985,232	24,936,786
Cash and cash equivalents	1,015,940	1,864,868
Loans and receivables – at amortised cost	38,001,172	26,801,654
Trade and other payables	14,868,833	11,152,080
Borrowings – non-current	21,713,695	21,168,196
Liabilities – at amortised cost	36,582,528	32,320,276

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

16. FINANCIAL INSTRUMENTS (continued)

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss for the Company. The majority of the Company's transactions are within the Logicor Group, as such, the credit risk is reduced compared to non-related counterparty risk. The Company continually monitors the underlying tenant credit ratings on behalf of the managed property companies to ensure that they are within the recommended limits to minimise the risk of default and ensure adequate ownership.

Amounts receivable from affiliated companies consists of a large number of customers, who are all related parties, in the real estate industry throughout Europe. Ongoing monitoring and evaluation is performed on the financial condition of accounts receivable to ensure cash is available to pay invoices.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk as no collateral or other credit enhancements are held.

Market risk

The Company's activities expose it primarily to the financial risks of downturns in the logistics market that could result in the inability of managed property portfolios to meet debt service payments and breach debt covenants. The Company takes appropriate steps to monitor and manage such risks in a variety of ways including:

- actively monitoring the logistics market through research and use of experts;
- continually monitoring the covenants placed on tenants;
- meeting with tenants and inspecting properties; and
- setting budgets based on expectation of the market trajectory.

There has been no change to the Company's exposure to market risks or the manner in which these risks are managed and measured.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the equity balance.

The capital structure of the Company consists of equity (comprising issued capital as disclosed in note 17 share premium, and profit and loss) and debt finance provided by the parent company (Note 9).

The Company is not subject to any externally imposed capital requirements.

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

17. SHARE CAPITAL

	As at 31 December 2021 £	As at 31 December 2020 £
Authorised:		
3 ordinary shares of £1 each	3	3
Issued and fully paid:		
3 ordinary shares of £1 each	3	3

18. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the disclosure exemptions available not to disclose related party transactions with fellow wholly-owned group undertakings, as these are included in the consolidated financial statements in which the Company is included and are publicly available. The ultimate parent is China Investment Corporation.

In the year ended 31 December 2021 and 31 December 2020, the Company has entered into asset and property management service agreements with certain funds affiliated with the Blackstone Group Inc. ("Blackstone"). In the year ended 31 December 2021 and 31 December 2020 the Logicor Group provided services to Blackstone on an arms-length basis and the transactions are disclosed as with a related party due to Blackstone's minority ownership of the Logicor Group. As at 31 December 2021 funds managed by Blackstone or, any of its affiliates or direct or indirect subsidiaries had a 16% interest (2020: 14%) in the Logicor Group.

Under these agreements the Company provides asset and property management services as well as general advisory services with a view to maximising rental yield and long-term capital growth of real estate assets owned or managed by funds affiliated with Blackstone. In each case the Company acts under the supervision and direction of the respective affiliates of Blackstone but shares its expertise and market knowledge in consideration for fees that have been negotiated.

	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Management fees earned from Blackstone	2,476,775	1,632,290
Total management fees earned from Blackstone	2,476,775	1,632,290

	As at 31 December 2021 £	As at 31 December 2020 £
Amounts due from Blackstone	2,919,875	1,632,290
Total amounts due from Blackstone	2,919,875	1,632,290

Logicor Europe Ltd

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

19. CONTROLLING PARTY INFORMATION

The Company is included in the consolidated financial statements of Eurologi II S.à r.l. which are available from its registered office, 2A rue Eugene Ruppert, Luxembourg, L-2453. As a result of these statements being made publicly available and prepared under IFRS, the Company is exempt from having to prepare financial statements on a consolidated basis. The smallest set of publicly available financial statements into which these financial statements are consolidated are the Eurocor II S.à r.l. and Eurocor III S.à r.l. combined financial statements; and the largest are those of Eurologi II S.à r.l..

The immediate parent of the Company is Logicor Europe Holdings S.à r.l. with registered offices at 2A rue Eugene Ruppert, Luxembourg, L-2453, and the ultimate parent is China Investment Corporation, incorporated in China.

20. POST BALANCE SHEET EVENTS

Following the balance sheet date, an ongoing military conflict in Ukraine commenced and related, targeted sanctions have been imposed against certain individuals and entities by certain countries and nations including the UK, EU and US.

The Company is not exposed to any significant adverse impact as result of these sanctions as at the date of these financial statements but there may be impacts on supply chains or more widely on European economies.

Management continue to monitor the ongoing events for any potential impact to the Company.