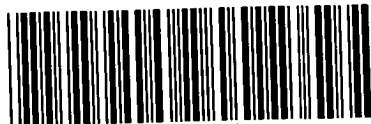

NSM PROPERTY & ASSET MANAGEMENT LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

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COMPANIES HOUSE

NSM PROPERTY & ASSET MANAGEMENT LTD

COMPANY INFORMATION

Directors

R J Ainscough
D M Adamson
N Jones
M Dunn (appointed 1 January 2021)

Registered number

05982867

Registered office

Centrix House
Crow Lane East
Newton Le Willows
St Helens
Merseyside
WA12 9UY

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
Royal Liver Building
Liverpool
L3 1PS

NSM PROPERTY & ASSET MANAGEMENT LTD

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NSM PROPERTY & ASSET MANAGEMENT LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2020

The directors present their report and the financial statements for the year ended 30 June 2020.

Principal activity

The principal activity of the company is that of management of real estate on a fee or contract basis.

Directors

The directors who served during the year were:

R J Ainscough
D M Adamson
N Jones

On 1 January 2021 M Dunn was appointed as a director of the company.

Directors' responsibilities statement

The directors are responsible for preparing 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 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Post balance sheet events

There have been no significant events affecting the company since the year end.

NSM PROPERTY & ASSET MANAGEMENT LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020**

Disclosure of information to auditor

The directors confirm that:

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

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



D Adamson
Director
Date: 28/5/2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NSM PROPERTY & ASSET MANAGEMENT LTD

Opinion

We have audited the financial statements of NSM Property & Asset Management Ltd (the 'company') for the year ended 30 June 2020, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as COVID-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

COVID-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company associated with these particular events.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NSM PROPERTY & ASSET MANAGEMENT LTD (CONTINUED)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business model, including effects arising from macro-economic uncertainties such as COVID-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

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.

Other information

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

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NSM PROPERTY & ASSET MANAGEMENT LTD (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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.

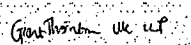
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NSM PROPERTY & ASSET MANAGEMENT LTD (CONTINUED)

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.

A handwritten signature in blue ink that reads "Grant Thornton UK LLP".

Carl Williams
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Liverpool
Date: 28/5/2021

NSM PROPERTY & ASSET MANAGEMENT LTD

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 £	2019 £
Turnover		1,263,625	1,019,390
Gross profit		1,263,625	1,019,390
Administrative expenses		(1,365,081)	(1,347,053)
Exceptional item		-	(2,150,852)
Operating loss		(101,456)	(2,478,515)
Interest receivable and similar income		-	25
Interest payable and similar expenses		(13,553)	(2,455)
Loss before tax		(115,009)	(2,480,945)
Tax on loss		2,123	62,661
Loss for the financial year		(112,886)	(2,418,284)

The notes on pages 10 to 20 form part of these financial statements.

NSM PROPERTY & ASSET MANAGEMENT LTD
REGISTERED NUMBER:05982867

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	6	77,196	104,056
Tangible assets	7	12,637	8,471
		<u>89,833</u>	<u>112,527</u>
Current assets			
Debtors: amounts falling due within one year	8	221,472	372,753
Cash at bank and in hand	9	23,995	20,665
		<u>245,467</u>	<u>393,418</u>
Creditors: amounts falling due within one year	10	(497,723)	(573,290)
Net current liabilities		<u>(252,256)</u>	<u>(179,872)</u>
Provisions for liabilities			
Deferred tax	12	(12,544)	-
		<u>(12,544)</u>	<u>-</u>
Net liabilities		<u><u>(174,967)</u></u>	<u><u>(67,345)</u></u>
Capital and reserves			
Called up share capital		105,264	100,000
Capital contribution reserve	13	92,500	138,750
Profit and loss account	13	(372,731)	(306,095)
		<u><u>(174,967)</u></u>	<u><u>(67,345)</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

D M Adamson

D M Adamson
 Director
 Date: 28/5/2021

The notes on pages 10 to 20 form part of these financial statements.

