

Registered Number 4298209

Parabola Land Limited  
Abbreviated financial statements  
for the year ended 31 March 2009



# **Parabola Land Limited**

## **Abbreviated financial statements for the year ended 31 March 2009**

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## **Parabola Land 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 Land Limited for the year ended 31 March 2009 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 246A 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 Section 246A(3) 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 Section 246A(3) 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

22 September 2009

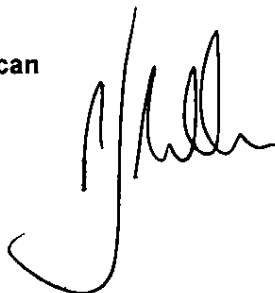
**Parabola Land Limited**  
**Balance sheet as at 31 March 2009**

	Note	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	2	181,962,162	174,241,272
<b>Current assets</b>			
Debtors (including £21,276,821 due after one year (2008: £9,470,518))		24,271,722	10,029,378
Cash		2,048,081	3,224,592
		26,319,803	13,253,970
<b>Creditors: amounts falling due within one year</b>	3	<b>(12,207,783)</b>	<b>(9,705,863)</b>
<b>Net current assets</b>		<b>14,112,020</b>	<b>3,548,107</b>
<b>Total assets less current liabilities</b>		<b>196,074,182</b>	<b>177,789,379</b>
<b>Creditors: amounts falling due after more than one year</b>	4	<b>(167,722,213)</b>	<b>(145,217,427)</b>
<b>Net assets</b>		<b>28,351,969</b>	<b>32,571,952</b>
<b>Capital and reserves</b>			
Called up share capital	5	1,000	1,000
Revaluation reserve		54,259,662	54,259,662
Profit and loss account		(25,908,693)	(21,688,710)
<b>Shareholders' funds</b>		<b>28,351,969</b>	<b>32,571,952</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.

The abbreviated financial statements on pages 2 to 8 were approved by the directors on 22 September 2009 and authorised for issue and were signed on their behalf by

**P J Millican**  
 Director



# Parabola Land Limited

## 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 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.

### **Turnover**

Turnover represents rental and service charge income from the letting of office space in Kings Place, 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.

# Parabola Land Limited

## Notes to the abbreviated financial statements for the year ended 31 March 2009

### 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 £
<b>Cost or valuation</b>			
At 1 April 2008	174,105,938	160,071	174,266,009
Additions	6,852,221	983,388	7,835,609
<b>At 31 March 2009</b>	<b>180,958,159</b>	<b>1,143,459</b>	<b>182,101,618</b>
<b>Depreciation</b>			
At 1 April 2008	-	24,737	24,737
Charge for the year	-	114,719	114,719
<b>At 31 March 2009</b>	<b>-</b>	<b>139,456</b>	<b>139,456</b>
<b>Net book amount</b>			
<b>At 31 March 2009</b>	<b>180,958,159</b>	<b>1,004,003</b>	<b>181,962,162</b>
At 1 April 2008	174,105,938	135,334	174,241,272

The company's freehold investment property with a historical cost of £126,698,537 was valued by the directors at 31 March 2009 on an open market value basis at £180,958,159.

On a historical cost basis the freehold investment property would be included at:

	2009 £	2008 £
<b>Cost</b>	<b>126,698,537</b>	<b>119,846,316</b>
Accumulated depreciation	-	-
<b>Net book value</b>	<b>126,698,537</b>	<b>119,846,316</b>

## Parabola Land Limited

### Notes to the abbreviated financial statements for the year ended 31 March 2009 (continued)

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

	2009 £	2008 £
Owed to director	6,336,754	3,694,027
Trade creditors	548,586	192,413
VAT payable	20,529	-
Amount owed to Parabola Estates Limited	2,845,348	3,493,630
Owed to the Metrovick House Trust	1,514,557	-
Other creditors	119,097	35,931
Accruals and deferred income	822,912	2,289,862
	<b>12,207,783</b>	<b>9,705,863</b>

The amount owed to director, includes loans with total principal outstanding at 31 March 2009 of £6,175,226 (2008: £3,544,313). Interest on these loans is accruing at 6.5% (2008: 6.5%) above 3 months LIBOR, and the total amount accrued at 31 March 2009 of £161,528 (2008: £149,684) has been included within these loan balances.

