

Group Strategic Report,
Report of the Directors and
Audited
Consolidated Financial Statements
for the Year Ended 31st July 2021
for
Chelsea Pitch Owners plc

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for the Year Ended 31st July 2021

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Chelsea Pitch Owners plc

Company Information **for the Year Ended 31st July 2021**

DIRECTORS:

S J Frankham
S W Jones
G Gower
C J S Isitt
M S Eyre
M V Greenwood

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)

AUDITORS:

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 2021**

The directors present their strategic report of the company and the group for the year ended 31st July 2021.

REVIEW OF BUSINESS

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

As previously highlighted, the board is focused on modernising the approach of the company and endeavouring to attract a wider and more diverse shareholding base. It is also the board's priority to generate revenue streams in addition to share sale activities.

Government imposed restrictions in the face of the Covid-19 pandemic have continued to adversely affect our operations, and we have been unable to plan any fund-raising events during the current financial year. These events are expected to resume next year.

The freehold of Stamford Bridge has been independently valued at £12m for the purposes of the Annual Accounts and Report. It does not affect the profitability or stability of the company.

The board wishes to thank Chelsea FC and its staff for their co-operation and assistance to Chelsea Pitch Owners.

PRINCIPAL RISKS AND UNCERTAINTIES

The planning permission to redevelop Stamford Bridge has now lapsed. The Club have given no indication that the project will be revisited in the short to medium term.

The Board considers Chelsea FC's brief association with the proposed European Super League as a potential risk to its future relationship should it progress further in the future.

SECTION 172(1) STATEMENT

The directors of the company are required to act in accordance with a set of general duties. These duties are detailed in s172 of the UK Companies Act 2006 which is summarised as follows: 'A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole'.

The directors are aware of their obligations with regards to the matters under s172, namely:

- the likely consequences of any decisions in the long term;
- the interest of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability for the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the company.

The board regularly reviews issues in respect of shareholders, suppliers and customers, which it takes into account in its decision making process. The company has strong relationships with the few number of suppliers it engages, established over many years. The board is committed to engaging regularly with the shareholders so that they understand the boards strategy and objectives. The company has no employees, other than the directors on the board.

FUTURE DEVELOPMENTS

Chelsea Pitch Owners will continue to implement the published business plan and to create initiatives to encourage increased share ownership together with increased participation by shareholders.

Chelsea Pitch Owners plc (Registered number: 02800546)

Group Strategic Report **for the Year Ended 31st July 2021**

KEY PERFORMANCE INDICATORS

The business plan sets out six KPI's.

1. Shares sold

The numbers of shares sold in the year were 854 ordinary B shares. The total value of these was £21,350. In the previous year the company sold 554 ordinary B shares. The total value of these was £13,850.

2. Profitability, Cash Flow and Cash Reserves

The operating loss for the year was £18,275. The previous year produced an operating loss of £27,987. The cash flow for the year shows an increase of £5,100 compared with a decrease of £6,011 in the previous year. The cash reserves at 31st July 2021 are £59,611 compared with £54,511 for the previous year.

3. Loan Repayment

Following the re-phasing of the payment cycle to coincide with the completion of the audit, the company made a repayment to Chelsea FC of £11,773 during the financial year, leaving a balance on the loan of £8,234,078.

4. Events and Attendance Numbers

No events were able to take place during the year.

5. Engagement on Social Media

During the year, the number of Twitter followers increased to over 8,000 with a growing presence on Facebook and Instagram. The company is actively reviewing its website in partnership with the Club who continue to host it on our behalf

6. Engagement with Chelsea Supporters Groups

The company has continued its communication strategy to liaise with both domestic and overseas supporter groups to encourage share purchase from the widest possible fan base.

ON BEHALF OF THE BOARD:

C J S Isitt - Director

17th November 2021

Chelsea Pitch Owners plc (Registered number: 02800546)

Report of the Directors **for the Year Ended 31st July 2021**

The directors present their report with the financial statements of the company and the group for the year ended 31st July 2021.

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 situate, 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 2021.

DIRECTORS

The directors during the year under review were:

S J Frankham	
R G C Smith	- resigned 21.1.21
S W Jones	
G Gower	
C J S Isitt	
M S Eyre	- appointed 22.1.21
M V Greenwood	- appointed 22.1.21

The beneficial interests of the directors holding office on 31st July 2021 in the issued share capital of the company were as follows:

	31.7.21	1.8.20 or date of appointment if later
Ordinary A £100 shares		
S J Frankham	40	40
S W Jones	4	4
G Gower	1	1
C J S Isitt	1	1
M S Eyre	1	1
M V Greenwood	1	1

Ordinary B £25 shares

S J Frankham	8	8
S W Jones	8	8
G Gower	-	-
C J S Isitt	-	-
M S Eyre	-	-
M V Greenwood	1	1

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

SHARE CAPITAL

During the period the company issued a further 854 ordinary £25 B shares.

