

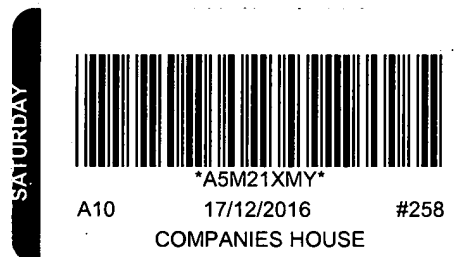
Parabola Foundation
(A charitable company limited by guarantee)

Trustees' Report and Financial Statements

For the year ended 31 March 2016

Charity number: 1156008

Company number: 08812870



Parabola Foundation

Report of the Trustees for the year ending 31st March 2016

The Trustees' are pleased to present their report together with the financial statements for the charitable company for the year ended 31 March 2016. The financial statements have been prepared in accordance with the accounting policies set out on page 9 of the financial statements and comply with their Trust Deed, the Charities Act 2011, the Companies Act 2006 and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK (FRS102).

Reference and administrative details

Charity number	1156008
Company registration number	08812870
Principal office and principal place of business	Broadgate Tower 20 Primrose Street London EC2A 2EW
Trustees	Peter John Millican (Chair) Anne Deborah Millican Peter Godfrey Clark (resigned 8 th March 2016) Deborah Jude (appointed 25 th July 2016)
Auditor	RSM UK Audit LLP 1 St James' Gate Newcastle upon Tyne NE1 4AD

Directors

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end are listed above.

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Structure, governance and management

Governing Document

Parabola Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 12 December 2013. It is registered as a charity with the Charity Commission.

Organisation Structure

The charity has a minimum of three members. Accounting is performed by Parabola Estates and is a charitable donation. Each board member agrees to contribute an amount not exceeding £1 in the event of the charitable company winding up.

Parabola Foundation

Report of the Trustees for the year ending 31st March 2016 (continued)

Trustee Recruitment and Training

New Trustees are appointed by Peter John Millican and the existing trustees and are chosen based on skills they have to offer to ensure the development of the charity's activities. Training will be made available to the trustees when it is required.

Related parties

Peter John Millican, chair of the Board of Trustees, is a director of Parabola Estates Limited who donated to the charity during the year. In addition Peter John Millican is a director of Poverty Relief Foundation, The Imogen Cooper Music Trust and Kings Place Music Foundation who received donations from the charity during the year.

Objectives and activities

The objects of the charity are to further charitable and cultural projects that will bring benefit to the public. It has been particularly keen to support music and the arts in a way that benefits the community. The charity carefully evaluates all applications for funds based on merit.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on the public benefit when reviewing its aims and objectives and in planning its future support.

Achievements and performance

During the period the charity supported Kings Place Music Foundation, Bowes Museum, Aurora Orchestra, In Harmony, Ruwenzori Sculpture Foundation, Hexham book festival, the Imogen Cooper Music Trust, Poverty Relief Foundation and Galleries Inc. The charity measures its success by the number of wells built, concerts performed and children attending music in all forms.

Financial Review

Operations in the period resulted in a surplus of £535,699 (2015: £40,280) representing the excess of income over expenditure.

Reserves Policy

The Trustees' policy is to hold circa 12 months turnover as reserves. There was a free balance at the end of the period of £575,979 (2015: £40,280). It is considered in the charitable company's best interests to treat all reserves as unrestricted. The trustees regard the year end funds to be adequate to support the charitable company's future obligations.

Going Concern

The Trustees are satisfied that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected levels of income and therefore the going concern basis of accounting is appropriate.

Risk management

The trustees have examined the major strategic business and operational risks that the charity faces to ensure that systems are in place to monitor them. The principal risk that the charity faces is the commercial success of its primary donor Parabola Estates.

Plans for Future Periods

The charity aims to continue to support projects that bring benefit to the wider public. This includes plans to continue funding for Kings Place Music Foundation, Hawthorne School, Poverty Relief Foundation, and the Hexham Book Festival amongst others.

Parabola Foundation

Report of the Trustees for the year ending 31st March 2016 (continued)

Trustees' Responsibilities

The trustees (who are also directors of Parabola Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of the surplus or deficit of the charitable company for the financial year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

A resolution to re-appoint RSM UK Audit LLP as auditor for the ensuing year will be proposed at the forthcoming annual general meeting.

