

Registered Number 4298209

Parabola Land Limited  
Abbreviated financial statements  
for the year ended 31 March 2005



# **Parabola Land Limited**

## **Annual report and financial statements for the year ended 31 March 2005**

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## **Parabola Land Limited**

### **Independent Auditors' report to the members of Parabola Land Limited under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements, together with the annual financial statements of Parabola Land Limited for the year ended 31 March 2005 prepared under section 226 of the Companies Act 1985.

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

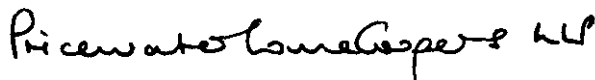
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 and Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated financial statements in accordance with Sections 246(5) and (6) of the Companies Act 1985, and whether the abbreviated financial statements are properly prepared in accordance with those provisions and to report our opinion to you.

#### **Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the annual financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements are properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the annual financial statements.

#### **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  
Chartered Accountants and Registered Auditors  
Leeds

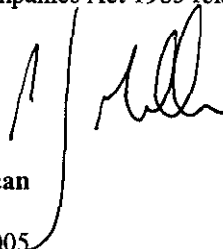
28 July 2005

# Parabola Land Limited

## Balance sheet as at 31 March 2005

	Note	2005	2004
		£	£
<b>Fixed assets</b>			
Tangible assets	2	18,883,815	15,200,538
<b>Current assets</b>			
Debtors (including deferred tax due in more than one year £623,949 (2004: £306,174))	3, 6	780,826	452,825
Cash		180,133	-
		960,959	452,825
Creditors: amounts falling due within one year	4	(11,548,105)	(7,131,862)
<b>Net current liabilities</b>		<b>(10,587,146)</b>	<b>(6,679,037)</b>
<b>Total assets less current liabilities</b>		<b>8,296,669</b>	<b>8,521,501</b>
Creditors: amounts falling due after more than one year	5	(9,842,819)	(9,247,025)
<b>Net liabilities</b>		<b>(1,546,150)</b>	<b>(725,524)</b>
<b>Capital and reserves</b>			
Called up equity share capital	7	1,000	1,000
Profit and loss account – deficit		(1,547,150)	(726,524)
<b>Equity shareholders' deficit</b>	8	<b>(1,546,150)</b>	<b>(725,524)</b>

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.

  
P J Millican  
Director  
27 July 2005

# Parabola Land Limited

## Accounting policies

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention 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 period, 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 financial period.

### **Turnover**

Turnover represents rental and service charge income from the letting of warehouse space in York Way, London, excluding value added tax. Turnover relates entirely to the United Kingdom.

### **Tangible fixed assets**

The cost of tangible fixed assets is their purchase cost and costs incurred in respect of the redevelopment of the site.

### **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 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.

### **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.

# Parabola Land Limited

## Notes to the abbreviated financial statements for the year ended 31 March 2005

### 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 investment property under the course of development	Other assets	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2004	15,126,037	77,402	15,203,439
Additions	3,674,889	11,344	3,686,233
<b>At 31 March 2005</b>	<b>18,800,926</b>	<b>88,746</b>	<b>18,889,672</b>
<b>Depreciation</b>			
At 1 April 2004	-	2,901	2,901
Charge for the financial year	-	2,956	2,956
<b>At 31 March 2005</b>		<b>5,857</b>	<b>5,857</b>
<b>Net book amount</b>			
<b>At 31 March 2005</b>	<b>18,800,926</b>	<b>82,889</b>	<b>18,883,815</b>
At 1 April 2004	15,126,037	74,501	15,200,538

### 3 Debtors

	2005	2004
	£	£
Trade debtors	676	70,787
Prepayments	21,407	990
Finance arrangement costs	25,000	-
Other debtors	8,320	20,201
VAT recoverable	101,474	54,673
Deferred tax asset (see note 6)	623,949	306,174
	<b>780,826</b>	<b>452,825</b>

The finance arrangement costs will be amortised over the 10 year period of the loan agreed on 16 May 2005.

