

Parabola Foundation
(A charitable company limited by guarantee)

Trustees' Report and Financial Statements

For the year ended 31 March 2023

Charity number: 1156008

Company number: 08812870

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Parabola Foundation

Report of the Trustees for the year ended 31st March 2023

The Trustees' are pleased to present their report together with the financial statements for the charitable company for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out on page 9 and 10 of the financial statements and comply with their Articles of Association, the Charities Act 2011, the Companies Act 2006 and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK (FRS102).

Reference and administrative details

Charity number	1156008
Company registration number	08812870
Principal office and principal place of business	Broadgate Tower 20 Primrose Street London EC2A 2EW
Trustees	Peter John Millican (Chair) Anne Deborah Millican Deborah Jude
Independent examiner	Moore Kingston Smith LLP 6 th Floor 9 Appold Street London EC2A 2AP

Directors

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end are listed above.

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Structure, governance and management

Governing Document

Parabola Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 12 December 2013. It is registered as a charity with the Charity Commission.

Organisation Structure

The charity has a minimum of three Trustees. Accounting support is provided by Parabola Real Estate Investment Management LLP as a charitable donation. Each board member agrees to contribute an amount not exceeding £1 in the event of the charitable company winding up.

Trustee Recruitment and Training

New Trustees are appointed by Peter John Millican and the existing trustees and are chosen based on skills they have to offer to ensure the development of the charity's activities. Training is made available to the trustees when it is required.

Parabola Foundation

Report of the Trustees for the year ended 31st March 2023 (continued)

Related parties

Peter John Millican, chair of the Board of Trustees, who as an individual and as the director of Parabola Estate Holdings Limited has donated to the charity during the year. Peter John Millican is also a director of Poverty Relief Foundation Limited, Kings Place Music Foundation and Ruwenzori Sculpture Foundation who received donations from the charity during the year. Further details of transactions with related parties are given in note 10 to the financial statements.

Objectives and activities

The objectives of the charity are to further charitable and cultural projects that will bring benefit to the public. It has been particularly keen to support music and the arts in a way that benefits the community. The charity carefully evaluates all applications for funds based on merit.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on the public benefit when reviewing its aims and objectives and in planning its future support.

Strategic Report

Achievements and performance

During the period the charity supported Poverty Relief Foundation, King Place Music Foundation, Ruwenzori, Hexham Book Festival, Hear Me Out Music (Music from Immigration Detention), Aurora Orchestra. The charity measures its success by the good that it has achieved over the year.

Financial Review

Operations in the period resulted in a surplus of £73,254 (2022: £199,982 deficit) representing the excess of income over expenditure. The charity received income donations during the year of £420,000 (2022: £500,000) and gift aid on these donations of £93,750 (2022: £nil).

Net liabilities have decreased from £797,918 in 2022 to £724,664 in 2023 as a result of a surplus in the period. Cash at bank has decreased to £29,526 as at 31 March 2023 (2022: £205,022) and, commitments are in place for accounts payable over the next 3 years. Further details on the going concern of the charity are given in the accounting policies.

Reserves Policy

The Trustees' policy is to hold circa 12 months' income as reserves. Cash at bank at the reporting date and reasonable projected resources are sufficient to cover current liabilities for 12 months. There was a deficit at the end of the period of £724,664 (2022: £797,918 deficit). The common director of the Parabola group of companies, Peter John Millican, intends to donate from the Parabola group in the coming years to meet the obligations of future donations. The trustees regard this to be adequate to support the charitable company's year end deficit and future obligations.

Parabola Foundation

Report of the Trustees for the year ended 31st March 2023 (continued)

Going Concern

The Trustees are satisfied that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected levels of income and therefore the going concern basis of accounting is appropriate.

Risk management

The trustees have examined the major strategic business and operational risks that the charity faces to ensure that systems are in place to monitor them. The principal risk that the charity faces is the commercial success of the Parabola donor entities.

Plans for Future Periods

The charity aims to continue to support projects that bring benefit to the wider public.

