

REGISTERED NUMBER: 02800546 (England and Wales)

Group Strategic Report,
Report of the Directors and
Audited
Consolidated Financial Statements
for the Year Ended 31st July 2018
for
Chelsea Pitch Owners plc

THURSDAY



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COMPANIES HOUSE

Chelsea Pitch Owners plc (Registered number: 02800546)

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for the Year Ended 31st July 2018**

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Chelsea Pitch Owners plc

Company Information **for the Year Ended 31st July 2018**

DIRECTORS:

S J Frankham
R G C Smith
S W Jones
C G Rose
G Gower

SECRETARY:

C G Rose

REGISTERED OFFICE:

Trios House
Reform Road
Maidenhead
Berkshire
SL6 8BY

BUSINESS ADDRESS:

Irene House
5 Arches Business Park
Maidstone Road
Sidcup
Kent
DA14 5AE

REGISTERED NUMBER:

02800546 (England and Wales)

Chelsea Pitch Owners plc

Company Information
for the Year Ended 31st July 2018

AUDITORS:

2

Hannaways
Chartered Accountants
and Statutory Auditors
Trios House
Reform Road
Maidenhead
Berkshire
SL6 8BY

Chelsea Pitch Owners plc (Registered number: 02800546)

Group Strategic Report **for the Year Ended 31st July 2018**

The directors present their strategic report of the company and the group for the year ended 31st July 2018.

REVIEW OF BUSINESS

Chelsea Pitch Owners and its subsidiary, Chelsea Stadium Limited, have continued to progress the business and to fulfill its obligations under the terms of its lease and loan of Stamford Bridge.

Much of our energy has been expended in matters surrounding the proposed redevelopment of Stamford Bridge. This involved substantial legal advice which has now been resolved.

With the redevelopment on hold, the company has taken the opportunity to plan its future in more detail. This plan, which is published on our website, shows that we are planning to widen the shareholding base of the company as well as involving more Chelsea supporters from both near and afar in share ownership. We are aiming to take CPO into the modern era in terms of accessibility of events and share purchase.

The results this year are poor. The revenues from our events did not match either previous years or our aspirations. Share sales were lower than at any time in the last eight years, which may well have been a result of the uncertainty surrounding the change of share values.

We held two events during the year. The first was an excellent dinner with Ken Bates, at which we celebrated the twenty-fifth anniversary of CPO. The second was our annual Football Tournament on the pitch at Stamford Bridge, was held in May.

You will also see in the financial statements that there has been a revaluation of our freehold in Stamford Bridge. We are advised that the reduction in value is down to the oversupply of property and the general uncertainty in the London property market at the current time. Whilst this is shown in our accounts, it does not affect our profitability or stability in running the company.

The board wish to emphasise and to thank the club, and its numerous members of staff, for their co-operation and assistance towards Chelsea Pitch Owners.

PRINCIPAL RISKS AND UNCERTAINTIES

There is uncertainty about the redevelopment of Stamford Bridge, and this may affect the number of shares sold by CPO. In addition there may be need for professional and other paid advice to the board in order for them to reach certain decisions.

FUTURE DEVELOPMENTS

Chelsea Pitch Owners have published a full business plan that sets out its core goals, and the way it hopes to reach them. Work towards these continues.

Chelsea Pitch Owners plc (Registered number: 02800546)

Group Strategic Report
for the Year Ended 31st July 2018

KEY PERFORMANCE INDICATORS

The business plan sets out six KPI's.

1. Number of Shareholders, Shares Sold

The number of shares sold were 157 A shares and 293 B shares. The total value of these was £23,025. In the previous year we sold 476 A shares at a value of £47,600.

2. Profitability, Cash Flow, Cash Reserves

The trading loss for the year was £22,588. The cash flow shows a decrease of £40,270 compared with an increase of £282 in the previous year. The cash reserves at the year end were £57,449 compared with £97,719 in the previous year.

3. Loan Repayment

During the year the company repaid £19,508, leaving a balance on the loan of £8,258,983.

4. Events and Attendance Numbers

Ken Bates Dinner: 95 persons attended.

Football Tournament 14 Team Entries, and 15 individual Entries.

5. Engagement on Social Media

During the year the number of followers on both the Facebook and Twitter sites has increased. A more detailed approach will be taken to gathering information and communicating this in the future.