## Parabola Land Limited

### Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

#### 4 Creditors – amounts falling due within one year

	2005	2004
	£	£
Bank overdraft	-	173,041
Owed to the trustees of the Corinthian Capital Trust	3,367,278	3,164,303
Owed to director	7,503,083	3,262,090
Trade creditors	366,232	127,291
Amount owed to Parabola Estates Limited	-	190,000
Corporation tax	-	-
Other creditors	3,127	268
Accruals and deferred income	308,385	214,869
	<b>11,548,105</b>	<b>7,131,862</b>

The amount owed to the trustees of the Corinthian Capital Trust represents a loan, which is repayable on demand with principal outstanding at 31 March 2005 of £3,000,000 (2004: £3,000,000). The loan attracts interest at 1.5% above 3 months LIBOR and is secured by a floating charge over the assets of the company and a fixed charge over the freehold property. Interest of £367,278 has been accrued as at 31 March 2005 (2004: £164,303), and this amount has been included within the amount owed to the trustees of the Corinthian Capital Trust.

The amount owed to P J Millican, director, includes loans with total principal outstanding at 31 March 2005 of £2,600,000 (2004: £2,600,000). Interest on these loans is accruing at 1.5% above 3 months LIBOR on principal of £1,500,000 and at 13.5% on principal of £1,100,000, and the total amount accrued at 31 March 2005 of £330,232 (2004: £73,949) has been included in the loan balance. These amounts are repayable on demand and are secured by a floating charge over the assets of the company and a fixed charge over the freehold property.

The bank overdraft facility is secured by a fixed charge over the freehold property.

## Parabola Land Limited

### Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

#### 5 Creditors – amounts falling due after more than one year

	2005	2004
	£	£
Owed to the trustees of the Corinthian Capital Trust and the Dorian Development Trust (see note 4)	3,972,352	3,732,264
Owed to director	5,870,467	5,514,761
	<b>9,842,819</b>	<b>9,247,025</b>

The amount owed to the trustees of the Corinthian Capital Trust and the Dorian Development Trust represents loans, which are repayable on 31 December 2011 with principal outstanding at 31 March 2005 of £3,400,000 (2004: £3,400,000). The loans attract interest at 1.5% above 3 months LIBOR and are secured by floating charges over the assets of the company and fixed charges over the freehold property. Interest of £572,352 has been accrued at 31 March 2005 (2004: £332,264), and this amount has been included within the loan balance.

The amount owed to P J Millican, director, represents a loan balance repayable on 31 December 2011 with total principal outstanding at 31 March 2005 of £4,840,000 (2004: £4,840,000). Interest on this loan is accruing at 1.5% above 3 months LIBOR, and the total amount accrued at 31 March 2005 of £1,032,047 (2004: £674,761) has been included in the loan balance. The loan is secured by a floating charge over the assets of the company and a fixed charge over the freehold property.

#### 6 Provisions for liabilities and charges

##### Deferred taxation

The movement in the deferred taxation asset during the year was as follows:

	£
At 1 April 2004	306,174
Profit and loss account credit:	
- Current year	317,775
<b>At 31 March 2005</b>	<b>623,949</b>

The deferred tax asset comprises:

	2005	2004
	£	£
The amounts provided for deferred taxation are as follows:		
Accelerated capital allowances	(74,281)	(44,923)
Short term timing differences	685,312	339,132
Losses	12,918	11,965
	<b>623,949</b>	<b>306,174</b>



## Parabola Land Limited

### Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

#### 7 Called up equity share capital

	2005	2004
	£	£
<b>Authorised</b>		
100,000 ordinary shares of £1 each	100,000	100,000
<b>Allotted, called up and fully paid</b>		
1,000 ordinary shares of £1 each	1,000	1,000

#### 8 Reconciliation of movements in equity shareholders' deficit

	2005	2004
	£	£
Loss for the financial period	(820,626)	(480,077)
Opening equity shareholders' funds	(725,524)	(245,447)
<b>Closing equity shareholders' deficit</b>	<b>(1,546,150)</b>	<b>(725,524)</b>

#### 9 Ultimate controlling parties

The directors consider that the ultimate controlling parties of the company are the trustees of the Huddersfield Trust, the Property Equity Trust and the London and Paris Trust by virtue of the shares held by them. The Barbinder Trust is a trustee to these trusts and is owned by the company's auditors, PricewaterhouseCoopers LLP.