Trustees' Responsibilities

The trustees (who are also directors of Parabola Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those financial statements, the trustees are required to:

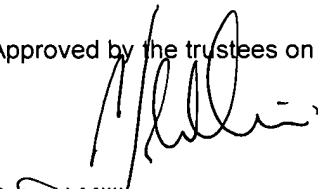
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner

Moore Kingston Smith LLP were appointed as Independent Examiner for the year ended 31 March 2023.

Approved by the trustees on 17 August 2023 and signed on their behalf by:



Peter J Millican
Trustee

Parabola Foundation

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PARABOLA FOUNDATION

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those records;
or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Moore Kingston Smith LLP

Adam Fullerton
(FCA, DChA)
For and on behalf of Moore Kingston Smith LLP
Chartered Accountants

6th Floor
9 Appold Street
London
EC2A 2AP

Date: 18 August 2023

Parabola Foundation

Statement of Financial Activities (incorporating income and expenditure account) for the year ended 31 March 2023

	Note	Total Unrestricted Funds Year ended 31 March 2023 £	Total Unrestricted Funds Year ended 31 March 2022 £
Income from:			
Donations and legacies	1	513,750	500,000
Interest and Investments	1	271	28
Total income		514,021	500,028
Expenditure on:			
Charitable activities:			
Support other charitable objectives to benefit the wider public	2	(440,767)	(620,010)
Total expenditure		(440,767)	(620,010)
Net movement in funds		73,254	(119,982)
Reconciliation of funds			
Total deficit brought forward	7	(797,918)	(677,936)
Total deficit carried forward	7	(724,664)	(797,918)

All incoming resources and resources expended are derived from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 9 to 15 form part of these financial statements

Parabola Foundation

Company Number: 08812870

Balance Sheet at 31 March 2023

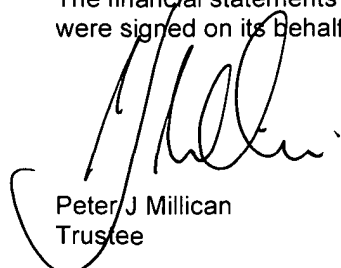
	Note	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Current assets			
Cash at bank		29,526	205,022
Debtors	4	93,750	-
		123,276	205,022
Liabilities			
Creditors - amounts falling due within one year	5	(182,940)	(317,940)
		(182,940)	(317,940)
Net current (liabilities)/ assets		(59,664)	(112,918)
Creditors – amounts falling due in more than one year	6	(665,000)	(685,000)
Net liabilities		(724,664)	(797,918)
The funds of the charity			
Unrestricted (deficit) funds	7	(724,664)	(797,918)
Total charity (deficit) funds		(724,664)	(797,918)

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 6 to 15 were approved by the Board of Trustees on 17 August 2023 and were signed on its behalf by:



Peter J Millican
Trustee

Parabola Foundation

Statement of Cash Flows for the year ended 31 March 2023

		2023	2022
	Note	£	£
Cash flows from operating activities:			
Cash generated from operations		(175,767)	(364,710)
Net cash (used in)/provided by operations	9	(175,767)	(364,710)
Cash flows from financing activities:			
Interest received		271	28
Net cash provided by financing activities		271	28
(Decrease)/Increase in cash and cash equivalents in the year		(175,496)	(364,682)
Cash and cash equivalents at the start of the year		205,022	569,704
Cash and cash equivalents at the end of the year		29,526	205,022
Relating to:			
Cash at bank		29,526	205,022
Total cash and cash equivalents		29,526	205,022

Parabola Foundation

Notes to the financial statements for the year ended 31 March 2023

Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.

Parabola Foundation is a Charitable Company limited by Guarantee, registered in England. The address of the Charity's registered office and principal place of business is Broadgate Tower, 20 Primrose Street, London, EC2A 2EW. The charity meets the definition of public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost of transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is also the functional currency of the charitable company.