6. Engagement with Chelsea Supporters Groups

In October 2017 the Chair of Chelsea Pitch Owners, Charles Rose, addressed The Chelsea Supporters Trust and also the Chelsea Supporters Club. Contact was also maintained with the Chelsea Supporters Group.

ON BEHALF OF THE BOARD:



C G Rose - Secretary

19th October 2018

Chelsea Pitch Owners plc (Registered number: 02800546)

Report of the Directors **for the Year Ended 31st July 2018**

The directors present their report with the financial statements of the company and the group for the year ended 31st July 2018.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of repaying a loan to Chelsea FC plc which arose when purchasing the freehold interest in the land upon which Chelsea Football Club is situated, and to ensure that the land is available for use as a football stadium and is unavailable for any other use.

DIVIDENDS

No dividends will be distributed for the year ended 31st July 2018.

DIRECTORS

The directors during the year under review were:

R J Glanvill	- resigned 6.10.17
S J Frankham	
R G C Smith	
S W Jones	
C G Rose	
G Gower	- appointed 10.6.18

The beneficial interests of the directors holding office on 31st July 2018 in the issued share capital of the company were as follows:

	31.7.18	1.8.17 or date of appointment if later
Ordinary A £100 shares		
S J Frankham	40	40
R G C Smith	1	1
S W Jones	4	4
C G Rose	7	6
G Gower	1	1
Ordinary B £25 shares		
S J Frankham	1	-
R G C Smith	1	-
S W Jones	4	-
C G Rose	1	-
G Gower	-	-

In accordance with the company's Articles of Association, all the directors retire by rotation and offer themselves for re-election.

Mr R J Granvill ceased to be a director after 31st July 2017 but prior to the date of this report.

SHARE CAPITAL

During the period the company issued a further 157 ordinary £100 A shares and 293 ordinary £25 B shares.

DIRECTORS' INDEMNITIES

The company maintained Directors' and Officers liability insurance during the year.

Chelsea Pitch Owners plc (Registered number: 02800546)

Report of the Directors
for the Year Ended 31st July 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 the group and of the profit or loss of the group 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Hannaways, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



C G Rose - Secretary

19th October 2018

**Report of the Independent Auditors to the Members of
Chelsea Pitch Owners plc**

Opinion

We have audited the financial statements of Chelsea Pitch Owners plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st July 2018 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31st July 2018 and of the group's loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Chelsea Pitch Owners plc**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page six, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Northwood BSc FCA (Senior Statutory Auditor)
for and on behalf of Hannaways
Chartered Accountants
and Statutory Auditors
Trios House
Reform Road
Maidenhead
Berkshire
SL6 8BY

19th October 2018

Chelsea Pitch Owners plc (Registered number: 02800546)**Consolidated Statement of Comprehensive Income**
for the Year Ended 31st July 2018

	Notes	2018 £	2017 £
TURNOVER	4	33,086	55,374
Cost of sales		17,358	21,685
GROSS PROFIT		15,728	33,689
Administrative expenses		38,344	36,819
OPERATING LOSS	6	(22,616)	(3,130)
Legal fees	7	(234,049)	(28,027)
Recharge of legal fees	7	234,049	28,019
		(22,616)	(3,138)
Income from fixed asset investments	8	21	21
Interest receivable and similar income	9	7	7
		28	28
Gain/loss on revaluation of assets		(22,588) (200,022)	(3,110) 86
LOSS BEFORE TAXATION		(222,610)	(3,024)
Tax on loss	10	(62,500)	-
LOSS FOR THE FINANCIAL YEAR		(160,110)	(3,024)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(160,110)</u>	<u>(3,024)</u>
Loss attributable to: Owners of the parent		<u>(160,110)</u>	<u>(3,024)</u>
Total comprehensive income attributable to: Owners of the parent		<u>(160,110)</u>	<u>(3,024)</u>

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)**Consolidated Balance Sheet**
31st July 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Investments	12		432		454
Investment property	13		12,300,000		12,500,000
			<u>12,300,432</u>		<u>12,500,454</u>
CURRENT ASSETS					
Stocks	14	1,000		1,000	
Debtors	15	104,195		7,012	
Cash at bank		57,449		97,719	
		<u>162,644</u>		<u>105,731</u>	
CREDITORS					
Amounts falling due within one year	16	86,032		10,048	
NET CURRENT ASSETS			<u>76,612</u>		<u>95,683</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			12,377,044		12,596,137
CREDITORS					
Amounts falling due after more than one year	17		(8,258,983)		(8,278,491)
PROVISIONS FOR LIABILITIES	19		<u>(427,500)</u>		<u>(490,000)</u>
NET ASSETS			<u><u>3,690,561</u></u>		<u><u>3,827,646</u></u>
CAPITAL AND RESERVES					
Called up share capital	20		2,102,025		2,079,000
Retained earnings	21		1,588,536		1,748,646
SHAREHOLDERS' FUNDS			<u><u>3,690,561</u></u>		<u><u>3,827,646</u></u>

