

Parabola Estates Limited
Abbreviated financial statements
for the year ended 31 March 2014

Registered Number 3540618

THURSDAY



A3N0XHEY

A49

18/12/2014

#406

COMPANIES HOUSE

Parabola Estates Limited
Abbreviated financial statements
for the year ended 31 March 2014
Contents

Independent Auditors' report to the members of Parabola Estates Limited under section 449 of the Companies Act 2006	1
Abbreviated balance sheet as at 31 March 2014	2
Statement of accounting policies	3
Notes to the abbreviated financial statements for the year ended 31 March 2014	5

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 2014 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
19 September 2014

Abbreviated balance sheet as at 31 March 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible fixed assets	1	16,486,878	34,488,999
Current assets			
Debtors (including £298,689 (2013: £799,763) due after more than one year)		8,806,211	1,272,420
Cash		621,748	796,329
		9,427,959	2,068,749
Creditors: amounts falling due within one year		(2,528,502)	(3,502,775)
Net current assets/ (liabilities)		6,899,457	(1,434,026)
Total assets less current liabilities		23,386,335	33,054,973
Creditors: amounts falling due after more than one year	2	(5,920,000)	(17,420,000)
Provisions for liabilities		(1,296,584)	(1,571,739)
Net assets		16,169,751	14,063,234
Capital and reserves			
Called up share capital	3	100	100
Revaluation reserve		6,778,325	9,407,571
Profit and loss account		9,391,326	4,655,563
Total shareholders' funds		16,169,751	14,063,234

Registered Number 3540618

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 19 September 2014 and authorised for issue, and were signed on their behalf by:



P J Millican
Director

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.

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.

Notes to the abbreviated financial statements for the year ended 31 March 2014

1 Tangible fixed assets

	Freehold Investment properties £	Fixtures and fittings £	Other assets £	Total £
Cost or valuation				
At 1 April 2014	33,915,802	492,088	548,530	34,956,420
Revaluation	(1,499,233)	-	-	(1,499,233)
Disposals	(16,416,569)	(121,002)	(77,248)	(16,614,819)
At 31 March 2014	16,000,000	371,086	471,282	16,842,368
Accumulated Depreciation				
At 1 April 2014	-	467,421	-	467,421
Charge for the year	-	9,071	-	9,071
Disposals	-	(121,002)	-	(121,002)
At 31 March 2014	-	355,490	-	355,490
Net book amount				
At 31 March 2014	16,000,000	15,596	471,282	16,486,878
At 31 March 2013	33,915,802	24,667	548,530	34,488,999

Investment properties with a historical cost of £9,221,675 were valued by the directors as at 31 March 2014 on an open market value basis to £16,000,000.

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 property was valued by Knight Frank in December 2013.

2 Creditors: amounts falling due after more than one year

Included within creditors are bank loans of £5,920,000 (2013: £18,780,000) which are secured over property in Central Square and Central Square South, Newcastle upon Tyne. The amount falling due within one year is £nil (2013: £1,360,000) and the amount falling due after more than one year is £5,920,000 (2013: £18,780,000).

Finance arrangement costs of £200,000 (2013: £200,000) are being amortised over the period of the loan and the un-amortised amount of £80,000 (2013: £120,000) has been netted off the gross amount of the loan.

Notes to the abbreviated financial statements for the year ended 31 March 2014 (continued)

3 Called up share capital

	2014 £	2013 £
Authorised		
10,000 (2013: 10,000) ordinary shares of £0.01 each	100	100
Allotted, called up and fully paid		
10,000 (2013: 10,000) ordinary shares of £0.01 each	100	100

4 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.