Monetary amounts in these statements are rounded to the nearest £ except where otherwise indicated.

Going concern

Financial Reporting Standard 102 requires, if appropriate, the charity's financial statements are prepared on the going concern basis, which means that the charity is able to operate for the foreseeable future on the basis of known and reasonable projected resources. The entity is in a deficit position at the year ended 31 March 2023, however it has confirmed support from Peter Millican and the Parabola Group for a period of at least one year from the approval of these financial statements to cover non-current liabilities and budgeted future expenditure. As a result the going concern basis of accounting is appropriate.

Incoming resources

Income is recognised in the period in which the charitable company has entitlement to the funds, any conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donation income

Donation income includes gifts and donations and any tax that can be reclaimed on amounts received under gift aid. Donation income is included in the Statement of Financial Activities when receivable.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Resources expended

Expenditure is all considered as expenditure on charitable activities. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT.

Parabola Foundation

Notes to the financial statements for the year ended 31 March 2023

Accounting policies (continued)

Expenditure on charitable activities including grants payable

Grants payable are recognised when an unconditional offer has been made by the Foundation. Grants offered which are subject to conditions are recognised when the trustees have reason to believe that the conditions have been met. Where the trustees approve a grant that is payable in instalments over a period of a number of years without specific conditions attached, the total amount of that grant is charged in the accounts during the year of approval.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the charity's financial assets and financial liabilities qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Cash at bank and in hand

Cash at bank and cash in hand includes cash held at bank and cash in hand.

Debtors

Debtors include amount owed to the charity for gift aid on donations and measured at their recoverable amount.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of all funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

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Notes to the financial statements for the year ended 31 March 2023

1. Income

Donations and Legacies

	Total Unrestricted Funds Year ended 31 March 2023 £	Total Unrestricted Funds Year ended 31 March 2022 £
Donations	420,000	500,000
Gift Aid on donations	93,750	-
	513,750	500,000

Investment Income

	Total Unrestricted Funds Year ended 31 March 2023 £	Total Unrestricted Funds Year ended 31 March 2022 £
Bank interest receivable	271	28

2. Expenditure on charitable activities

	Total Unrestricted Funds Year ended 31 March 2023 £	Total Unrestricted Funds Year ended 31 March 2022 £
Governance costs	4,247	7,625
Marketing	270	-
Donations	436,250	612,385
	440,767	620,010

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Notes to the financial statements for the year ended 31 March 2023

2. Expenditure on charitable activities (continued)

Governance costs are made up as follows:

	Total Unrestricted Funds Year ended 31 March 2023 £	Total Unrestricted Funds Year ended 31 March 2022 £
Fees paid to independent examiner	2,760	2,940
Legal and professional fees	1,487	4,685
	4,247	7,625

Donations:

	Total Unrestricted Funds Year ended 31 March 2023 £	Total Unrestricted Funds Year ended 31 March 2022 £
Amounts paid to institutions:		
Creative Arts	406,000	582,795
Other	30,250	29,590
	436,250	612,385
	£	£
Institutions:		
Kings Place Music Foundation	315,000	475,000
Ruwenzori	36,000	36,000
Poverty Relief Foundation	20,000	24,000
Other	65,250	77,385
	436,250	612,385

3. Staff costs, Trustees' remuneration, benefits and expenses

The company has no employees.

There were no trustees' remuneration or other benefits or expenses paid for the year ended 31 March 2023 (2022: £nil).

