

Registered Number 3540618

Parabola Estates Limited
Abbreviated financial statements
for the year ended 31 March 2005



Parabola Estates Limited

Abbreviated financial statements for the year ended 31 March 2005

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Parabola Estates Limited

Independent auditors' report to the members of Parabola Estates Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements, together with the annual financial statements of Parabola Estates Limited for the year ended 31 March 2005.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 and Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated financial statements in accordance with Sections 246(5) and (6) of the Companies Act 1985, and whether the abbreviated financial statements are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the annual financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the annual financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements to be delivered are properly prepared in accordance with those provisions.



PricewaterhouseCoopers LLP

Leeds

Chartered Accountants and Registered Auditors

22 July 2005

Parabola Estates Limited

Balance sheet as at 31 March 2005

	Note	2005 £	2004 £
Fixed assets			
Tangible assets	2	42,474,609	37,643,266
Investments	3	-	-
		42,474,609	37,643,266
Current assets			
Debtors	4	640,125	699,245
Prepayments and accrued income (including £231,936 (2004: £281,016) due after one year)		133,865	117,938
Cash		524,682	757,046
		1,298,672	1,574,229
Creditors: amounts falling due within one year	5	(2,232,919)	(2,082,353)
Net current liabilities		(934,247)	(508,124)
Total assets less current liabilities		41,540,362	37,135,142
Creditors: amounts falling due after more than one year	6	(23,118,297)	(23,933,681)
Provisions for liabilities and charges	7	(349,963)	(250,230)
Net assets		18,072,102	12,951,231
Capital and reserves			
Called up equity share capital	8	100	100
Revaluation reserve		17,504,162	12,612,999
Profit and loss account		567,840	338,132
Equity shareholders' funds	9	18,072,102	12,951,231

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies' Act 1985 relating to small companies.


P J Millican
 Director
 27 July 2005

Parabola Estates Limited

Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

During the year, in accordance with FRS18 'Accounting Policies', the directors have reviewed the accounting policies and consider them to be the most appropriate for the company. This has had no impact on the results for the year.

Turnover

Turnover represents rental and service charge income from the letting of office space in Central Square and Central Square South, excluding value added tax. Turnover relates entirely to the United Kingdom.

Investment Properties

Properties held for investment and included in fixed assets are stated in the balance sheet at open market value at the balance sheet date; the aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve. No provision is made for taxation on chargeable gains which would arise if properties were disposed of at their revalued amounts.

Depreciation

In accordance with SSAP19, no depreciation or amortisation is provided in respect of investment properties. The requirement of the Companies Act 1985 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP19. The directors consider that, as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP19 in order to give a true and fair view. If this departure from the Act had not been made the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified, because of the lack of analysis of value between land and buildings.

Other assets contain certain statues and other works of art, which in the opinion of the directors have a residual value at least equal to their purchase cost. No depreciation is therefore charged on these assets. The remaining assets are being depreciated over their useful economic life of 5 years, on a straight-line basis.

Capitalisation of finance costs

Costs directly attributable to the arrangement of bank loans are capitalised and charged to the profit and loss account evenly over the period of the loan.

Pre-letting costs

Costs incurred in setting up new leases are included in prepayments and charged to the profit and loss account evenly over the period of the lease.

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise, based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in different periods from those in which they are included in the financial statements.

Investments

Investments in participating interests are stated at cost less provision for permanent diminution in value.

Parabola Estates Limited

Notes to the abbreviated financial statements for the year ended 31 March 2005

1 Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised) 1996 as it is a small company.

2 Tangible fixed assets

	Freehold land and buildings	Other assets	Total
	£	£	£
Cost or valuation			
At 1 April 2004	36,998,837	881,375	37,880,212
Additions	-	1,031	1,031
Uplift arising on revaluation	4,891,163	-	4,891,163
At 31 March 2005	41,890,000	882,406	42,772,406
Depreciation			
At 1 April 2004	-	236,946	236,946
Charge for the year	-	60,851	60,851
At 31 March 2005	-	297,797	297,797
Net book amount			
At 31 March 2005	41,890,000	584,609	42,474,609
At 1 April 2004	36,998,837	644,429	37,643,266

On 15 October 2004 investment properties, categorised as freehold land and buildings, with a historical cost of £24,385,838 were revalued on an open market, full completion basis to £41,890,000 by GVA Grimley, an independent firm of chartered surveyors. The valuation reflected in the financial statements represents this full completion valuation plus expenditure incurred since the valuation date. In the opinion of the sole director the open market value has not changed significantly from the date of the valuation.