Approved by the trustees on 13th December 2016 and signed on their behalf by:


Pete J Millican
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PARABOLA FOUNDATION FOR THE YEAR ENDED 31 MARCH 2016

We have audited the financial statements of Parabola Foundation for the year ended 31 March 2016 on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

The comparative period has not been audited.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 3, the trustees (who are also the directors of the charitable company for the purposes of company law) 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). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PARABOLA FOUNDATION
FOR THE YEAR ENDED 31 MARCH 2016**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records, 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; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' report

RSM UK Audit LLP

Iain Corner (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Date *14 December 2016*

Parabola Foundation

Statement of Financial Activities (incorporating income and expenditure account) for the year ending 31 March 2016

	Note	Total Unrestricted Funds Year ending 31 March 2016 £	Total Unrestricted Funds Period from 12 December 2013 to 31 March 2015 £
Income from:			
Donations and legacies:	1	1,418,000	105,000
Investments	1	56	-
Total income		1,418,056	105,000
Expenditure on:			
Charitable activities:			
Support other charitable objectives to benefit the wider public	2	882,357	64,720
Total expenditure		882,357	64,720
Net income		535,699	40,280
Reconciliation of funds			
Total funds brought forward	6	40,280	-
Total funds carried forward		575,979	40,280

All incoming resources and resources expended are derived from continuing activities.

The statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 11 to 14 form part of these financial statements

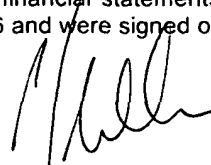
Parabola Foundation

Company Number: 08812870

Balance Sheet at 31 March 2016

	Note	Unrestricted funds 2016 £	Unrestricted funds 2015 £
Current assets			
Cash at bank		833,139	40,730
		833,139	40,730
Liabilities			
Creditors - amounts falling due within one year	4	57,160	450
		57,160	450
Net current assets		775,979	40,280
Creditors – amounts falling due in more than one year	5	200,000	-
Total assets less current liabilities		575,979	40,280
The funds of the charity			
Unrestricted funds	6	575,979	40,280
Total charity funds		575,979	40,280

The financial statements on pages 6 to 14 were approved by the Board of Trustees on 13th December 2016 and were signed on its behalf by:


P J Millican
Trustee

Parabola Foundation

Statement of Cash Flows for the year ending 31 March 2016

		2016	2015
	Note	£	£
Net Cash Generated from Operating Activities	8	792,353	40,730
Cash flows from financing activities:			
Interest received		56	-
Net cash provided by financing activities		56	-
Increase in cash and cash equivalents in the year		792,409	40,730
Cash and cash equivalents at the start of the period		40,730	-
Cash and cash equivalents at the end of the period		833,139	40,730
Relating to:			
Cash at bank		833,139	40,730
Total cash and cash equivalents		833,139	40,730

Parabola Foundation

Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK (FRS102) and the Companies Act 2006.

Parabola Foundation is a Charitable Company limited by Guarantee, registered in England. The address of the Charity's registered office and principle place of business is Broadgate Tower, 20 Primrose Street, London, EC2A 2EW. The charity meets the definition of public benefit entity under FRS102.

Assets and liabilities are initially recognised at historical cost of transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is also the functional currency of the charitable company.

Monetary amounts in these statements are rounded to the nearest £ except where otherwise indicated.

Reconciliation with previous Generally Accepted Accounting Practice

These financial statements are the first financial statements prepared in accordance with FRS102. The financial statements for the year ended 31 March 2015 were prepared in accordance with previous UK GAAP. In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No such restatement was considered necessary.

Going concern

Financial Reporting Standard 102 requires, if appropriate, the charity's financial statements are prepared on the going concern basis, which means that the charity is able to operate for the foreseeable future on the basis of known and reasonable projected resources. There are no material uncertainties in respect of the charity's ability to continue as going concern. Although the nature of donations is difficult to forecast, the trustees believe there is sufficient support to the charity to enable the charity to continue to meet its liabilities as they fall due. As a result the going concern basis of accounting is appropriate.

Incoming resources

Income is recognised in the period in which the charitable company has entitlement to the funds, any conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and Legacy Income

Donations and Legacy Income are included in the Statement of Financial Activities when receivable.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Resources expended

Expenditure is all considered as expenditure on charitable activities. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party; it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT.

Parabola Foundation

Accounting policies (continued)

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS102, in full to all of its financial instruments.

All of the charities financial assets and financial liabilities qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Cash at bank and in hand

Cash at bank and cash in hand includes cash held at bank and cash in hand.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of all funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under circumstances.

