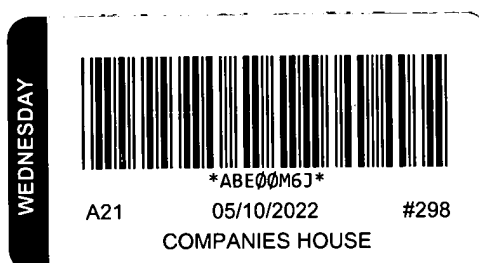


Registered number  
11118349

**Merrifield Centre Limited**

**Unaudited Financial Statements**  
**for the year ended 31 December 2021**



**Merrifield Centre Limited**  
**Unaudited Financial Statements**

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**Merrifield Centre Limited**  
**Company Information**

**Director**

Simon Farnsworth - appointed 19 November 2021

**Solicitors**

Gowling WLG (UK) LLP  
4 More London Riverside  
London  
SE1 2AU

**Investment Advisor**

Ironstone Asset Management Limited  
55 Wells Street  
London  
W1T 3PT

**Registered office**

First floor, Radius House  
51 Clarendon Road  
Watford  
Hertfordshire  
WD17 1HP

**Property Manager**

Savills Plc  
33 Margaret Street  
London  
W1G 0JD

**Administrator**

Link Alternative Fund Administrators  
Limited  
Beaufort House  
51 New North Road  
Exeter  
Devon  
EX4 4EP

**Merrifield Centre Limited**  
**Directors' Report**  
**Company Number 11118349**

The Director presents their Financial Statements for the year ended 31 December 2021.

New Wave Ventures LLP ceased to be the parent company on 29 November 2021 on disposal of the Company to Ironstone Life Science Holdings Limited (the "Parent Company"), whose ultimate parent is Life Science REIT plc (the "Ultimate Parent Company"). The Company is part of a group which consists of the Ultimate Parent Company and its subsidiaries (together, the "Group"). The Company's principal asset, the Merrifield Centre, was transferred to Ironstone Life Science Merrifield Limited, a separate subsidiary of the Parent Company, for nil consideration on 30 December 2021.

**Results and dividends**

The profit for the year amounted to £1,771,906 (2020: 252,338). The Directors did not recommend a dividend in respect of the year (2020: nil). Any profit for the year has been transferred to reserves.

**Strategic report**

The Directors have taken advantage of the exemptions allowed under Section 414B of the Companies Act 2006 and have not prepared a strategic report.

**Principal activities**

The Company's principal activity during the year was the rental of investment property.

**Events after the balance sheet date**

Refer to note 11.

**Directors**

The following persons served as Directors for the year ended 31 December 2021 and up to the date these Financial Statements were approved.

Simon Farnsworth (appointed 19 November 2021)  
Ernesto Giorgio Reggiani (resigned 29 November 2021)  
Ian Michael Riorden (resigned 29 November 2021)  
Clare Gillian Twemlow (resigned 29 November 2021)  
John Richard Wain (resigned 29 November 2021)  
David Hugh Williams (resigned 29 November 2021)

**Small company provisions**

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

**Going concern**

As part of the going concern assessment, the Directors have a reasonable expectation that the Company have adequate resources to continue in business for a period of at least 12 months from the date of approval of the Financial Statements. The Directors are also not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. They therefore have adopted the going concern basis in the preparation of the Financial Statements.

This Directors Report was approved by the Board of Directors on 30 September 2022 and is signed on its behalf by:



Simon Farnsworth

First floor, Radius House  
51 Clarendon Road  
Watford  
Hertfordshire  
WD17 1HP

**Merrifield Centre Limited**  
**Statement of Financial Position**  
**as at 31 December 2021**  
**Company Number 11118349**

	Notes	31 December 2021	31 December 2020
		£	£
<b>Non-current assets</b>			
Investment property	3	-	3,120,409
<b>Total non-current assets</b>		-	3,120,409
<b>Current assets</b>			
Trade and other receivables	4	5,445,276	140,434
Cash and cash equivalents	5	-	524,461
<b>Total current assets</b>		5,445,276	664,895
<b>Total assets</b>		5,445,276	3,785,304
<b>Current liabilities</b>			
Trade and other payables	6	(22,072)	(75,600)
<b>Total current liabilities</b>		(22,072)	(75,600)
<b>Net current liabilities</b>		5,423,204	589,295
<b>Non-current liabilities</b>			
Provision for liabilities		-	(58,406)
<b>Total non-current liabilities</b>		-	(58,406)
<b>Total liabilities</b>		(22,072)	(134,006)
<b>Net assets</b>		5,423,204	3,651,298
<b>Capital and reserves</b>			
Called up share capital	8	21,786	21,786
Share premium	9	238,204	238,204
Retained earnings	10	5,163,214	3,391,308
<b>Total equity</b>		5,423,204	3,651,298

The member has not required the Company to obtain an audit of its accounts for the year ended 31 December 2021 in accordance with section 477 of the Companies Act 2006.

