

Parabola Land Limited
Financial statements
31 March 2016



Parabola Land Limited

Financial statements

Year ended 31 March 2016

Contents	Page
Strategic report	1
Directors' report	2
Independent auditors' report to the members	4
Income statement	6
Statement of financial position	7
Statement of changes in equity	8
Statement of accounting policies	9
Notes to the financial statements	11

Parabola Land Limited

Strategic report

Year ended 31 March 2016

Future outlook

The principal asset is the investment in Parabola Capital LLP with a total carrying value £35,100,670. Of this sum, £32,074,724 is capital and £3,025,946 is interest receivable.

The company anticipates the full repayment of this capital over the next 12-24 months and to earn additional profits from its investment in the short to mid-term.

Financial outlook

As the company receives cash from Parabola Capital LLP it intends to repay, over time, all of its liabilities owed to its parent company, Parabola Property Limited, and to related parties.

Principal risks and uncertainties

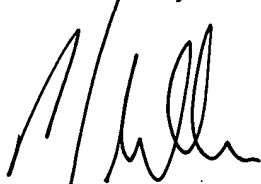
The principal risks facing the company are transactional and market risks which may lead to a reduction in the value of the interests in property partnerships. The possible exit of the United Kingdom from the European Union, following the result of the EU referendum, may impact the value of the interest in the property partnerships and the timing of their realisation.

Financial risk management

The directors monitor interest and market risk on an ongoing basis. All third party debt has been repaid by the property partnerships 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 15 November 2016

Parabola Land Limited

Directors' report

Year ended 31 March 2016

The directors present their report and the audited financial statements of the company for the year ended 31 March 2016.

Principal activities and business review

The principal activity of the company during the financial year was the holding of property and interests in property partnerships for investment purposes.

The profit for the financial year was £9,590,474 (2015: profit of £1,035,489). On 7 December 2015, Parabola Land Limited disposed of its interest in Parabola Edinburgh LLP of £8,000 via a distribution in kind to Parabola Property Limited.

Directors

The directors who served the company during the year and up to the date of signing the financial statements were as follows:

P J Millican
O J Millican
L Bowden (resigned on 7 April 2016)

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.

Charitable donations

The company made charitable donations in the year of £26,738 (2015: £12,316) in furtherance of its charitable objects. The donations were made to Gorgie City Farm £20,000 (2015: £nil) and to Kings Place Music Foundation £6,738 (2015: £12,316).

Parabola Land Limited

Directors' report *(continued)*

Year ended 31 March 2016

Statement of disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the board



P J Millican
Director

Approved by the directors on 15 November 2016

Parabola Land Limited

Independent auditors' report to the members of Parabola Land Limited

Report on the financial statements

Our opinion

In our opinion, Parabola Land Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.
-

What we have audited

The financial statements, included within the Financial statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 March 2016;
- the Income Statement for the year then ended;
- the Statement of changes in equity for the year then ended;
- the Statement of accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

***Independent auditors' report to the members of
Parabola Land Limited (continued)***

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Bill MacLeod

Bill MacLeod (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
15 November 2016

Parabola Land Limited

Income statement

Year ended 31 March 2016

	Note	2016 £	2015 £
Turnover	1	-	138,139
Administrative expenses		(1,425,537)	(827,346)
Income from shares in group undertakings	5	12,072,724	1,550,000
Loss on disposal of financial assets	6	(1,280,250)	-
Profit/(loss) on ordinary activities before interest	2	9,366,937	860,793
Interest receivable and similar income	7	1,775,289	1,444,209
Interest payable and similar charges	8	(1,551,752)	(1,269,513)
Profit/(loss) on ordinary activities before taxation		9,590,474	1,035,489
Tax on profit/(loss) on ordinary activities	9	-	-
Profit/(loss) for the financial year		9,590,474	1,035,489

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

The company has no other comprehensive income other than the results for the year as set out above.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The accounting policies and notes on pages 9 to 19 form part of these financial statements.

