

**Parabola Property Limited**  
**Financial statements**  
**31 March 2018**

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# **Parabola Property Limited**

## **Financial statements**

**Year ended 31 March 2018**

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# Parabola Property Limited

## Strategic report

Year ended 31 March 2018

### Review of the business

The company was non-trading during the financial year. The company disposed of its last investment property on 10 June 2016 and has not made any further investments during the year.

Turnover for the financial year is £nil (2017: £18,215), with a loss of £2,500 (2017: £4,703,415 profit).

### Future outlook

Although the company was non-trading during the financial year and is anticipated to be non-trading in the subsequent period, its accounts have been prepared on a going concern basis as the directors have a reasonable expectation that the company has access to sufficient resources from across the Parabola group and from its ultimate controlling parties to continue in operational existence for the foreseeable future.

### Principal risks and uncertainties


Due to the sale by the company of its remaining property on 10 June 2016, principal risks and uncertainties, including market risk, have now been extinguished.

### Financial risk management

The directors monitor interest and market risk on an ongoing basis. There is no third party debt, thus eliminating interest risk and debt maturity repayment risk.

### Key performance indicators ("KPIs")

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the company.



**P J Millican**  
Director

Approved by the directors on 24 July 2018

# Parabola Property Limited

## Directors' Report

Year ended 31 March 2018

The directors present their report and the financial statements of Parabola Property Limited for the year ended 31 March 2018.

### Principal activities and business review

The company was non-trading during the financial year. The company disposed of its last investment property on 10 June 2016.

### Directors

The directors of the group who were in office during the year and up to the date of signing the financial statements were:

P J Millican  
O J Millican (resigned on 27 November 2017)  
T Hordon (appointed on 24 November 2017)  
K F MacGregor (appointed on 24 November 2017)

### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

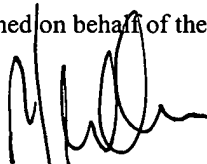
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Future Outlook

As outlined in the Strategic Report.

Signed on behalf of the directors



P J Millican  
Director

Approved by the directors on 25 July 2018

# Parabola Property Limited

## Income Statement

Year ended 31 March 2018

	Note	2018 £	2017 £
<b>Turnover</b>	<b>1</b>	-	18,215
Administrative expenses		(2,500)	(54,767)
Income from shares in group undertakings		-	5,446,215
Profit on disposal of investment property		-	166,386
Impairment on investments		-	(1,115,458)
<b>(Loss)/profit before interest and taxation</b>	<b>2</b>	<b>(2,500)</b>	<b>4,460,591</b>
Interest receivable and similar income	<b>4</b>	-	257,618
Interest payable and similar expenses	<b>5</b>	-	(14,794)
<b>(Loss)/profit before taxation</b>		<b>(2,500)</b>	<b>4,703,415</b>
Tax on profit	<b>6</b>	-	-
<b>(Loss)/profit for the financial year</b>		<b>(2,500)</b>	<b>4,703,415</b>

All of the activities of the company are classed as continuing.

There is no other comprehensive income for the current or prior year.

The accounting policies and notes on pages 6 to 12 form part of these financial statements.

# Parabola Property Limited

## Statement of Financial Position

As at 31 March 2018

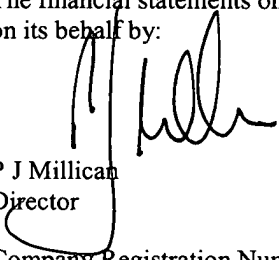
	Note	2018 £	2017 £
<b>Fixed assets</b>			
Investments	8	10,001	10,001
		<u>10,001</u>	<u>10,001</u>
<b>Current assets</b>			
Debtors	9	900	1,750
Cash at bank and in hand		793	206
		<u>1,693</u>	<u>1,956</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(11,598)</u>	<u>(9,341)</u>
<b>Net current (liabilities)/ assets</b>		<u>(9,885)</u>	<u>(7,385)</u>
<b>Total assets less current liabilities</b>		<u>(9,885)</u>	<u>(7,385)</u>
<b>Net Assets</b>		<u><u>116</u></u>	<u><u>2,616</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	1,000	1,000
Profit and loss account		(884)	1,616
<b>Total equity</b>		<u><u>116</u></u>	<u><u>2,616</u></u>

The director states:

- For the financial year ended 31 March 2018 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 3 to 12 were approved by the Board of Directors on 25 July 2018 and signed on its behalf by:

  
P J Millican  
Director

Company Registration Number: 07635796

The accounting policies and notes on pages 6 to 12 form part of these financial statements.