On a historical cost basis, the freehold land and buildings would be included at:

	2005	2004
	£	£
Cost	24,385,838	24,385,838
Accumulated depreciation	-	-
Net book value	24,385,838	24,385,838

Parabola Estates Limited

Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

3 Investments

	Investment in participating interest £	Loan to undertaking in which company has a participating interest £	Total £
Cost			
At 1 April 2004 and 31 March 2004	1,000	49,000	50,000
Provisions for permanent diminution in value			
At 1 April 2004 and 31 March 2004	1,000	49,000	50,000
Net book amount			
At 1 April 2004 and 31 March 2004	Nil	Nil	Nil

Parabola Estates Limited holds a 33 $\frac{1}{3}$ % interest in Central Square Developments (Newcastle) Limited, a company incorporated on 27 June 2000. The investment comprises 1,000 equity shares with a nominal value of £1 each. The company is a property development operation with an accounting period end of 31 December. Central Square Developments (Newcastle) Limited remains in a net liabilities position and the directors consider that full provision against the investment remains appropriate.

4 Debtors

	2005 £	2004 £
Trade debtors	372,361	239,820
Amount owed by Parabola Land Limited	-	190,000
Other debtors	267,764	269,425
	640,125	699,245

Parabola Estates Limited

Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

5 Creditors – amounts falling due within one year

	2005	2004
	£	£
Bank loans (see note 6)	809,095	743,143
Trade creditors	107,456	36,411
Owed to director	274	8,492
Other taxation and social security	3,592	8,335
VAT payable	123,932	123,938
Other creditors	268,768	267,517
Accruals and deferred income	919,802	894,517
	2,232,919	2,082,353

6 Creditors – amounts falling due after more than one year

	2005	2004
	£	£
Bank loans	23,118,297	23,933,681

The bank loans are repayable as follows:

	2005	2004
	£	£
In less than one year	809,095	743,143
Between one and two years	867,626	798,197
Between two and five years	2,997,597	2,767,018
In over five years	19,253,074	20,368,466
	23,927,392	24,676,824

The bank loans are secured over property in Central Square and Central Square South, Newcastle upon Tyne. They are repayable over 20 years. Interest is payable at 7.095% per annum on the Phase I loan of £7,712,905 (2004: £7,972,324). Interest is payable on the Phase II loan at 6.98% on £13,494,112 (2004: £13,908,171) of the year end balance and at 1.75% above the Bank of England base rate on £2,845,539 (2004: £2,929,113) of the year end loan balance. Finance arrangement costs of £152,391 are being amortised over the period of the loan and the unamortised amount of £125,164 (2004: £132,784) has been netted off against the gross amount of the loan.

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Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

7 Provisions for liabilities and charges

Deferred taxation

The movement in the deferred taxation liability during the year was as follows:

	£
At 1 April 2004	250,230
Profit and loss account charge:	
- Current year	99,733
At 31 March 2005	349,963

The deferred tax liability comprises:

	2005	2004
	£	£
The amounts provided for deferred taxation are as follows:		
Capital allowances	1,786,437	1,609,573
Short term timing differences	(2,465)	(2,465)
Losses carried forward	(1,434,009)	(1,356,878)
	349,963	250,230

There is unprovided deferred taxation of £3,783,900 relating to revalued assets (2004: £3,783,900.)

8 Called up equity share capital

	2005	2004
	£	£
Authorised		
10,000 ordinary shares of £0.01 each	100	100
Allotted, called up and fully paid		
10,000 ordinary shares of £0.01 each	100	100

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Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

9 Reconciliation of movements in equity shareholders' funds

	2005	2004
	£	£
Profit for the financial year	229,708	157,870
Uplift arising on revaluation of freehold properties	4,891,163	
Opening equity shareholders' funds	12,951,231	12,793,361
Closing equity shareholders' funds	18,072,102	12,951,231

10 Capital and other commitments

	2005	2004
	£	£
Contracts placed	-	-

11 Ultimate controlling parties

The directors consider that, by virtue of the shares held, the ultimate controlling parties of the company are the trustees of Sheffield Trust, RDW Property Trust and West of England Property Trust. The Barbinder Trust is a trustee to these trusts and is owned by the company's auditors, PricewaterhouseCoopers LLP.