NSM PROPERTY & ASSET MANAGEMENT LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2019	100,000	138,750	(306,095)	(67,345)
Comprehensive income for the year				
Loss for the year	-	-	(112,886)	(112,886)
Total comprehensive income for the year	-	-	(112,886)	(112,886)
Shares issued during the year	5,264	-	-	5,264
Transfer to profit and loss account	-	(46,250)	46,250	-
At 30 June 2020	105,264	92,500	(372,731)	(174,967)

The notes on pages 10 to 20 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Called up share capital	Capital redemption reserve	Loan notes	Profit and loss account	Total equity
	£	£	£	£	£
At 1 July 2018	100,000	-	15,259,738	(13,193,799)	2,165,939
Comprehensive income for the year					
Loss for the year	-	-	-	(2,418,284)	(2,418,284)
Total comprehensive income for the year	-	-	-	(2,418,284)	(2,418,284)
Transfer to/from profit and loss account	-	138,750	(15,259,738)	15,305,988	185,000
At 30 June 2019	100,000	138,750	-	(306,095)	(67,345)

The notes on pages 10 to 20 form part of these financial statements.

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

1. General information

NSM Property & Asset Management Ltd is a private company limited by shares & incorporated in England and Wales. Its registered head office is located at Centrix House, Crow Lane East, Newton Le Willows, Merseyside, WA12 9UY.

The principal activity of the company is the management of real estate on a fee or contract basis.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The functional and presentational currency is pound sterling (£).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Network Space Holdings Limited as at 30 June 2020 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)**2.3 Measurement convention**

The financial statements are prepared on the historical cost basis.

2.4 Going concern

The directors have produced forecasts and business models for the company covering the period to June 2024. These forecasts identify that the company can meet its day to day working capital requirements through current cash resources and availability of group funding through its parent company Network Space Holdings Limited.

Management produce quarterly business plans for each operating company, and at a wider group level, to take account of current and forecast trading conditions. In light of the recent economic uncertainty caused by the Covid-19 pandemic, the Board have closely scrutinised the plans and tested the robustness of assumptions made, including stress-testing scenarios for significant reductions in rental income, management fees and development turnover. At the time of signing the financial statements, no such reductions have materialised.

In light of the increased economic uncertainty caused by the ongoing Covid-19 pandemic, the directors have obtained confirmation of support from their parent company to ensure that adequate financial support is available should it be required and confirmation that no company within the group will recall any amounts due from another group company unless the company owing any amounts are in a position to do so.

The main Group Board continues to meet at frequent, regular intervals, which in addition to regular Board cycles, ensure that adequate resource, skill and financial support is afforded to each area of the business in a timely manner.

At the time of signing the financial statements, the group had seen negligible impact on the operations of any of its businesses, with cash generation remaining strong, and the industrial property sector remaining buoyant. The directors are therefore satisfied that the regular processes employed to monitor business operations continue to confirm that adoption of the going concern assumption is correct.

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)**2.9 Current and deferred taxation**

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

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

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

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)**2.12 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 25%
Computer equipment	- 25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

2. Accounting policies (continued)**2.17 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors consider that there are no significant sources of estimation uncertainty or judgement in the preparation of these financial statements.

4. Employees

There were no employees of the business in either the current or the prior year other than the directors. All employee costs are incurred by the parent entity and recharged to NSM Property & Asset Management Ltd.

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

5. Exceptional items

	2020 £	2019 £
Write off of intercompany loans	-	2,150,852
	<u> </u>	<u> </u>

6. Intangible assets

	Software £
Cost	
At 1 July 2019	138,525
Additions	8,050
At 30 June 2020	<u>146,575</u>
Amortisation	
At 1 July 2019	34,469
Charge for the year on owned assets	34,910
At 30 June 2020	<u>69,379</u>
Net book value	
At 30 June 2020	<u>77,196</u>
At 30 June 2019	<u>104,056</u>