4. Debtors

	At 31 March 2023 £	At 31 March 2022 £
Other Debtors	93,750	-
	93,750	-

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Notes to the financial statements for the year ended 31 March 2023

5. Creditors: amounts falling due within one year

	At 31 March 2023 £	At 31 March 2022 £
Trade payables	10,000	25,000
Accruals and deferred income	2,940	2,940
Accruals for grants payable	170,000	290,000
	182,940	317,940

6. Creditors: amounts falling due in more than one year

	At 31 March 2023 £	At 31 March 2022 £
Accruals for grants payable:		
Due within 2 - 5 years	665,000	685,000
	665,000	685,000

7. Analysis of charitable funds

	At 31 March 2023 £	At 31 March 2022 £
Unrestricted funds		
As at 1 st April 2022	(797,918)	(677,936)
Unrestricted funds movement	73,254	(119,982)
As at 31 st March 2023	(724,664)	(797,918)

Net movement in funds, included in the above are as follows:

	Incoming Resources £	Resources Expended £	Movement in funds £
Unrestricted funds			
General Fund	514,021	(440,767)	73,254
Total funds	514,021	(440,767)	73,254

General funds are held in order to further the objects of the charity.

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Notes to the financial statements for the year ended 31 March 2023

7. Analysis of charitable funds (continued)

Net Asset by fund

2023

	Unrestricted funds £	Total funds £
Net current (liabilities)	(59,664)	(59,664)
Long term liabilities	(665,000)	(665,000)
	(724,664)	(724,664)

2022

	Unrestricted funds £	Total funds £
Net current liabilities	(112,918)	(112,918)
Long term liabilities	(685,000)	(685,000)
	(797,918)	(797,918)

8. Financial instruments

	31 March 2023 £	31 March 2022 £
Carrying amount of financial assets		
Cash at bank	29,526	205,022
Measured at recoverable amount	93,750	-
	123,276	205,022
Carrying amount of financial liabilities		
Measured at amortised cost	847,940	1,002,940

9. Reconciliation of net movement in funds to net cash from operating activities

	31 March 2023 £	31 March 2022 £
Net movement in funds	73,254	(119,982)
Deduct interest receivable	(271)	(28)
(Increase) in debtors	(93,750)	-
(Decrease) in creditors	(155,000)	(244,700)
Net cash (used)/ provided by operating activities	(175,767)	(364,710)

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Notes to the financial statements for the year ended 31 March 2023

10. Related party transactions

Peter John Millican, chair of the Board of Trustees, is a director of Kings Place Music Foundation, Property Relief Foundation and Ruwenzori Sculpture Foundation who received donations from the charity during the year. The charity regards these institutions to be related parties.

In addition, Peter John Millican is a director of Parabola Estate Holdings Limited who paid donations to the charity during the year. Peter John Millican also paid donations to the charity personally during the year.

The charity had the following transactions/balances with related parties:

	Ruwenzori Sculpture Foundation		Kings Place Music Foundation		Poverty Relief Foundation		Parabola Group*		Peter Millican	
	£	£	£	£	£	£	£	£	£	£
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Income – donations	-	-	-	-	-	-	45,000	500,000	375,000	-
Expenditure - donations	36,000	36,000	315,000	475,000	20,000	24,000	-	-	-	-
Expenditure - Other	-	-	-	-	-	-	-	-	-	-
Debtor balances at year end	-	-	-	-	-	-	-	-	-	-
Creditor balances at year end	-	-	-	-	-	-	-	-	-	-

* Parabola Group - Parabola Estate Holdings Limited £45,000 (2022: £250,000); & Parabola Princes Street Limited £nil (2022: £250,000).

11. Legal status of charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Parabola Foundation

12. Parabola Foundation Minutes March 2023

Charity Number: 1156008

Company Number: 08812870

PARABOLA FOUNDATION ("the Company")

Minutes of a meeting of the board of trustees (the Trustees) of the Company by way of meeting at Matfen on 3 May 2023.

Present: Deborah Alison Jude (Chairperson)

In attendance: Peter John Millican

Anne Deborah Millican

1. OPENING

- 1.1 It was noted that proper notice of the meeting had been given and that the meeting had been properly convened and that a quorum was present. The Chairperson declared the meeting open.
- 1.2 Each of the Trustees declared any interests in the proposed business to be discussed at the meeting in accordance with the Companies Act 2006 and it was noted that all Trustees were able to vote in relation to the matters being discussed.
- 1.3 Following the last annual Trustees meeting on 28 March 2022 which took place by way of a Zoom call the Trustees are now able to meet in person at The Old Vicarage, Matfen in Spring each year. In addition to the Trustees meeting matters relating to the Company are regularly discussed during the year. In particular Peter Millican and Deborah Jude continue to meet regularly throughout the year (on other matters where they act as Trustees together with Anne Millican) and updates are provided at those meetings in relation to the Company's plans and actions which had been undertaken in intervening periods. All such plans and actions were also approved by Anne Millican.