The financial statements were approved by the Board of Directors on 19th October 2018 and were signed on its behalf by:



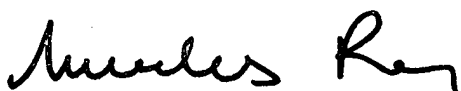
C G Rose - Director

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)**Company Balance Sheet****31st July 2018**

	Notes	2018	2017
		£	£
FIXED ASSETS			
Investments	12	433	455
Investment property	13	-	-
		<u>433</u>	<u>455</u>
CURRENT ASSETS			
Stocks	14	1,000	1,000
Debtors	15	10,163,863	10,066,680
Cash at bank		57,449	97,719
		<u>10,222,312</u>	<u>10,165,399</u>
CREDITORS			
Amounts falling due within one year	16	86,032	10,048
		<u>86,032</u>	<u>10,048</u>
NET CURRENT ASSETS		<u>10,136,280</u>	<u>10,155,351</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,136,713</u>	<u>10,155,806</u>
CREDITORS			
Amounts falling due after more than one year	17	8,258,983	8,278,491
		<u>8,258,983</u>	<u>8,278,491</u>
NET ASSETS		<u>1,877,730</u>	<u>1,877,315</u>
CAPITAL AND RESERVES			
Called up share capital	20	2,102,025	2,079,000
Retained earnings	21	(224,295)	(201,685)
		<u>1,877,730</u>	<u>1,877,315</u>
SHAREHOLDERS' FUNDS		<u>1,877,730</u>	<u>1,877,315</u>
Company's loss for the financial year		<u>(22,610)</u>	<u>(3,024)</u>

The financial statements were approved by the Board of Directors on 19th October 2018 and were signed on its behalf by:



C G Rose - Director

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)

Consolidated Statement of Changes in Equity
for the Year Ended 31st July 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st August 2016	2,031,400	1,751,670	3,783,070
Changes in equity			
Issue of share capital	47,600	-	47,600
Total comprehensive loss	-	(3,024)	(3,024)
Balance at 31st July 2017	<u>2,079,000</u>	<u>1,748,646</u>	<u>3,827,646</u>
Changes in equity			
Issue of share capital	23,025	-	23,025
Total comprehensive loss	-	(160,110)	(160,110)
Balance at 31st July 2018	<u><u>2,102,025</u></u>	<u><u>1,588,536</u></u>	<u><u>3,690,561</u></u>

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)

Company Statement of Changes in Equity
for the Year Ended 31st July 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st August 2016	2,031,400	(198,661)	1,832,739
Changes in equity			
Issue of share capital	47,600	-	47,600
Total comprehensive loss	-	(3,024)	(3,024)
Balance at 31st July 2017	<u>2,079,000</u>	<u>(201,685)</u>	<u>1,877,315</u>
Changes in equity			
Issue of share capital	23,025	-	23,025
Total comprehensive loss	-	(22,610)	(22,610)
Balance at 31st July 2018	<u><u>2,102,025</u></u>	<u><u>(224,295)</u></u>	<u><u>1,877,730</u></u>

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)**Consolidated Cash Flow Statement**
for the Year Ended 31st July 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	(43,815)	(1,946)
Net cash from operating activities		<u>(43,815)</u>	<u>(1,946)</u>
Cash flows from investing activities			
Interest received		7	7
Dividends received		21	21
Net cash from investing activities		<u>28</u>	<u>28</u>
Cash flows from financing activities			
Loan repayments in year		(19,508)	(45,400)
Shares issued		23,025	47,600
Net cash from financing activities		<u>3,517</u>	<u>2,200</u>
(Decrease)/increase in cash and cash equivalents		<u>(40,270)</u>	<u>282</u>
Cash and cash equivalents at beginning of year	2	97,719	97,437
Cash and cash equivalents at end of year	2	<u><u>57,449</u></u>	<u><u>97,719</u></u>