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

7. Tangible fixed assets

	Motor vehicles £	Computer equipment £	Total £
Cost or valuation			
At 1 July 2019	11,295	-	11,295
Additions	-	7,636	7,636
At 30 June 2020	<u>11,295</u>	<u>7,636</u>	<u>18,931</u>
Depreciation			
At 1 July 2019	2,824	-	2,824
Charge for the year on owned assets	2,824	646	3,470
At 30 June 2020	<u>5,648</u>	<u>646</u>	<u>6,294</u>
Net book value			
At 30 June 2020	<u>5,647</u>	<u>6,990</u>	<u>12,637</u>
At 30 June 2019	<u>8,471</u>	<u>-</u>	<u>8,471</u>

NSM PROPERTY & ASSET MANAGEMENT LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

8. Debtors

	2020 £	2019 £
Trade debtors	28,308	11,384
Amounts owed by group undertakings	15,042	72,847
Other debtors	15,764	132,420
Prepayments and accrued income	162,358	155,727
Deferred taxation	-	375
	<u>221,472</u>	<u>372,753</u>

9. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>23,995</u>	<u>20,665</u>

10. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	36,516	8,252
Amounts owed to group undertakings	400,000	420,754
Other creditors	4,919	5,062
Accruals and deferred income	56,288	139,222
	<u>497,723</u>	<u>573,290</u>

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
Nil (2019: 50,000) A Ordinary shares of £1 each	-	50,000
Nil (2019: 50,000) B Ordinary shares of £1 each	-	50,000
105,264 Ordinary shares of £1 each	105,264	-
	<u>105,264</u>	<u>100,000</u>

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11. Share capital (continued)

The A Ordinary Shares and B Ordinary Shares were separate classes of shares. A Ordinary Shares rank pari passu with B Ordinary shares in all respects except as note below:

The majority A Ordinary share holder had the right to appoint two directors to the Board of NSM Property & Asset Management Ltd (formerly Network Space Management Limited). The majority B Ordinary share holder had the right to appoint two directors to the Board of NSM Property & Asset Management Ltd (formerly Network Space Management Limited). The right to appoint and remove directors through a majority shareholding was a class right of A Ordinary and B Ordinary Shares respectively.

On 16 December 2019, the company restructured its share capital and converted the A and B shares into a single class of Ordinary shares. On the same date the Company issued a further 5,264 Ordinary shares at nominal value.

Each holder of an Ordinary Share is entitled to receive notice of, and to attend and speak at, any general meeting of the company. Any such holder shall, on a show of hands have one vote, and on a poll have one vote, for each Ordinary Share that they hold.

12. Deferred taxation

	2020 £	2019 £
At beginning of year	375	-
(Credited)/charged to profit or loss	(12,919)	375
At end of year	(12,544)	375

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(12,544)	375
	(12,544)	375

The company has an unprovided deferred tax asset of £61,985 (2019: £61,985) relating to unrelieved tax losses. The directors have not recognised this asset on the basis that they believe it will take some time to recover.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Reserves

Profit and loss account

Includes all current and prior period retained profits and losses.

Capital contribution reserve

Includes all amounts gifted to the company from other group companies

14. Commitments under operating leases

At 30 June 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

15. Related party transactions

As a wholly owned subsidiary of Datum Edge Limited, the company is exempt from requirements of FRS 102 Section 33 to disclose transactions with members of the group.

No key management personnel received remuneration from the company in either current or prior year.

16. Ultimate holding company and controlling party

The parent and controlling party of the company is Network Space Holdings Limited, a company registered in England and Wales. The results of NSM Property & Asset Management Ltd (formerly Network Space Management Limited) are consolidated in the financial statements of Network Space Holdings Limited, which heads the smallest group into which the results of the company are consolidated. Copies of the Network Space Holdings Limited accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate parent company is Datum Edge Limited, a company registered in England, which heads the largest group into which the results of the company are consolidated. Copies of the Datum Edge Limited accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The majority of the shares in Datum Edge Limited are owned by Mr R Ainscough who is the ultimate controlling party.