

Registered number  
06188985

**NOS 7 Limited (formerly Palladium Investments Limited)**

**Report and Financial Statements**

**30 September 2015**



**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Report and accounts**  
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## **NOS 7 Limited (formerly Palladium Investments Limited)**

**Registered number:** 06188985

### **Directors' Report**

The directors present their report and financial statements for the year ended 30 September 2015.

#### **Principal activities**

The company's principal activity during the year was that of an investment holding company. During the year the company's investment in Gracechurch Commercial Investments Limited was liquidated and the company ceased trading.

#### **Future developments**

The company is dormant at the balance sheet date, and may be used in the future as an investment vehicle for its holding company, The Local Shopping REIT plc.

#### **Results and dividends**

The company's profit before and after taxation amounted to £211,000 (2014: loss £211,000).

#### **Events since the balance sheet date**

The company changed its name on 25 February 2016. It has not traded since the balance sheet date.

#### **Directors**

The following persons served as directors during the year:

Stephen John East  
Nicholas John Vetch  
Steven Robert Faber (resigned on 11 April 2016)

All of the directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

#### **Directors' responsibilities**

The directors are responsible for preparing the Strategic Report, the Directors' Report and 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 UK Accounting Standards and applicable law, including FRS 102 the 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**NOS 7 Limited (formerly Palladium Investments Limited)**

**Registered number:** 06188985

**Directors' Report**

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.

**Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

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

This report was approved by the board on 29 June 2016 and signed by its order.

W A Heaney  
Secretary



65 Grosvenor Street  
Mayfair  
London  
W1K 3JH

## **NOS 7 Limited (formerly Palladium Investments Limited)**

### **Strategic Report**

#### **Review of business**

The company's profit before and after taxation amounted to £211,000 (2014: loss £211,000). The prior year loss was the result of a diminution of value in the company's investment. This was compensated for in the current year by the forgiving of a loan from the holding Company in the same amount. The company's investment was liquidated at its 30 September 2014 carrying value. The company was dormant at the balance sheet date and has remained so since.

#### **Strategic review**

During 2013 the company's holding company, The Local Shopping REIT plc, underwent a strategic review which resulted in a restructuring of the company organisation in July 2013. The investment policy which the group has now adopted, and applies to this company, is to realise its property assets within a period of approximately four years from that date, return any surplus funds to shareholders and then cease trading. Further details are set out in the Local Shopping REIT plc annual report.

#### **Principal risks and uncertainties**

A description of the principal risks and uncertainties relevant to the company is given in the parent company's Annual Report.

This report was approved by the board on 29 June 2016 and signed by its order.

W A Heaney  
Secretary



**Independent auditors' report  
to the member of NOS 7 Limited (formerly Palladium Investments Limited)**

We have audited the financial statements of NOS 7 Limited for the year ended 30 September 2015 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including *FRS 102 Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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.

**Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement set out on pages 1 and 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2015 and of its profit for the year then ended; .
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

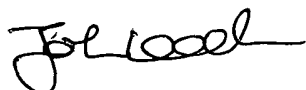
**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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.



**John Leech (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

*Accountants and Statutory Auditors*

*One Snowhill*

*Snow Hill Queensway*

*Birmingham*

*B4 6GH*

29 June 2016

**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Income Statement**  
**for the year ended 30 September 2015**

	Notes	2015 £	2014 £
Impairment of investment		(289,000)	(211,000)
<b>Operating loss</b>	3	<u>(289,000)</u>	<u>(211,000)</u>
Loan forgiven		500,000	-
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>211,000</u>	<u>(211,000)</u>
Tax on profit/(loss) on ordinary activities	4	-	-
<b>Profit/(loss) for the financial year</b>		<u>211,000</u>	<u>(211,000)</u>

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

During the current year the company's investment activities were discontinued.

The notes on pages 8 to 12 form an integral part of these financial statements.

**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Statement of Financial Position**  
**as at 30 September 2015**

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Investments	5	-	289,000
<b>Current assets</b>			
Debtors	6	2	-
<b>Creditors: amounts falling due within one year</b>	7	-	(499,998)
<b>Net current assets/(liabilities)</b>		<u>2</u>	<u>(499,998)</u>
<b>Net assets/(liabilities)</b>		<u>2</u>	<u>(210,998)</u>
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Profit and loss account	9	-	(211,000)
<b>Total equity</b>		<u>2</u>	<u>(210,998)</u>

  
R P Wallman  
Director  
Approved by the board on 29 June 2016

The notes on pages 8 to 12 form an integral part of these financial statements.