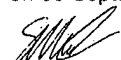
The member has not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Director acknowledges their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The Company has opted not to file the Statement of Comprehensive Income and Statement of Changes in Equity in accordance with provisions applicable to companies subject to the small companies' regime.

The Financial Statements of Merrifield Centre Limited were approved and authorised for issue by the Board of Directors on 30 September 2022 and signed on its behalf by:



Simon Farnsworth

Notes 1 - 12 form part of these Financial Statements.

**Merrifield Centre Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2021**

**1 Summary of significant accounting policies**

**1.1 General information**

Merrifield Centre Limited is a private company limited by shares, incorporated under the Companies Act 2006 and domiciled in the UK and registered in England and Wales. The address for the registered office is Radius House, 51 Clarendon Road, Watford, Hertfordshire, WD17 1HP. New Wave Ventures LLP has ceased as the parent company on 29 November 2021 with transfer of control to Ironstone Life Science Holdings Limited on that date.

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the preparation of consolidated Financial Statements because it is included in the Group accounts of Life Science REIT plc. These Financial Statements are separate Financial Statements and present information about the Company as an individual undertaking and not of the Group. The Group consolidated Financial Statements of Life Science REIT Plc may be obtained from the Company Secretary at Radius House, 51 Clarendon Road, Watford, Hertfordshire, WD17 1HP and on the Company's website <https://lifesciencereit.co.uk/>

**1.2 Basis of preparation**

The Company is adopting FRS 101 for the year ended 31 December 2021, having previously applied FRS 102. The adoption of FRS 101 is in line with the other Group companies. There has been no impact from this change.

The Financial Statements have been prepared under the historical cost convention, with the exception of investment property which is measured at fair value through the Statement of Comprehensive Income. The Financial Statements have been presented in accordance with FRS 101, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

These Financial Statements have been prepared in Sterling, which is the functional currency of the Company.

**1.3 Investment property**

Investment property comprises property held to earn rental income or for capital appreciation or both. Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes and professional fees to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the statement of comprehensive income in the period in which they arise under IAS 40 Investment Property.

The valuation of the investment property at fair value is determined by the external valuer on the basis of market value in accordance with the internationally accepted RICS Valuation – Professional Standards January 2020 (incorporating the International Valuation Standards). Investment properties are valued by adopting the 'income capitalisation' method of valuation. This approach involves applying capitalisation yields to current and future rental streams, net of income voids arising from vacancies or rent-free periods and associated running costs. These capitalisation yields and future rental values are based on comparable property and leasing transactions in the market using the valuer's professional judgement and market observations. Other factors taken into account in the valuations include the tenure of the property, tenancy details and ground and structural conditions.

Gains or losses on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset.

**1.4 Financial instruments**

The Company only enters in to basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade debtors and creditors, loans from the bank and other third parties, loans to and from related parties and investments in non-puttable ordinary shares. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at the transaction price (including transaction costs).

**1.5 Trade and other receivables**

Rent and other receivables are recognised at their original invoiced value. The Company carries out an assessment of expected credit losses at each period end, using the simplified approach, where a lifetime expected loss allowance is recognised over the expected life of the financial instrument. Adjustments are recognised in the income statement as an impairment gain or loss.

**Merrifield Centre Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2021**

**1.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and short-term deposits with banks and other financial institutions, with an initial maturity of three months or less.

**1.7 Trade payables**

Trade and other payables are initially recognised at fair value and subsequently held at amortised cost. Deferred income is rental income received in advance during the accounting period. The income is deferred and is unwound to revenue on a straight-line basis over the period in which it is earned.