2. OBJECTIVES OF THE COMPANY

- 2.1 Of continuing significant focus to the Company during the year and as in recent years has been the funding for Kings Place Music Foundation (KPMF). The knock on effect of the Covid-19 restrictions are still being felt particularly with audience numbers. The Trustees noted for example that past attendees who attended classical musical concerts have not returned in the same numbers. Further KPMF have experienced significant increase in their outgoings with particular reference to the costs of utilities and also the service charge for the building. This has meant therefore that funding from the Company is still required. Regular meetings are held with the board of KPMF and the trustees.. Deborah Jude and Peter Millican (who are two of the

Parabola Foundation

trustees of KPMF) attend those meetings. In addition Peter Millican also has regular contact with the board of KPMF. Peter Millican keeps Deborah Jude and Anne Millican informed. The Trustees therefore were satisfied that the financial oversight and accountability for funding that the Company has provided to KPMF is being maintained.

- 2.2 The Company continues to support Core Guts Colocohort. Peter Millican had expressed some concern about the accountability for the funding the Company has provided and this has now been addressed.
- 2.3 Peter and Anne Millican confirmed the other grants and awards made by the Company during the period April 2022 to April 2023 and it was noted that these payments are in line with the objectives of the Company. Full details of all payments are made in the accounts for the Company.
- 2.4 The support provided by the Company was deemed to have achieved the objectives of the Company and the funds have been utilised correctly by the recipients for specific projects. Peter and Anne Millican continue to have close involvement with the charities who receive funds for example by attending talks at Hexham Book Festival and attending events at Grizedale Arts – Farmer's Arms.

3. ACCOUNTS

- 3.1 Karen Black (KB) at Parabola prepares the monthly management accounts which are sent to the Trustees for approval and which accounts include details of all payments, receipts and cash flow. KB is also kept advised of additional financial support offered to charities in order that KB and the wider Parabola team is aware of commitments and cash flow. The financial support identified for the Company has changed recently in that Peter Millican now makes personal payments from his own resources to the Company with the balance required to meet its commitments being provided by one or more of the Parabola entities. The change in funding was as part of the wider tax planning strategy but the Trustees are confident that these changes will not impact on the effectiveness of the Company or the projects which the Trustees are supporting.
- 3.2 The financial support identified for particular charities by the Trustees continues to provide support projects of benefit to the public with particular interest in music, the arts and benefitting local communities.

4. PLANS FOR THE NEXT YEAR

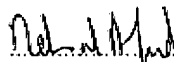
- 4.1 As detailed above KPMF continues to require additional funding as a result of the effects of the Covid-19 pandemic and also the cost of living increases. Whilst it is hoped that KPMF will be able to increase their own sources of income and become less reliant on financial support from the Company it is recognised that the timetable for this to happen, as a result of the above, will take longer than initially envisaged.

Parabola Foundation

- 4.2 As a grant making charity the Company receives a number of appeals for support from a number of charities. The Trustees have in place procedures for dealing with all such appeals. Any requests for funding are reviewed at certain points throughout the year by Peter and Anne Millican but they may also have identified charities that they would wish to benefit themselves. Where an application has not been approved then a standard letter is used to notify those applicants and it is explained that in view of the modest size of the Company and the fact that the Trustees personally identify charities they would wish to benefit then those charities should not currently expect to receive any advance or support from the Company. The Trustees approved the current arrangements and saw no need for change.

5. CLOSE

There was no further business and the Chairperson declared the meeting closed.

 Chairperson

3 / 5 2023