

Registered Number 3540618

Parabola Estates Limited  
Abbreviated financial statements  
for the year ended 31 March 2010

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# **Parabola Estates Limited**

## **Abbreviated financial statements for the year ended 31 March 2010**

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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 2010 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.



Mark Webster (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
28 July 2010

# Parabola Estates Limited

## Balance sheet as at 31 March 2010

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	1	37,017,220	37,036,077
Investments		-	-
		<b>37,017,220</b>	37,036,077
<b>Current assets</b>			
Debtors		3,117,702	3,706,236
Cash at bank and in hand		404,768	464,674
		<b>3,522,470</b>	4,170,910
<b>Creditors' amounts falling due within one year</b>	2	<b>(2,492,720)</b>	(2,823,885)
<b>Net current assets</b>		<b>1,029,750</b>	1,347,025
<b>Total assets less current liabilities</b>		<b>38,046,970</b>	38,383,102
<b>Creditors, amounts falling due after more than one year</b>	2	<b>(19,792,131)</b>	(21,064,956)
<b>Provisions for liabilities</b>		<b>(1,818,022)</b>	(1,571,636)
<b>Net assets</b>		<b>16,436,817</b>	15,746,510
<b>Capital and reserves</b>			
Called up share capital	3	100	100
Revaluation reserve		12,033,660	12,033,660
Profit and loss account		4,403,057	3,712,750
<b>Total Shareholders' funds</b>		<b>16,436,817</b>	15,746,510

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The abbreviated financial statements have been prepared in accordance with the special provision relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and SI 2008/409

The abbreviated financial statements on pages 2 to 6 were approved by the directors on 28 July 2010 and authorised for issue and were signed on their behalf by

  
P J Millican  
Director

# **Parabola Estates Limited**

## **Statement of accounting policies**

### **Basis of preparation**

The abbreviated 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, with the special provision relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and SI 2008/409 and applicable accounting standards in the United Kingdom. A summary of the 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 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 2010

### 1 Tangible fixed assets

The total cost of tangible fixed assets at 31 March 2010 was £37,435,217 (2009 £37,428,654) The accumulated depreciation was £417,997 (2009 £392,577) and the net book amount was £37,017,220 (2009 £37,036,077)

Investment properties with a historical cost of £24,391,340 (2009 £24,391,340) were valued by the directors as at 31 March 2010 on an open market basis to £36,425,000 (2009 £36,425,000)

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 properties were valued by DTZ in 2009

### 2 Secured creditors

Included within creditors are bank loans of £20,999,751 (2009 £22,126,998) which are secured over property in Central Square and Central Square South, Newcastle upon Tyne The amount falling due within one year is £1,207,620 (2009 £1,062,042) and the amount falling due after more than one year is £19,792,131 (2009 £21,064,956)

Finance arrangement costs of £162,391 (2009 £162,391) are being amortised over the period of the loan and the un-amortised amount of £94,773 (2009 £102,893) has been netted off against the gross amount of the loans

### 3 Called up share capital

	2010	2009
	£	£
<b>Authorised</b>		
10,000 ordinary shares of £0.01 each	100	100
<b>Allotted and fully paid</b>		
10,000 ordinary shares of £0.01 each	100	100

### 4 Transactions with directors

Costs of £19,083 (2009 £6,784) were recharged to P J Millican, a director of the company  
Costs of £18,064 (2009 £15,599) were recharged to Parabola Property (P J Millican as a sole trader)

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## **Parabola Estates Limited**

### **Notes to the abbreviated financial statements for the year ended 31 March 2010 (continued)**

#### **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