Parabola Land Limited

Statement of financial position

As at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	10	32,074,724	36,070,002
Interest receivable from Investment - Accrued	11	3,025,946	2,254,441
Property, plant and equipment	12	132,823	173,395
Intangible assets	13	7,912	11,049
		<u>35,241,405</u>	<u>38,508,887</u>
Current assets			
Cash at bank and in hand		3,692,176	58,442
Debtors	14	1,082,802	989,872
		<u>4,774,978</u>	<u>1,048,314</u>
Creditors: Amounts falling due within one year	15	<u>(25,474,497)</u>	<u>(34,597,789)</u>
Net current liabilities		(20,699,519)	(33,549,475)
Total assets less current liabilities		<u>14,541,886</u>	<u>4,959,412</u>
Capital and reserves			
Called up share capital	17	1,000	1,000
Profit and loss account		14,540,886	4,958,412
Total shareholders' funds		<u>14,541,886</u>	<u>4,959,412</u>

The financial statements on pages 6 to 19 were approved by the Board of directors on November 2016 and signed on its behalf by:


P J Millican
Director

Company Registration Number: 04298209

The accounting policies and notes on pages 9 to 19 form part of these financial statements.

Parabola Land Limited

Statement of changes in equity

Year ended 31 March 2016

	Called up share capital	Profit and loss account	Total shareholders' funds
	£	£	£
At 1 April 2014	1,000	3,922,923	3,923,923
Profit for the financial year and total comprehensive income	-	1,035,489	1,035,489
At 31 March 2015	1,000	4,958,412	4,959,412
Profit for the financial year and total comprehensive income	-	9,590,474	9,590,474
Distribution in kind paid	-	(8,000)	(8,000)
At 31 March 2016	<u>1,000</u>	<u>14,540,886</u>	<u>14,541,886</u>

The accounting policies and notes on pages 9 to 19 form part of these financial statements.

Parabola Land Limited

Statement of accounting policies

Year ended 31 March 2016

Company Information

Parabola Land Limited is a limited company domiciled and incorporated in England and Wales, registration number 04298209. The registered office is Broadgate Tower, 20 Primrose Street, London, England, EC2A 2EW.

Basis of preparation

These financial statements have been prepared on the going concern basis, in accordance with the Companies Act 2006 and applicable standards in the United Kingdom, including Financial Reporting Standard 102 ('FRS 102'). 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.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 19 for an explanation of the transition. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

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.

The principal estimates and judgements that could have significant effect upon the company's financial results relate to the recoverable amount of the investment in Parabola Capital LLP.

Exemptions for qualifying entities under FRS 102

The company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in the financial statements of Parabola Property Limited, includes the company's cash flows;
- (ii) from the financial instrument disclosures, required under FRS 102, as the information is provided in the consolidated financial statement disclosures; and
- (iii) From disclosing the company key management personal compensation, as required by FRS 102.

Turnover

Turnover in the year ended 31 March 2015 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.

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. The rates used are Website domains – 20% per annum of cost.

Property, plant and equipment

Property, plant and equipment are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

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.

Depreciation has been calculated to write off the cost of the property, plant and equipment over their expected useful lives. The rates used are Furniture and fittings – 20% per annum of cost.

Parabola Land Limited

Statement of accounting policies (continued)

Year ended 31 March 2016

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.

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.

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

1. Turnover

	2016	2015
	£	£
Rental income	-	101,088
Service charges recoverable	-	17,685
Other income	-	19,366
	<u>-</u>	<u>138,139</u>

Turnover relates entirely to the United Kingdom

2. Profit/(loss) on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after crediting:

	2016	2015
	£	£
Depreciation	45,158	14,852
Amortisation	3,157	4,735
Auditors' remuneration - audit fees	4,562	11,582
Auditors' remuneration - for other services	<u>321,666</u>	<u>75,510</u>

3. Particulars of employees

The monthly average number of staff employed by the company during the financial year amounted to:

	2016	2015
	No	No
Number of administrative staff	<u>10</u>	<u>8</u>

The aggregate payroll costs of the above were:

	2016	2015
	£	£
Wages and salaries	1,125,598	804,916
Social security costs	<u>113,401</u>	<u>99,116</u>
	<u>1,238,999</u>	<u>904,032</u>

Staff costs totalling £704,047 (2015: £384,939) were recharged to the following fellow entities. Parabola Edinburgh Park LLP exited the Parabola Consolidated Group on 7 December 2015 and recharges ceased after this date.