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31st July 2018

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Loss before taxation	(222,610)	(3,024)
Loss/(Gain) on revaluation of fixed assets	200,022	(86)
Finance income	(28)	(28)
	<u>(22,616)</u>	<u>(3,138)</u>
Increase in trade and other debtors	(97,183)	(2,999)
Increase in trade and other creditors	75,984	4,191
	<u>(21,282)</u>	<u>(1,796)</u>
Cash generated from operations	<u>(43,815)</u>	<u>(1,946)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st July 2018

	31.7.18	1.8.17
	£	£
Cash and cash equivalents	<u>57,449</u>	<u>97,719</u>

Year ended 31st July 2017

	31.7.17	1.8.16
	£	£
Cash and cash equivalents	<u>97,719</u>	<u>97,437</u>

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements for the Year Ended 31st July 2018

1. STATUTORY INFORMATION

Chelsea Pitch Owners plc is a public company, limited by shares, registered in England and Wales. The company's registered number, registered office address and business address can be found on the Company Information page of the financial statements.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The company is a public benefit entity as defined by Financial Reporting Standard 102.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Basis of consolidation

The group financial statements consolidate the financial statements of Chelsea Pitch Owners plc and its subsidiary undertaking drawn up to 31st July each year.

In the company's financial statements, investments in subsidiaries are stated at cost less impairment.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued **for the Year Ended 31st July 2018**

3. ACCOUNTING POLICIES - continued

Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction cost. Any losses from impairment are recognised in the profit and loss account.

Investments

Listed investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with any changes to fair value recognised in profit or loss.

In the company's own financial statements, investments in subsidiaries are accounted for at cost less impairment.

Concessionary loan

The concessionary loan is recorded at amounts received, less any amounts repaid.

4. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2018	2017
	£	£
Tickets for events	19,876	31,876
Auctions and raffles	2,661	7,817
Sundry income	10,549	15,681
	<u>33,086</u>	<u>55,374</u>

The turnover for the current and previous period arose entirely in the United Kingdom.

5. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31st July 2018 nor for the year ended 31st July 2017.

The average number of employees during the year was as follows:

	2018	2017
Office and management	<u>5</u>	<u>5</u>

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st July 2018

5. EMPLOYEES AND DIRECTORS - continued

The average number of employees by undertakings that were proportionately consolidated during the year was NIL (2017 - NIL).

	2018	2017
	£	£
Directors' remuneration	-	-

6. OPERATING LOSS

The operating loss is stated after charging:

	2018	2017
	£	£
Hire of equipment	209	174
Auditors' remuneration	3,500	3,400

7. LEGAL FEES

The legal fees incurred in the year relate to the proposed redevelopment of Stamford Bridge. Chelsea FC have agreed to meet these cost on behalf of the company, and so they have been recharged to the club during the year.

8. INCOME FROM FIXED ASSET INVESTMENTS

	2018	2017
	£	£
Dividends received	21	21

9. INTEREST RECEIVABLE AND SIMILAR INCOME

	2018	2017
	£	£
Deposit account interest	7	7

10. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2018	2017
	£	£
Deferred tax	(62,500)	-
Tax on loss	(62,500)	-

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st July 2018

10. TAXATION - continued

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2018 £	2017 £
Loss before tax	<u>(222,610)</u>	<u>(3,024)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.670%)	(42,296)	(595)
Effects of:		
Unrealised gain/loss	38,004	(17)
Tax loss carried forward	4,292	612
Deferred tax	<u>(62,500)</u>	<u>-</u>
Total tax credit	<u>(62,500)</u>	<u>-</u>

11. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

12. FIXED ASSET INVESTMENTS

Group

	Listed investments £
COST	
At 1st August 2017	454
Fair value adjustment	<u>(22)</u>
At 31st July 2018	<u>432</u>
NET BOOK VALUE	
At 31st July 2018	<u>432</u>
At 31st July 2017	<u>454</u>

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st July 2018

12. FIXED ASSET INVESTMENTS - continued

Company

	Shares in group undertakings £	Listed investments £	Totals £
COST			
At 1st August 2017	1	454	455
Fair value adjustment	-	(22)	(22)
	<hr/>	<hr/>	<hr/>
At 31st July 2018	1	432	433
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31st July 2018	1	432	433
	<hr/>	<hr/>	<hr/>
At 31st July 2017	1	454	455
	<hr/>	<hr/>	<hr/>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Chelsea Stadium Limited

Registered office: 101 Rose Street South Lane, Edinburgh, EH2 3JG

Nature of business: Property management

	% holding	2018 £	2017 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		1,812,832	1,950,332
Loss for the year		(137,500)	-
		<hr/>	<hr/>

The listed investment relates to 693 shares in Lloyds Banking Group plc. The fair value of the shares as quoted on the London Stock Exchange at 31st July 2018 was £432 (2017 £454).