# Parabola Property Limited

## Statement of Changes in Equity

Year ended 31 March 2018

	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 April 2016</b>	1,000	11,754,254	11,755,254
Profit for the financial year and total comprehensive income	-	4,703,415	4,703,415
Dividends	-	<u>(16,456,053)</u>	<u>(16,456,053)</u>
<b>At 31 March 2017</b>	1,000	1,616	2,616
Loss for the financial year and total comprehensive income	-	(2,500)	(2,500)
Dividends	7 -	<u>-</u>	<u>-</u>
<b>At 31 March 2018</b>	<u><b>1,000</b></u>	<u><b>(884)</b></u>	<u><b>116</b></u>

The accounting policies and notes on pages 6 to 12 form part of these financial statements.

# Parabola Property Limited

## Statement of accounting policies

Year ended 31 March 2018

### Statutory Information

Parabola Property Limited is a limited company domiciled and incorporated in England and Wales, registration number 07635796. The registered office is Broadgate Tower, 20 Primrose Street, London, England, EC2A 2EW.

### Basis of preparation

These financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A small entities. There were no material departures from that standard. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments and fixed assets.

The financial statements are presented in Sterling (£).

### Critical judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable and constitute management's best judgement at the date of the financial statements. In the future, actual experience could differ from those estimates.

### Exemptions for qualifying entities under FRS 102

The company has taken advantage of the exemptions, from preparing a statement of cash flows, on the basis that it is a qualifying entity under Companies Act 2006.

### Turnover

Turnover represents sale proceeds of property stock disposed of and rental and service charge income from the letting of industrial space excluding value added tax. Turnover relates entirely to the United Kingdom and is recognised on the accruals basis, recognising pre letting costs, including rent free periods, over the term of the lease. Other income is recognised in the accounting period in which it is received. As the company has owned no property during the period, no turnover has been recognised.

### 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.

### Intangible fixed assets and amortisation

Amortisation is calculated so as to write off the cost of an asset over the useful economic life of that asset.



# **Parabola Property Limited**

## **Statement of accounting policies (continued)**

**Year ended 31 March 2018**

### **Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings constitute a small group. The company has therefore taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group financial statements.

### **Taxation**

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

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.

### **Accrued income**

This includes the income earned during the financial year but invoiced in the subsequent financial year.

### **Deferred income**

This includes the income invoiced during the financial year but relating to a subsequent financial year.

### **Fixed asset investments**

Investments in subsidiary companies that are acquired with the intention of holding them for the long term or to maturity are treated as fixed asset investments, and are valued at cost less provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

# Parabola Property Limited

## Notes to the financial statements

Year ended 31 March 2018

### 1. Turnover

All turnover arises within the United Kingdom and relates to amounts receivable for property disposals and rental income.

An analysis of turnover is given below:

	2018	2017
	£	£
United Kingdom	-	18,215
	<u>-</u>	<u>18,215</u>
	2018	2017
	£	£
Rental income	-	29,273
Service charge income	-	(3,058)
Other income	-	(8,000)
	<u>-</u>	<u>18,215</u>

### 2. Profit/(loss) before interest and taxation

Profit/ (loss) before interest and taxation is stated after charging:

	2018	2017
	£	£
Depreciation	-	-
Auditors' remuneration		
for audit services	-	3,990
for non-audit services	2,240	3,750
	<u>2,240</u>	<u>3,750</u>

### 3. Particulars of employees

The company had no employees in the year. During the year, no director received emoluments in respect of his services to the company. In the prior year employees of Parabola Land Limited administer the affairs of Parabola Property Limited and a portion of their salaries are recharged accordingly.