	2016	2015
	£	£
Parabola Capital LLP	555,689	278,566
Parabola Industrial Estates Limited	39,734	35,262
Parabola Edinburgh Park LLP	74,361	42,448
Parabola Estates Limited	-	16,237
Parabola Property Limited	<u>34,263</u>	<u>12,426</u>

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

4. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2016	2015
	£	£
Remuneration receivable	<u>568,710</u>	<u>488,514</u>

Remuneration of highest paid director:

	2016	2015
	£	£
Total remuneration (excluding pension contributions)	<u>483,118</u>	<u>439,985</u>

5. Income from shares in group undertakings

	2016	2015
	£	£
Income from group undertakings	<u>12,072,724</u>	<u>1,550,000</u>

6. Loss on disposal of financial assets

	2016	2015
	£	£
Loss on disposal of financial assets	<u>(1,280,250)</u>	<u>—</u>

7. Interest receivable and similar income

	2016	2015
	£	£
Interest receivable from investment	1,771,506	1,418,864
Interest receivable from group undertakings	1,282	24,868
Bank interest	2,501	477
	<u>1,775,289</u>	<u>1,444,209</u>

8. Interest payable and similar charges

	2016	2015
	£	£
Interest payable on group undertakings	309,899	168,060
Interest payable to related parties	1,241,594	1,101,142
Finance charges	—	—
Bank charges	259	311
	<u>1,551,752</u>	<u>1,269,513</u>

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

9. Tax on profit on ordinary activities

No current or deferred tax was charged in the current or prior year.

The tax charged assessed for the year is lower (2015: lower) than the effective rate of corporation tax in the UK of 20% (2015: 21%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before taxation	<u>9,590,474</u>	<u>1,035,489</u>
Profit on ordinary activities by rate of tax 20% (2015: 21%)	1,918,095	217,453
Effects of:		
Expenses not deductible for tax purposes	(10,388)	210,435
Income not taxable for tax purposes	(2,931,747)	(628,684)
Capital allowances for year in excess of depreciation	-	3,459
Group relief not paid for	296,103	-
Short term timing differences	260,601	208,764
Tax losses	(2,979,806)	(11,427)
Effect of gains	<u>3,447,142</u>	-
Total tax	<u>-</u>	<u>-</u>

The main rate of corporation tax in the UK reduced from 21% to 20% with effect from 1 April 2015. A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015. As the change to 17% had not been substantively enacted at the balance sheet date its effects are not included in these financial statements.

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

10. Investments

	Total
	£
Cost	
At 1 April 2015	36,070,002
Repayment capital	(3,987,276)
Disposals	(8,002)
At 31 March 2016	<u>32,074,724</u>
Net book value	
At 31 March 2016	<u>32,074,724</u>
At 31 March 2015	<u>36,070,002</u>

	2016	2015
	£	£
Investment in Parabola Capital LLP	32,074,724	35,342,000
Investment in Parabola Edinburgh Park LLP	-	728,000
Investment in Parabola Edinburgh Park Centre Limited	-	1
Investment in Parabola Edinburgh Park Hermiston Limited	-	1

The directors believe that the carrying value of the investments is supported by their underlying net assets.

Included within the investment in Parabola Capital LLP is £32,074,724 (2015:£ 35,342,000) which relates to additional partnership capital made available to Parabola Capital LLP in line with the Parabola Capital LLP members' agreement.

The additional partnership capital made available to Parabola Edinburgh Park LLP of £720,000 (2015: £720,000) was repaid in full on 14 April 2015. On 7 December 2015, Parabola Land Limited disposed of its interest in Parabola Edinburgh Park LLP of £8,000 (2015: £8,000) via a distribution in kind to Parabola Property Limited for nil consideration. The fair value of the interest on disposal was £854,211 as set out below.

	Fair Value
	£
Parabola Edinburgh Park LLP	
Investment Property	10,600,000
Current Assets	633,178
Current Liabilities	(185,077)
Related Party Debt	(9,980,337)
Net assets	<u>£1,067,764</u>
Parabola Land Limited share of net assets	80% <u>£854,211</u>

Parabola Land Limited disposed of its shares in Parabola Edinburgh Park Centre Limited and Parabola Edinburgh Park Hermiston Limited in March 2016 to Parabola Edinburgh Park LLP for the £1 nominal value of the shares.

