

Registered Number 3540618

Parabola Estates Limited  
Abbreviated financial statements  
for the year ended 31 March 2013

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## **Parabola Estates Limited**

### **Abbreviated financial statements for the year ended 31 March 2013**

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## **Parabola Estates Limited**

### **Independent auditors' report to the members of Parabola Estates Limited under section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of Parabola Estates Limited for the year ended 31 March 2013 prepared under section 396 of the Companies Act 2006

#### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Bill MacLeod (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
25 September 2013

# Parabola Estates Limited

## Balance sheet as at 31 March 2013

	Note	2013 £	2012 £
<b>Fixed assets</b>			
Tangible fixed assets	1	34,488,999	34,488,030
Investments		-	-
		<b>34,488,999</b>	<b>34,488,030</b>
<b>Current assets</b>			
Debtors (including £799,763 (2012 £585,203) due after one year)		1,272,420	1,192,411
Cash		796,329	834,478
		<b>2,068,749</b>	<b>2,026,889</b>
<b>Creditors: amounts falling due within one year</b>	2	<b>(3,502,775)</b>	<b>(2,498,873)</b>
<b>Net current liabilities</b>		<b>(1,434,026)</b>	<b>(471,984)</b>
<b>Total assets less current liabilities</b>		<b>33,054,973</b>	<b>34,016,046</b>
<b>Creditors: amounts falling due after more than one year</b>	2	<b>(17,420,000)</b>	<b>(18,780,000)</b>
<b>Provisions for liabilities and charges</b>		<b>(1,571,739)</b>	<b>(1,528,909)</b>
<b>Net assets</b>		<b>14,063,234</b>	<b>13,707,137</b>
<b>Capital and reserves</b>			
Called up share capital	3	100	100
Revaluation reserve		9,407,571	9,407,571
Profit and loss account		4,655,563	4,299,466
<b>Total shareholders' funds</b>		<b>14,063,234</b>	<b>13,707,137</b>

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The abbreviated financial statements have been prepared in accordance with the special provisions relating to small companies subject to the small companies regime with Part 15 of the Companies Act 2006 and the small companies and Groups (Accounts and Directors Report) Regulations 2008

The financial statements on pages 2 to 6 were approved by the board of directors on 25 September 2013, and authorised for issue, and were signed on their behalf by

  
P J Milligan  
Director

# **Parabola Estates Limited**

## **Statement of accounting policies**

### **Basis of preparation**

The financial statements have been prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

### **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, and is recognised on the accruals basis. Turnover relates entirely to the United Kingdom.

### **Investment Properties**

Properties held for investment and included in tangible 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. Investment properties are revalued annually by the directors, with an external independent valuation performed in accordance with the RICS Valuation and Appraisal manual every 5 years.

### **Tangible fixed assets and depreciation**

In accordance with SSAP19, no depreciation is provided in respect of freehold investment properties. The requirement of the Companies Act 2006 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.

Fixtures and fittings are depreciated over their useful economic life of 5 years on a straight-line basis.

Other assets contain certain statues and other works of art. No depreciation is charged on these assets which is a departure from the Companies Act 2006, however the directors consider the residual value at least equal to their purchase cost and therefore to depreciate them would not give a true and fair view.

### **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.

### **Investments**

Investments in participating interests are stated at cost less provision for permanent diminution in value. Impairment reviews are only performed when there has been an indication of potential impairment.

## **Parabola Estates Limited**

### **Statement of accounting policies (continued)**

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

# Parabola Estates Limited

## Notes to the abbreviated financial statements for the year ended 31 March 2013

### 1 Tangible fixed assets

	Freehold Investment properties £	Fixtures and fittings £	Other assets £	Total £
<b>Cost or valuation</b>				
At 1 April 2012	33,915,802	474,211	548,530	34,938,543
Additions	-	17,877	-	17,877
<b>At 31 March 2013</b>	<b>33,915,802</b>	<b>492,088</b>	<b>548,530</b>	<b>34,956,420</b>
<b>Accumulated Depreciation</b>				
At 1 April 2012	-	450,513	-	450,513
Charge for the year	-	16,908	-	16,908
<b>At 31 March 2013</b>	<b>-</b>	<b>467,421</b>	<b>-</b>	<b>467,421</b>
<b>Net book amount</b>				
<b>At 31 March 2013</b>	<b>33,915,802</b>	<b>24,667</b>	<b>548,530</b>	<b>34,488,999</b>
At 31 March 2012	33,915,802	23,698	548,530	34,488,030

Investment properties with a historical cost of £24,508,321 were valued by the directors as at 31 March 2013 on an open market value basis to £33,915,802

Investment properties are revalued annually by the directors, with an external independent valuation performed in accordance with the RICS Valuation and Appraisal manual every 5 years. The properties were valued by King Sturge in 2010.

### 2 Creditors

Included within creditors are bank loans of £18,780,000 (2012 £19,840,000) which are secured over property in Central Square and Central Square South, Newcastle upon Tyne. The amount falling due within one year is £1,360,000 (2012 £1,060,000) and the amount falling due after more than one year is £17,420,000 (2012 £18,780,000).

Finance arrangement costs of £200,000 (2012 £200,000) are being amortised over the period of the loan and the un-amortised amount of £120,000 (2012 £160,000) has been netted off against the gross amount of the loans.

## Parabola Estates Limited

### 3 Called up share capital

	2013	2012
	£	£
<b>Authorised</b>		
10,000 (2012 10,000) ordinary shares of £0.01 each	100	100
<b>Allotted and fully paid</b>		
10,000 (2012 10,000) ordinary shares of £0.01 each	100	100

### 4 Transactions with directors

Wages and salaries costs of £nil (2012 £15,680) and social security costs of £nil (2012 £905) were recharged to P J Millican, a director of the company. The year end balance was £nil (2012 £nil).

### 5 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.