**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Statement of Changes in Equity**  
**for the year ended 30 September 2015**

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
<b>At 1 October 2013</b>	2	-	-	-	2
(Loss) for the financial year				(211,000)	(211,000)
<b>At 30 September 2014</b>	<u>2</u>	<u>-</u>	<u>-</u>	<u>(211,000)</u>	<u>(210,998)</u>
<b>At 1 October 2014</b>	2	-	-	(211,000)	(210,998)
Profit for the financial year	-	-	-	211,000	211,000
<b>At 30 September 2015</b>	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>

The notes on pages 8 to 12 form an integral part of these financial statements.

**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Notes to the Accounts**  
**for the year ended 30 September 2015**

**1 Summary of significant accounting policies**

NOS 7 Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

***Basis of preparation***

The financial statements have been prepared under the historical cost convention in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. All amounts are presented in Sterling.

In the transition to FRS 102 from old UK GAAP, it has not been necessary for the Company to make any measurement and recognition adjustments.

The Company's ultimate parent undertaking, The Local Shopping REIT plc includes the Company in its consolidated financial statements. The consolidated financial statements of The Local Shopping REIT plc are available to the public and may be obtained from The Secretary, 65 Grosvenor Street, London W1K 3JH. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period.
- Cash Flow Statement and related notes
- Key Management Personnel compensation; and
- Related party transactions with members of the group as per FRS 102 section 33.1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under old UK GAAP for accounting estimates.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

***1.1 Measurement convention***

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: investment properties.

***1.2 Classification of financial instruments issued by the Company***

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non- derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

***1.3 Debtors***

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Notes to the Accounts**  
**for the year ended 30 September 2015**

**1.4 Creditors**

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

*Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**Investments**

Investments in unquoted equity instruments are measured at fair value. Changes in fair value are recognised in profit or loss. Fair value is estimated by using a valuation technique.

**Taxation**

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

**2 Critical accounting estimates and judgements**

*Estimations*

*Investments*

Fair value has been estimated based on the expected realisation value of the underlying assets, less anticipated liquidation costs.

**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Notes to the Accounts**  
**for the year ended 30 September 2015**

<b>3 Operating profit</b>	<b>2015 £</b>	<b>2014 £</b>
This is stated after charging:		
Fair value adjustment for investments	(289,000)	(211,000)
Gain arising on loan forgiven	500,000	-
	<u>                    </u>	<u>                    </u>

Amounts receivable by the company's auditor in respect of services provided to the company and its associates have not been disclosed as the information is required to be disclosed on a consolidated basis in the consolidated financial statements of the company's parent, The Local Shopping REIT plc.

The audit fee and other fees paid to the company's auditor are borne by the company's parent company and disclosed in those financial statements.

<b>4 Taxation</b>	<b>2015 £</b>	<b>2014 £</b>
<b>Analysis of charge in period</b>		
Tax on profit on ordinary activities	-	-

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2015 £</b>	<b>2014 £</b>
Profit/(loss) on ordinary activities before tax	<u>211,000</u>	<u>(211,000)</u>
Standard rate of corporation tax in the UK	20.5%	22.0%
	<b>£</b>	<b>£</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax	43,255	(46,420)
Effects of:		
Expenses not deductible for tax purposes	-	46,420
Tax relief available from REIT status	(43,255)	-
Total tax charge for period	<u>-</u>	<u>-</u>

**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Notes to the Accounts**  
**for the year ended 30 September 2015**

**Factors that may affect future tax charges**

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the company's future current tax charge accordingly.

<b>5 Investments</b>			<b>2015</b>	<b>2014</b>
			<b>£</b>	<b>£</b>
Shares in subsidiary undertakings			-	289,000
<b>6 Debtors</b>			<b>2015</b>	<b>2014</b>
			<b>£</b>	<b>£</b>
Amounts owed by group undertakings and undertakings in which the company has a participating interest			2	-
<b>7 Creditors: amounts falling due within one year</b>			<b>2015</b>	<b>2014</b>
			<b>£</b>	<b>£</b>
Amounts owed to group undertakings and undertakings in which the company has a participating interest			-	499,998
<b>8 Share capital</b>	<b>Nominal value</b>	<b>2015 Number</b>	<b>2015 £</b>	<b>2014 £</b>
Allotted, called up and fully paid:				
Ordinary shares	£1 each	2	2	2
<b>9 Profit and loss account</b>			<b>2015</b>	<b>2014</b>
			<b>£</b>	<b>£</b>
At 1 October			(211,000)	-
Profit/(loss) for the financial year			211,000	(211,000)
At 30 September			-	(211,000)

**NOS 7 Limited (formerly Palladium Investments Limited)**  
**Notes to the Accounts**  
**for the year ended 30 September 2015**

**10 Ultimate parent company and controlling party**

The immediate and ultimate parent company is The Local Shopping REIT plc, which is incorporated in Great Britain. The only group in which the results of the company are consolidated is that headed by The Local Shopping REIT plc.

The consolidated financial statements of the Local Shopping REIT plc are available to the public and may be obtained from:

65 Grosvenor Street  
London  
W1K 3JH

There is no ultimate controlling party.