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st July 2018

13. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1st August 2017	12,500,000
Revaluations	(200,000)
	<hr/>
At 31st July 2018	12,300,000
	<hr/>
NET BOOK VALUE	
At 31st July 2018	12,300,000
	<hr/>
At 31st July 2017	12,500,000
	<hr/>

If the investment property had not been revalued it would have been included at the the following historical cost:

	2018 £	2017 £
Cost	10,050,000	10,050,000
	<hr/>	<hr/>

The investment property was valued on an open market basis on 31st July 2018 by Rawley & Co Surveyors and Valuers.

14. STOCKS

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Stocks	1,000	1,000	1,000	1,000
	<hr/>	<hr/>	<hr/>	<hr/>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Amounts owed by group undertakings	-	-	10,059,668	10,059,668
Other debtors	100,377	3,262	100,377	3,262
Prepayments	3,818	3,750	3,818	3,750
	<hr/>	<hr/>	<hr/>	<hr/>
	104,195	7,012	10,163,863	10,066,680
	<hr/>	<hr/>	<hr/>	<hr/>

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st July 2018

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	82,532	46	82,532	46
Social security and other taxes	-	6,602	-	6,602
Accrued expenses	3,500	3,400	3,500	3,400
	<u>86,032</u>	<u>10,048</u>	<u>86,032</u>	<u>10,048</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Concessionary loan (see note 18)	<u>8,258,983</u>	<u>8,278,491</u>	<u>8,258,983</u>	<u>8,278,491</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Amounts falling due between two and five years:				
Other loans - 2-5 years	<u>8,258,983</u>	<u>-</u>	<u>8,258,983</u>	<u>-</u>
Amounts falling due in more than five years:				
Repayable otherwise than by instalments				
Concessionary loan	<u>-</u>	<u>8,278,491</u>	<u>-</u>	<u>8,278,491</u>

The loan was advanced by Chelsea FC plc on 17th December 1997. The loan is repayable by the company by 14th December 2022. However, the company has an option to extend the loan period for a further 10 years and can continue to exercise this option provided that the loan is repaid within 199 years of the initial advance date. The loan is unsecured and is interest free.

19. PROVISIONS FOR LIABILITIES

	Group	
	2018	2017
	£	£
Deferred tax	<u>427,500</u>	<u>490,000</u>

Chelsea Pitch Owners plc (Registered number: 02800546)**Notes to the Consolidated Financial Statements - continued**
for the Year Ended 31st July 2018**19. PROVISIONS FOR LIABILITIES - continued****Group**

	Deferred tax £
Balance at 1st August 2017	490,000
Provided during year	(62,500)
Balance at 31st July 2018	<u>427,500</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
20,947 (2017 - 20,790)	Ordinary A	£100	2,094,700	2,079,000
293	Ordinary B	£25	7,325	-
			<u>2,102,025</u>	<u>2,079,000</u>

The following shares were allotted and fully paid for cash at par during the year:

157 Ordinary A shares of £100 each
293 Ordinary B shares of £25 each

21. RESERVES**Group**

	Retained earnings £
At 1st August 2017	1,748,646
Deficit for the year	(160,110)
At 31st July 2018	<u>1,588,536</u>

Company

	Retained earnings £
At 1st August 2017	(201,685)
Deficit for the year	(22,610)
At 31st July 2018	<u>(224,295)</u>

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st July 2018

21. RESERVES - continued

Included in the group's retained earnings is £1,822,932 (2017 £1,960,454) of profits which are not available to distribute as they are unrealised.

Included in the company's retained earnings is £432 (2017 £454) of profits which are not available to distribute as they are unrealised.

22. RELATED PARTY DISCLOSURES

Included in Administrative expenses is £11,000 (2017 £12,000) and £1,000 (2017 £nil) charged by the directors C Rose and G Gower respectively, in relation to the day to day running of the company. No amounts were outstanding at the year end.