DIRECTORS' INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were in place during the year and remain in force at the date of this report. The Company maintains directors' and officers' liability insurance for its Directors and officers.

DISCLOSURE IN THE STRATEGIC REPORT

Information on how the directors have had regard to the need to foster the company's business relationships with suppliers, customers and others can be found in the Strategic Report.

Chelsea Pitch Owners plc (Registered number: 02800546)

Report of the Directors for the Year Ended 31st July 2021

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 J S Isitt - Director

17th November 2021

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 2021 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 2021 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions 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 five, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the group and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management. We considered the significant laws and regulations to be the Companies Act 2006. We also reviewed minutes of the Board meetings throughout the year.

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our audit work focused on revenue recognition and the shares issued in the year, where the risk of material misstatement due to fraud is the greatest. Our audit work in these areas consisted of substantive tests of detail on a sample of the population in each area.

We addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals, reviewing accounting estimates for evidence of bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentation or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

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

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

17th November 2021

Chelsea Pitch Owners plc (Registered number: 02800546)**Consolidated Statement of Comprehensive Income**
for the Year Ended 31st July 2021

	Notes	2021 £	£	2020 £	£
TURNOVER	4		24,237		15,315
Cost of sales			<u>2,076</u>		<u>2,151</u>
GROSS PROFIT			22,161		13,164
Administrative expenses			<u>40,436</u>		<u>41,151</u>
OPERATING LOSS	6		(18,275)		(27,987)
Income from fixed asset investments	7	4		8	
Interest receivable and similar income	8	<u>3</u>		<u>8</u>	
			<u>7</u>		<u>16</u>
			(18,268)		(27,971)
Gain/loss on revaluation of investments			<u>134</u>		<u>(187)</u>
LOSS BEFORE TAXATION			(18,134)		(28,158)
Tax on loss	9		<u>-</u>		<u>-</u>
LOSS FOR THE FINANCIAL YEAR			(18,134)		(28,158)
OTHER COMPREHENSIVE INCOME			<u>-</u>		<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR			<u>(18,134)</u>		<u>(28,158)</u>
Loss attributable to:					
Owners of the parent			<u>(18,134)</u>		<u>(28,158)</u>
Total comprehensive income attributable to:					
Owners of the parent			<u>(18,134)</u>		<u>(28,158)</u>

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)**Consolidated Balance Sheet**
31st July 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Investments	11		316		182
Investment property	12		<u>12,000,000</u>		<u>12,000,000</u>
			12,000,316		12,000,182
CURRENT ASSETS					
Stocks	13	1,000		1,000	
Debtors	14	6,170		6,834	
Cash at bank		<u>59,611</u>		<u>54,511</u>	
		66,781		62,345	
CREDITORS					
Amounts falling due within one year	15	<u>19,617</u>		<u>6,490</u>	
NET CURRENT ASSETS					
			<u>47,164</u>		<u>55,855</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			12,047,480		12,056,037
CREDITORS					
Amounts falling due after more than one year	16		(8,234,078)		(8,245,851)
PROVISIONS FOR LIABILITIES					
	18		<u>(370,500)</u>		<u>(370,500)</u>
NET ASSETS					
			<u>3,442,902</u>		<u>3,439,686</u>
CAPITAL AND RESERVES					
Called up share capital	19		2,152,750		2,131,400
Retained earnings	20		<u>1,290,152</u>		<u>1,308,286</u>
SHAREHOLDERS' FUNDS					
			<u>3,442,902</u>		<u>3,439,686</u>

The financial statements were approved by the Board of Directors and authorised for issue on 17th November 2021 and were signed on its behalf by:

C J S Isitt - Director

The notes form part of these financial statements

Chelsea Pitch Owners plc (Registered number: 02800546)**Company Balance Sheet**
31st July 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Investments	11		317		183
Investment property	12		<u>-</u>		<u>-</u>
			317		183
CURRENT ASSETS					
Stocks	13	1,000		1,000	
Debtors	14	10,065,838		10,066,502	
Cash at bank		<u>59,611</u>		<u>54,511</u>	
		10,126,449		10,122,013	
CREDITORS					
Amounts falling due within one year	15	<u>19,617</u>		<u>6,490</u>	
NET CURRENT ASSETS			<u>10,106,832</u>		<u>10,115,523</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			10,107,149		10,115,706
CREDITORS					
Amounts falling due after more than one year	16		<u>8,234,078</u>		<u>8,245,851</u>
NET ASSETS			<u>1,873,071</u>		<u>1,869,855</u>
CAPITAL AND RESERVES					
Called up share capital	19	2,152,750		2,131,400	
Retained earnings	20	<u>(279,679)</u>		<u>(261,545)</u>	
SHAREHOLDERS' FUNDS			<u>1,873,071</u>		<u>1,869,855</u>
Company's loss for the financial year			<u>(18,134)</u>		<u>(28,158)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 17th November 2021 and were signed on its behalf by:

C J S Isitt - 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 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st August 2019	2,117,550	1,336,444	3,453,994
Changes in equity			
Issue of share capital	13,850	-	13,850
Total comprehensive loss	-	(28,158)	(28,158)
Balance at 31st July 2020	<u>2,131,400</u>	<u>1,308,286</u>	<u>3,439,686</u>
Changes in equity			
Issue of share capital	21,350	-	21,350
Total comprehensive loss	-	(18,134)	(18,134)
Balance at 31st July 2021	<u>2,152,750</u>	<u>1,290,152</u>	<u>3,442,902</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 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st August 2019	2,117,550	(233,387)	1,884,163
Changes in equity			
Issue of share capital	13,850	-	13,850
Total comprehensive loss	-	(28,158)	(28,158)
Balance at 31st July 2020	<u>2,131,400</u>	<u>(261,545)</u>	<u>1,869,855</u>
Changes in equity			
Issue of share capital	21,350	-	21,350
Total comprehensive loss	-	(18,134)	(18,134)
Balance at 31st July 2021	<u>2,152,750</u>	<u>(279,679)</u>	<u>1,873,071</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 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(4,484)</u>	<u>(19,877)</u>
Net cash from operating activities		<u>(4,484)</u>	<u>(19,877)</u>
Cash flows from investing activities			
Interest received		3	8
Dividends received		<u>4</u>	<u>8</u>
Net cash from investing activities		<u>7</u>	<u>16</u>
Cash flows from financing activities			
Loan repayments in year		(11,773)	-
Shares issued		<u>21,350</u>	<u>13,850</u>
Net cash from financing activities		<u>9,577</u>	<u>13,850</u>
Increase/(decrease) in cash and cash equivalents		<u>5,100</u>	<u>(6,011)</u>
Cash and cash equivalents at beginning of year	2	54,511	60,522
Cash and cash equivalents at end of year	2	<u>59,611</u>	<u>54,511</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 2021**

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

	2021	2020
	£	£
Loss before taxation	(18,134)	(28,158)
(Gain)/loss on revaluation of fixed assets	(134)	187
Finance income	(7)	(16)
	<u>(18,275)</u>	<u>(27,987)</u>
Decrease in trade and other debtors	664	5,358
Increase in trade and other creditors	<u>13,127</u>	<u>2,752</u>
Cash generated from operations	<u>(4,484)</u>	<u>(19,877)</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 2021

	31.7.21	1.8.20
	£	£
Cash and cash equivalents	<u>59,611</u>	<u>54,511</u>

Year ended 31st July 2020

	31.7.20	1.8.19
	£	£
Cash and cash equivalents	<u>54,511</u>	<u>60,522</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.8.20	Cash flow	At 31.7.21
	£	£	£
Net cash			
Cash at bank	<u>54,511</u>	<u>5,100</u>	<u>59,611</u>
	<u>54,511</u>	<u>5,100</u>	<u>59,611</u>
Debt			
Debts falling due after 1 year	<u>(8,245,851)</u>	<u>11,773</u>	<u>(8,234,078)</u>
	<u>(8,245,851)</u>	<u>11,773</u>	<u>(8,234,078)</u>
Total	<u>(8,191,340)</u>	<u>16,873</u>	<u>(8,174,467)</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 2021

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.

Deferred tax

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.

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued **for the Year Ended 31st July 2021**

3. ACCOUNTING POLICIES - continued

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:

	2021	2020
	£	£
Tickets for events	-	1,576
Sundry income	24,237	13,739
	<u>24,237</u>	<u>15,315</u>

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

5. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

6. OPERATING LOSS

The operating loss is stated after charging:

	2021	2020
	£	£
Hire of equipment	145	145
Auditors' remuneration	<u>3,700</u>	<u>3,600</u>

7. INCOME FROM FIXED ASSET INVESTMENTS

	2021	2020
	£	£
Dividends received	<u>4</u>	<u>8</u>

Chelsea Pitch Owners plc (Registered number: 02800546)**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st July 2021****8. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2021	2020
	£	£
Deposit account interest	<u>3</u>	<u>8</u>

9. TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31st July 2021 nor for the year ended 31st July 2020.

Reconciliation of total tax charge included in profit and loss

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

	2021	2020
	£	£
Loss before tax	<u>(18,134)</u>	<u>(28,158)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19 % (2020 - 19 %)	(3,445)	(5,350)
Effects of:		
Unrealised gain/loss	(25)	36
Tax loss carried forward	3,470	5,314
Total tax charge	<u>-</u>	<u>-</u>

10. 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.