**1.8 Revenue**

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in the Statement of Comprehensive Income. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Rental income is invoiced in advance and for all rental income that relates to a future period, this is deferred and tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease where, at the inception of the lease, the Directors are reasonably certain that the tenant will exercise that option.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the Statement of Comprehensive Income when the right to receive them arises.

Insurance income is recognised in the accounting period in which the services are rendered.

**1.9 Property operating and administration expenses**

All property operating expenses and administration expenses are charged to the Statement of Comprehensive Income and are accounted for on an accruals basis.

**1.10 Taxation**

Non-qualifying profits and gains of the Company are subject to corporation tax. Therefore, current tax is the expected tax payable on the non-qualifying taxable income for the period if applicable, using tax rates enacted or substantively enacted at the balance sheet date.

**2 Significant accounting judgements and estimates**

The preparation of these Financial Statements in accordance with FRS 101 requires the Directors of the Company to make judgements, estimates and assumptions that affect the reported amounts recognised in the Financial Statements. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future.

Management were not required to make any estimates or judgements in the preparation of these Financial Statements.

**2.1 Valuation of property**

The valuations of the Company's investment property are at fair value as determined by the external valuer on the basis of market value in accordance with the internationally accepted RICS Valuation – Professional Standards January 2020 (incorporating the International Valuation Standards) and in accordance with IFRS 13. The key estimates made by the valuer are the ERV and equivalent yields of each investment property.

**Merrifield Centre Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2021**

**3 Investment property**

	31 December 2021 £	31 December 2020 £
<b>Fair value</b>		
Investment property valuation brought forward	3,120,409	3,100,000
Acquisition of properties	-	29,156
Depreciation	(2,186)	-
Rent incentive adjustment	24,100	3,239
Fair value gains on revaluation of investment property	1,657,677	-
Disposal of properties	(4,800,000)	-
Carrying value at the end of the year	<u>-</u>	<u>3,120,409</u>

The Company's principal asset, the Merrifield Centre, was transferred to Ironstone Life Science Merrifield Limited, a separate subsidiary of the Parent Company, for nil consideration on 30 December 2021.

**4 Trade and other receivables**

	31 December 2021 £	31 December 2020 £
Rent debtors	-	137,691
Amounts due from other Group companies	5,426,734	-
VAT receivable	18,542	-
Prepayments	-	2,743
	<u>5,445,276</u>	<u>140,434</u>

Amounts due from other Group companies are repayable on demand and do not incur interest.

**5 Cash and cash equivalents**

	31 December 2021 £	31 December 2020 £
Cash and cash equivalents	-	524,461
	<u>-</u>	<u>524,461</u>

**Merrifield Centre Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2021**

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**6 Trade and other payables**

	31 December 2021 £	31 December 2020 £
Accruals	-	64,900
Accounts payable	-	10,700
Corporation tax payable	22,072	-
	<u>22,072</u>	<u>75,600</u>

**7 Share capital and reserves**

Share capital represents the nominal value of share capital subscribed for.

Retained earnings represents the net of all profits and losses, gains and losses generated which have not been distributed to shareholders.

**8 Share capital**

	31 December 2021 Number	31 December 2020 Number
Allotted, called up and fully paid: 0.1p Ordinary shares	<u>21,786,492</u>	<u>21,786,492</u>

	31 December 2021 £	31 December 2020 £
Allotted, called up and fully paid: 0.1p Ordinary shares	<u>21,786</u>	<u>21,786</u>

**9 Share Premium**

	31 December 2021 £	31 December 2020 £
At the beginning of the year	238,204	238,204
Shares issued in year	-	-
At the end of the year	<u>238,204</u>	<u>238,204</u>

**10 Retained earnings**

	31 December 2021 £	31 December 2020 £
At the beginning of the year	3,391,308	3,138,970
Profit for the financial year	<u>1,771,906</u>	<u>252,338</u>
At the end of the year	<u>5,163,214</u>	<u>3,391,308</u>

**Merrifield Centre Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2021**

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**11 Events after the balance sheet date**

There were no events after the balance sheet date which would materially affect the Company's Financial Statements.

**12 Controlling party**

The Company's immediate parent company is Ironstone Life Science Holdings Limited, a company incorporated and registered in England and Wales. The ultimate controlling party is Life Science REIT plc, a company incorporated and registered in England and Wales. The smallest and largest Group to consolidate these accounts is the Group headed by Life Science REIT plc. The registered address of the immediate and ultimate parent companies are the same as the Company.