The amount owed to Parabola Estates Limited attracts interest at 5% (2008: 5%) above 3 months LIBOR, which is capitalised quarterly. There is a principal outstanding at 31 March 2009 of £2,821,348 (2008: £3,448,639), and accrued interest at 31 March 2009 of £24,000 (2008: £44,991).

The amount owed to the Metrovick House Trust represents loans which are repayable on demand, with principal outstanding at 31 March 2009 of £1,500,000 (2008: £nil). The loans attract interest at 3.5% above 3 months LIBOR on the principal. Interest of £14,557 (2008: £nil) has been accrued at 31 March 2009 and this amount has been included within the amount owed to the Metrovick House Trust.

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

	2009 £	2008 £
Owed to Eurohypo AG	129,492,063	107,537,400
Owed to the Corinthian Capital Trust and the Dorian Development Trust	7,851,225	10,629,886
Owed to director	28,720,592	25,565,147
Trade creditors	1,658,333	1,484,994
	<b>167,722,213</b>	<b>145,217,427</b>

## Parabola Land Limited

### Notes to the abbreviated financial statements for the year ended 31 March 2009 (continued)

#### 4 Creditors – amounts falling due after more than one year (continued)

The amount owed to Eurohypo AG represents loans repayable on or after 16 May 2011 with total principal outstanding at 31 March 2009 of £127,984,879 (2008: £106,102,175). Interest on these loans is accruing at 1.15% above 3 months' LIBOR on principal of £127,984,879 (2008: £nil), at 3.5% above 3 months LIBOR on a principal of nil (2008: £5,816,936), at 1.8% above 3 months' LIBOR on principal of £nil (2008: £90,398,183) and at 1.8% above 1 month's LIBOR on principal of £nil (2008: £9,887,057). These loans are secured by floating charges over the assets of the company and fixed charges over the freehold property and over the share capital of the company. Fees and interest of £1,507,184 have been accrued at 31 March 2009 (2008: £1,435,225), and this amount has been included within the loan balance.

An interest swap has been arranged in relation to the Eurohypo AG loans covering the period from start of the construction of the property on 17 May 2005 and expiring after 20 years on 15 April 2025. Under this arrangement the floating interest rates are swapped for a fixed rate of 4.65% until 15 July 2015 and 4.81% thereafter until expiry. The amount of borrowings covered by the swap arrangement increases to a peak of £131,002,964 in January 2011 and reduces in stages to £124,832,442 by 15 April 2025.

The amount owed to the Corinthian Capital Trust and the Dorian Development Trust represents loans, which are repayable on 31 December 2011 with principal outstanding at 31 March 2009 of £2,950,000 (2008: £6,400,000). The loans attract interest at 1.5% (2008: 4%) above 3 month's LIBOR on the principal and an additional 0.5% on rolled-up interest, and are secured by floating charges over the assets of the company and fixed charges over the freehold property. Interest of £4,901,255 has been accrued at 31 March 2009 (2008: £4,229,886), and this amount has been included within the amount owed to the Corinthian Capital Trust and the Dorian Development Trust.

The amount owed to director, is comprised of two elements, the first being a loan balance repayable on 31 December 2011 with total principal outstanding at 31 March 2009 of £17,934,897 (2008: £16,776,051). Interest on this loan is accruing at 6.5% (2008: 6.5%) above 3 months' LIBOR, and the total amount accrued at 31 March 2009 of £8,536,038 (2008: £6,909,972) 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.

The second element of this balance relates to an accrual of £2,249,657 (2008: £1,879,124), being the service contract payable.

#### 5 Called up share capital

	2009	2008
	£	£
<b>Authorised</b>		
100,000 ordinary shares of £1 each	100,000	100,000
<b>Allotted, called up and fully paid</b>		
100,000 ordinary shares of £1 each	1,000	1,000