11. FIXED ASSET INVESTMENTS**Group**

	Listed investments £
COST	
At 1st August 2020	182
Fair value adjustment	134
At 31st July 2021	<u>316</u>
NET BOOK VALUE	
At 31st July 2021	<u>316</u>
At 31st July 2020	<u>182</u>

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued **for the Year Ended 31st July 2021**

11. FIXED ASSET INVESTMENTS - continued

Company

	Shares in group undertakings £	Listed investments £	Totals £
COST			
At 1st August 2020	1	182	183
Fair value adjustment	-	134	134
At 31st July 2021	<u>1</u>	<u>316</u>	<u>317</u>
NET BOOK VALUE			
At 31st July 2021	<u>1</u>	<u>316</u>	<u>317</u>
At 31st July 2020	<u>1</u>	<u>182</u>	<u>183</u>

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	2021 £	2020 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>1,569,832</u>	<u>1,569,832</u>

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 2021 was £316 (2020 £182).

12. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1st August 2020 and 31st July 2021	<u>12,000,000</u>
NET BOOK VALUE	
At 31st July 2021	<u>12,000,000</u>
At 31st July 2020	<u>12,000,000</u>

Chelsea Pitch Owners plc (Registered number: 02800546)**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st July 2021****12. INVESTMENT PROPERTY - continued****Group**

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

	2021	2020
£ £		
Cost	<u>10,050,000</u>	<u>10,050,000</u>

The investment property was valued on an open market basis on 31st July 2021 by Rawley & Co Surveyors and Valuers.

13. STOCKS

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Stocks	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts owed by group undertakings	-	-	10,059,668	10,059,668
Other debtors	3,335	4,587	3,335	4,587
Prepayments	2,835	2,247	2,835	2,247
	<u>6,170</u>	<u>6,834</u>	<u>10,065,838</u>	<u>10,066,502</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	620	1,033	620	1,033
Social security and other taxes	3,119	350	3,119	350
Other creditors	12,178	1,507	12,178	1,507
Accrued expenses	<u>3,700</u>	<u>3,600</u>	<u>3,700</u>	<u>3,600</u>
	<u>19,617</u>	<u>6,490</u>	<u>19,617</u>	<u>6,490</u>

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Concessionary loan (see note 17)	<u>8,234,078</u>	<u>8,245,851</u>	<u>8,234,078</u>	<u>8,245,851</u>

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued **for the Year Ended 31st July 2021**

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due between one and two years:				
Other loans - 1-2 years	<u>8,234,078</u>	<u>-</u>	<u>8,234,078</u>	<u>-</u>
Amounts falling due between two and five years:				
Other loans - 2-5 years	<u>-</u>	<u>8,245,851</u>	<u>-</u>	<u>8,245,851</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.

18. PROVISIONS FOR LIABILITIES

	Group	
	2021	2020
	£	£
Deferred tax	<u>370,500</u>	<u>370,500</u>
Group		
		Deferred tax
		£
Balance at 1st August 2020		<u>370,500</u>
Balance at 31st July 2021		<u>370,500</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2021	2020
Number:	Class:		£	£
20,947	Ordinary A	£100	2,094,700	2,094,700
2,322	Ordinary B	£25	<u>58,050</u>	<u>36,700</u>
			<u>2,152,750</u>	<u>2,131,400</u>

854 Ordinary B shares of £25 each were allotted and fully paid for cash at par during the year.

Chelsea Pitch Owners plc (Registered number: 02800546)

Notes to the Consolidated Financial Statements - continued **for the Year Ended 31st July 2021**

20. RESERVES

Group

	Retained earnings £
At 1st August 2020	1,308,286
Deficit for the year	(18,134)
At 31st July 2021	<u>1,290,152</u>

Company

	Retained earnings £
At 1st August 2020	(261,545)
Deficit for the year	(18,134)
At 31st July 2021	<u>(279,679)</u>

Included in the group's retained earnings is £1,579,816 (2020 £1,579,682) of profits which are not available to distribute as they are unrealised.

Included in the company's retained earnings is £316 (2020 £182) of profits which are not available to distribute as they are unrealised.

21. RELATED PARTY DISCLOSURES

Included in Administrative expenses is £3,000 (2020 £5,750) charged by the director G Gower in relation to the day to day running of the company. No amounts were outstanding at the year end.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.