

Registered Number 3540618

Parabola Estates Limited
Abbreviated financial statements
for the year ended 31 March 2008

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Parabola Estates Limited

Abbreviated financial statements for the year ended 31 March 2008

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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 set out on pages 2 to 8 together with the financial statements of Parabola Estates Limited for the year ended 31 March 2008 prepared under Section 266 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies, and whether the abbreviated financial statements are properly prepared in accordance with those provisions 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 247B of the Companies Act 1985 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 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared.

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

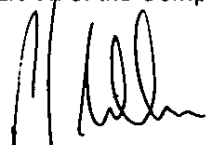
29 July 2008

Parabola Estates Limited

Balance sheet as at 31 March 2008

	Note	2008 £	2007 £
Fixed assets			
Tangible assets	2	42,510,029	42,498,982
Investments	3	-	-
		42,510,029	42,498,982
Current assets			
Debtors	4	4,081,958	3,909,144
Prepayments and accrued income (including £92,881 (2007: £142,586) due after one year))		217,757	244,547
Cash		645,806	731,820
		4,945,521	4,885,511
Creditors: amounts falling due within one year	5	(2,884,278)	(3,162,508)
Net current assets		2,061,243	1,723,003
Total assets less current liabilities		44,571,272	44,221,985
Creditors: amounts falling due after more than one year	6	(22,117,031)	(23,178,275)
Provisions for liabilities and charges	7	(1,480,803)	(1,149,746)
Net assets		20,973,438	19,893,964
Capital and reserves			
Called up share capital	8	100	100
Revaluation reserve		17,504,162	17,504,162
Profit and loss account		3,469,176	2,389,702
Shareholders' funds	9	20,973,438	19,893,964

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.



 23/07/08

 P J Millican

 Director

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 2008

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 2007	41,895,502	950,643	42,846,145
Additions	-	33,981	33,981
At 31 March 2008	41,895,502	984,624	42,880,126
Depreciation			
At 1 April 2007	-	347,163	347,163
Charge for the year		22,934	22,934
At 31 March 2008	-	370,097	370,097
Net book amount			
At 31 March 2008	41,895,502	614,527	42,510,029
At 1 April 2007	41,895,502	603,480	42,498,982

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:

	2008 £	2007 £
Cost	24,391,340	24,391,340
Accumulated depreciation	-	-
Net book value	24,391,340	24,391,340

Parabola Estates Limited

Notes to the abbreviated financial statements for the year ended 31 March 2008 (continued)

3 Investments

	Investment in participating interest £	Loan to undertaking in which company has a participating interest £	Total £
Cost			
At 1 April 2007 and 31 March 2008	1,000	49,000	50,000
Provisions for permanent diminution in value			
At 1 April 2007 and 31 March 2008	(1,000)	(49,000)	(50,000)
Net book amount			
At 1 April 2007 and 31 March 2008	Nil	Nil	Nil

Parabola Estates Limited holds a 33¹/₃% 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

	2008 £	2007 £
Trade debtors	305,090	756,013
Amount owed by Parabola Land Limited	3,493,630	2,976,108
Other debtors	283,238	177,023
	4,081,958	3,909,144

Parabola Estates Limited

Notes to the abbreviated financial statements for the year ended 31 March 2008 (continued)

5 Creditors – amounts falling due within one year

	2008	2007
	£	£
Bank loans (see note 6)	1,062,041	990,110
Trade creditors	53,255	98,335
Owed to director	-	280,523
Other taxation and social security	10,947	11,057
VAT payable	139,383	119,071
Other creditors	287,943	260,082
Accruals and deferred income	1,330,709	1,403,330
	2,884,278	3,162,508

6 Creditors – amounts falling due after more than one year

	2008	2007
	£	£
Bank loans	22,117,031	23,178,275

The bank loans are repayable as follows:

	2008	2007
	£	£
In less than one year	1,062,041	990,110
Between one and two years	1,137,895	1,060,862
Between two and five years	3,924,697	3,659,201
In over five years	17,054,437	18,458,212
	23,179,070	24,168,385

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 on the Phase I loan at 7.095% per annum on £6,811,368 (2007: £7,134,604) of the year end balance, 5.92% on £460,914 (2007: £475,965) of the year end balance and 5.86% on £466,975 (2007: £481,749) of the year end balance. Interest is payable on the Phase II loan at 6.98% on £12,059,422 (2007: £12,573,706) of the year end balance, 5.92% on £460,914 (2007: £475,965) of the year end balance, 5.86% on £466,975 (2007: £481,749) of the year end balance and at 1.75% above the Bank of England base rate on £2,563,515 (2007: £2,663,780) of the year end loan balance. Finance arrangement costs of £162,391 (2007: £162,391) are being amortised over the period of the loan and the un-amortised amount of £119,133 (2007: £119,133) has been netted off against the gross amount of the loan.

Parabola Estates Limited

Notes to the abbreviated financial statements for the year ended 31 March 2008 (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 2007	1,149,746
Profit and loss account charge:	
- Rate change	(76,650)
- Prior year adjustment	(1,998)
- Current year	409,705
At 31 March 2008	1,480,803

The deferred tax liability comprises:

	2008 £	2007 £
The amounts provided for deferred taxation are as follows:		
Capital allowances	1,973,695	2,031,916
Losses carried forward	(492,892)	(882,170)
	1,480,803	1,149,746

There is unprovided deferred taxation of £3,531,640 relating to revalued assets (2007: £3,783,900).

8 Called up equity share capital

	2008 £	2007 £
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 2008 (continued)

9 Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Profit for the financial year	1,079,474	1,079,497
Opening shareholders' funds	19,893,964	18,814,467
Closing shareholders' funds	20,973,438	19,893,964

10 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.