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

11. Interest receivable on Investment - Accrued

	2016 £	2015 £
Interest receivable on Investment in Parabola Capital LLP	3,025,946	2,254,441
	<u>3,025,946</u>	<u>2,254,441</u>

The additional partnership capital referred to in Note 10, carries a preferential partnership profit share at a rate of 5% per annum accruing from day to day from the date of drawdown to the date of repayment to Parabola Land Limited, which shall be payable to Parabola Land Limited out of the partnership's income profits in accordance with the members agreement. The additional partnership capital and any accrued but unpaid preferred profit share has a long stop return date of 25 October 2032, or such earlier date as may be agreed by the members.

12. Property, plant and equipment

	Furniture and fittings £	Other assets £	Total £
Cost			
At 1 April 2015	146,197	42,050	188,247
Additions	4,586	-	4,586
Disposals	-	-	-
At 31 March 2016	150,783	42,050	192,833
Accumulated Depreciation			
At 1 April 2015	(14,852)	-	(14,852)
Charge for the year	(45,158)	-	(45,158)
At 31 March 2016	(60,010)	-	(60,010)
Net book value			
At 31 March 2016	90,773	42,050	132,823
At 31 March 2015	131,345	42,050	173,395

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

13. Intangible assets

	Total £
Cost	
At 1 April 2015	15,784
Additions	20
At 31 March 2016	15,804
Accumulated amortisation	
At 1 April 2015	(4,735)
Charge for the year	(3,157)
At 31 March 2016	(7,892)
Net book value	
At 31 March 2016	7,912
At 1 April 2015	11,049

14. Debtors

	2016 £	2015 £
Trade debtors	45,183	5,047
Amounts owed by group undertakings	60,401	-
Amounts owed from related parties	-	75,625
Taxation and social security	4,725	-
Other debtors	876,575	887,589
Prepayments and accrued income	95,918	21,611
	<u>1,082,802</u>	<u>989,872</u>

The debtors above include the following amounts falling due after more than one year:

	2016 £	2015 £
Other debtors	<u>869,263</u>	<u>869,263</u>

Other debtors represents a rent default deposit given to the purchaser of Kings Place when the building was sold in April 2012. The deposit is repayable in April 2018.

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

15. Creditors: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to director	9,687,738	13,894,049
Amounts owed to group undertakings	9,334,426	4,345,324
Amounts owed to related parties	472,771	7,607,027
Amounts owed to the Dorian Development Trust	366,873	350,409
Amounts owed to the Corinthian Capital trust and the Dorian Development Trust	5,339,030	5,102,508
Trade creditors	147,362	22,286
Other taxation and social security	-	32,538
Other creditors	12,491	3,201,467
Accruals and deferred income	113,806	42,181
	<u>25,474,497</u>	<u>34,597,789</u>

The amounts owed to group undertakings includes a loan from Parabola Property Limited which is unsecured with a principal outstanding as at 31 March 2016 of £7,750,000 (2015: 4,000,000). Interest on the loan is accruing at 5%.

The amount owed to related parties is accrued interest on a loan from Parabola Estates Limited which was unsecured. The principal was repaid in full on 3 March 2016 (2015: 7,500,000). Interest is accruing at 5%. Interest of £472,771 has been accrued at 31 March 2016.

The amount owed to the director is a loan secured by a floating charge over the assets of the company and a fixed charge over the freehold property with principal outstanding at 31 March 2016 of £9,495,710 (2015: £12,805,870). Interest on the loan is accruing at 4% (2015: 4%) above 3 months LIBOR, and the total amount accrued at 31 March 2016 of £1,689,840 (2015: £1,066,977) has been included within the loan balance. The loan is repayable on demand. £192,028 (2015: £21,202) of the amount owed to the director is an amount accrued as due under a bonus contract.

The amount owed to the Dorian Development Trust represents loans which are unsecured, repayable on demand, with principal outstanding at 31 March 2016 of £nil (2015: £nil). The loans attract interest at 4% (2015: 4%) above 3 months LIBOR. Interest of £366,873 (2015: £350,409) has been accrued at 31 March 2016 and this amount has been included within the amount owed to the Dorian Development Trust.