Parabola Foundation

Notes to the financial statements for the year ending 31 March 2016

1. Income

Donations and Legacies

	Total Unrestricted Funds Year ending 31 March 2016 £	Total Unrestricted Funds Period from 12 December to 31 March 2015 £
Donations	1,418,000	105,000
	1,418,000	105,000

Investment Income

	Total Unrestricted Funds Year ending 31 March 2016 £	Total Unrestricted Funds Period from 12 December 2013 to 31 March 2015 £
Bank interest receivable	56	-
	56	-

2. Expenditure on charitable activities

	Total Unrestricted Funds Year ending 31 March 2016 £	Total Unrestricted Funds Period from 12 December 2013 to 31 March 2015 £
Governance costs	3,113	3,258
Donations	879,244	61,462
	882,357	64,720

Parabola Foundation

Notes to the financial statements for the year ending 31 March 2016

2. Expenditure on charitable activities (continued)

Governance costs are made up as follows:

	Total Unrestricted Funds Year ending 31 March 2016 £	Total Unrestricted Funds Period from 12 December 2013 to 31 March 2015 £
Fees paid to RSM:		
Audit fee	1,000	-
Independent examination	-	450
Accountancy services	1,250	-
Legal and professional fees	863	2,808
	3,113	3,258

Donations:

	Total Unrestricted Funds Year ending 31 March 2016 £	Total Unrestricted Funds Period from 12 December 2013 to 31 March 2015 £
Amounts paid to institutions:		
Creative Arts	822,691	45,000
Other	56,553	16,642
	879,244	61,462

	£	£
Institutions:		
Kings Place Music Foundation	391,000	-
Aurora Orchestra (a)	305,000	-
Bowes Museum	50,000	35,000
Poverty Relief Foundation	56,553	10,000
Other	76,691	16,462
	879,244	61,462

(a) Donation to be made over 5 years to January 2020.

3. Staff costs, Trustees' remuneration, benefits and expenses

The company has no employees.

There were no trustees' remuneration or other benefits or expenses paid for the year ending 31 March 2016 (2015: £nil).

Parabola Foundation

Notes to the financial statements for the year ending 31 March 2016

4. Creditors: amounts falling due within one year

	At 31 March 2016 £	At 31 March 2015 £
Accruals and deferred income	2,160	450
Accruals for grants payable	55,000	-
	57,160	450

5. Creditors: amounts falling due in more than one year

	At 31 March 2016 £	At 31 March 2015 £
Accruals for grants payable:		
Due within 2 - 5 years	200,000	-
	200,000	-

6. Analysis of charitable funds

	At 31 March 2016 £	At 31 March 2015 £
Unrestricted funds		
As at 1 st April	40,280	-
Unrestricted funds movement	535,699	40,280
As at 31 st March	575,979	40,280

Net movement in funds, included in the above are as follows:

	Incoming Resources £	Resources Expended £	Movement in funds £
Unrestricted funds			
General Fund	1,418,056	882,357	535,699
Total funds	1,418,056	882,357	535,699

General funds are held in order to further the objects of the charity.

7. Financial instruments

	31 March 2016 £	31 March 2015 £
Carrying amount of financial assets		
Cash	833,139	40,730
Carrying amount of financial liabilities		
Measured at amortised cost	255,000	-

Parabola Foundation

Notes to the financial statements for the year ending 31 March 2016

8. Reconciliation of net movement in funds to net cash from operating activities

	31 March 2016 £	31 March 2015 £
Net movement in funds	535,699	40,280
Deduct interest receivable	(56)	-
Increase in creditors	256,710	450
Net cash provided by operating activities	792,353	40,730

9. Related party transactions

Peter John Millican, chair of the Board of Trustees, is a director of Parabola Estates Limited who donated to the charity during the year. In addition Peter John Millican is a director of Poverty Relief Foundation, The Imogen Cooper Music Trust and Kings Place Music Foundation who received donations from the charity during the year. The charity regards these institutions to be related parties.

The charity had the following transactions/balances with related parties:

	Parabola Estates Limited		Kings Place Music Foundation		Poverty Relief Foundation		P J Millican		The Imogen Cooper Music Trust	
	£	£	£	£	£	£	£	£	£	£
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Income – donations	1,418,000	100,000	-	-	-	-	-	5,000	-	-
Expenditure - donations	-	-	391,000	-	56,553	10,000	-	-	10,000	-
Debtor balances at year end	-	-	-	-	-	-	-	-	-	-
Creditor balances at year end	-	-	-	-	-	-	-	-	-	-

10. Legal status of charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

11. Taxation

The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12. First time adoption of FRS102

These are the first financial statements that comply with FRS102. The charity transitioned to FRS102 on 1 April 2015. No transitional adjustments were required to total funds or income and expenditure in the year.