The amounts recharged were:

	2018	2017
	£	£
Wages and salaries	-	2,218
Social security costs	-	284
Other pension costs	-	187

### 4. Interest receivable and similar income

	2018	2017
	£	£
Interest receivable from bank	-	1,965
Interest receivable from group undertakings	-	255,653
	<u>-</u>	<u>257,618</u>

# Parabola Property Limited

## Notes to the financial statements (continued)

Year ended 31 March 2018

### 5. Interest payable and similar expenses

	2018	2017
	£	£
Interest payable to group undertakings	-	14,794
	<u>-</u>	<u>14,794</u>

### 6. Tax on profit

There is no current or deferred income tax charge for the year (2017: £nil).

The tax rate assessed for the year is lower than (2017: lower) the effective rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below:

	2018	2017
	£	£
(Loss)/ Profit before taxation	<u>(2,500)</u>	<u>4,703,415</u>
Tax on profit at standard UK tax rate of 19% (2017: 20%)	(475)	940,683
Expenses not deductible for tax purposes	-	187,435
Effect of relief claimed	-	99,174
Deferred tax not recognised	-	688,700
Group relief not paid for	-	550,652
Income not assessable for tax purposes	475	(1,089,244)
Total tax	<u>-</u>	<u>-</u>

In 2015, the UK Government enacted legislation to reduce the UK Corporation Tax rate from 20% to 18% between 2017 and 2020. The rate will reduce to 19% from 1 April 2017, then to 18% from 1 April 2020 onwards. In 2016, further legislation was enacted to reduce the 2020 rate to 17%. This proposed reduction has no impact on the taxation disclosed in these financial statements as there are no current or deferred income tax charges.

# Parabola Property Limited

## Notes to the financial statements (continued)

Year ended 31 March 2018

### 7. Dividends

	2018	2017
	£	£
<b>Ordinary shares</b>		
£nil (2017: £16,455) per £1 share	-	16,455,053
<b>Distribution in kind of Parabola Land Limited</b>		
£nil (2017: £1) per £1 share	-	1,000
<b>Total</b>	-	16,456,053

### 8. Investments

	Total	
	£	
<b>Cost</b>		
At 1 April 2017	10,001	
At 31 March 2018	10,001	
<b>Net book value</b>		
At 31 March 2018	10,001	
At 31 March 2017	10,001	
	2018	2017
	£	£
Investment in Parabola Industrial Estates Limited	10,000	10,000
Investment in Parabola Capital LLP	1	1

The directors believe that the carrying value of the investments is supported by their underlying net assets. The entities in which equity interests were held at 31 March 2018 were as follows:

<i>Name</i>	<i>Ownership</i>	<i>Country of Incorporation</i>
Parabola Industrial Estates Limited	100% (direct)	United Kingdom
Parabola Capital LLP	20% (direct)	United Kingdom

# Parabola Property Limited

Notes to the financial statements (continued)

Year ended 31 March 2018

## 9. Debtors

	2018	2017
	£	£
Taxation and social security	900	1,750
	<u>900</u>	<u>1,750</u>

## 10. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Amounts owed to group undertakings	9,338	1,091
Accruals and deferred income	2,240	8,250
	<u>11,578</u>	<u>9,341</u>

The amounts owed to group undertakings are unsecured, interest free and repayable on demand.

## 11. Deferred taxation

Deferred tax assets of £1,148,345 (2017: £1,147,920) have not been recognised.

# Parabola Property Limited

## Notes to the financial statements (continued)

### 12. Related party transactions

On 16 October 2017, the company repaid the creditor owing to Parabola Industrial Estates Limited of £177 (2017: £1,243,890). On the same date, the company repaid the creditor owing to Parabola Land Limited of £913 (2017: £nil).

Administrative costs of £3,950 (2017: £nil) were recharged from Parabola Real Estate Investment Management LLP, of which £3,750 has been accrued in the prior year. At the year-end £9,338 (2017: £nil) was owed to Parabola Real Estate Investment Management LLP.

### 13. Called up share capital

#### Authorised share capital:

	2018	2017
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

#### Allotted, called up and fully paid:

	2018		2017	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

### 14. Ultimate controlling parties

The ultimate parent and controlling parties of the company are the trustees of Huddersfield Trust, Property Equity Trust and London and Paris Trust by virtue of the shares held by them in the company's parent entity, Parabola Real Estate Holdings Limited.