The amount owed to the Corinthian Capital Trust and the Dorian Development Trust represents loans, repayable on demand with principal outstanding at 31 March 2016 of £nil (2015: £nil). The loans attract interest at 4% (2015: 4%) above 3 month's LIBOR on the principal and are secured by floating charges over the assets of the company and fixed charges over the freehold property. Interest of £5,339,030 has been accrued at 31 March 2016 (2015: £5,102,508), and this amount has been included within the amount owed to the Corinthian Capital Trust and the Dorian Development Trust.

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

16. Related party transactions

At 31 March 2016, the company owed £5,705,903 (2015: £5,452,917) to the Corinthian Capital Trust and the Dorian Development Trust, related parties by virtue of common influence. The interest accrued in the year was £252,986 (2015: £239,615), capital advanced was £nil (2015: £nil), capital repayments were £nil (2015: £nil) and interest payments were £nil (2015: £nil)

At 31 March 2016, the company owed £9,687,738 (2015: £13,894,049) to P J Millican, director. The interest accrued in the year was £622,863 (2015: £754,507), interest paid was £nil (2015: £16,007,337), drawdowns were £nil (2015: £12,805,870) and capital repayments were £5,000,000 (2015: nil). £192,028 (2015:£ 21,202) of the amount owed to the director is an amount accrued as due under a bonus contract.

At 31 March 2016, the company owed £8,293,922 (2015: £4,234,023) to Parabola Property Limited. The interest accrued in the year was £309,899 (2015: £168,060). Drawdowns were £4,450,000 (2015: £500,000) and capital repayments were £700,000 (2015: £nil).

At 31 March 2016, the company owed £472,771 (2015: £7,607,027) to Parabola Estates Limited. The interest accrued in the year was £365,745 (2015: £107,027). Drawdowns were £nil (2015: £7,500,000) and capital repayments were £7,500,000 (2015: £nil).

The accrual for amounts due under the director's service contract is £192,028 (2015: £21,202).

Administrative expenses of £45,000 (2015: £14,585) were recharged from Parabola Capital LLP. The year end balance was £nil (2015: £ nil). Administrative expenses of £428,404 (2015: £187,374), wages and salaries costs of £469,811 (2015: £236,568) and social security costs of £53,726 (2015: £26,496) and staff costs of £32,152 (2015: £15,502) were recharged to Parabola Capital LLP. The year end balance was £1,040,504 (2015: £173,164).

Administrative expenses of £21,186 (2015: £47,871) and wages and social security costs of £74,361 (2015: £42,448) were recharged to Parabola Edinburgh Park LLP until the LLP exited the Parabola Consolidated Group on 7 December 2015. Administrative expenses of £23,160 (2015: £21,539) were recharged from Parabola Edinburgh Park LLP. The year end balance owing from Parabola Edinburgh Park was £4,140 (2015: £3,107 creditor).

Administrative expenses of £26,384 (2015: £7,491) were recharged from Parabola Property Limited. Wages and social security costs of £34,263 (2015:£ 12,426) were recharged to Parabola Property Limited. The year end balance was £24,466 (2015:£ 9,237)

Administrative expenses of £25,582 (2015: £24,993) and wages and social security costs of £39,734 (2015:£35,262) were recharged to Parabola Industrial Estates Limited. The year end balance was £31,933 (2015:£ 3,990).

Parabola Land Limited

Notes to the financial statements

Year ended 31 March 2016

17. Called up share capital

Authorised share capital:

	2016	2015
	£	£
100,000 (2015: 100,000) Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2016		2015	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

The company was incorporated on 11 October 2012 through the issue of 10,000 ordinary shares at £1 nominal value.

18. Ultimate controlling parties

The immediate parent undertaking is Parabola Property Limited. Parabola Property Limited prepares publicly available consolidated financial statements and the results of the company are included in the consolidation. Parabola Property Limited is the smallest and largest group for which group financial statements are drawn up.

The directors consider that the ultimate 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.

19. Transition to FRS 102

The company has adopted FRS 102 for the year ended 2016. No adjustments to prior year amounts have been required and therefore the company has not restated comparative prior year amounts.

20. Operating leases

Future rental commitments under non-cancellable operating leases:

	2016	2015
	Land and buildings	Land and buildings
	£'000	£'000
Expiring within one year	37,467	-
Expiring between two and five years	72,949	29,734
Expiring in five years or more	-	-
Total	110,416	29,734

Lease payments of £49,932 (2015: £5,916) were recognised as an expense in the year.