

CHELSEA VILLAGE plc

Company Registration Number 2536231

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1998



CHELSEA VILLAGE plc

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FOR THE YEAR ENDED 30 JUNE 1998

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CHELSEA VILLAGE plc
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 1998

The directors present their annual report and financial statements for the year ended 30 June 1998.

Principal activities

The principal activities of the Group are the operation of a professional football club, the provision of catering and function facilities, hoteliers, retailing and media activities, travel agency, car park management event organisation and operation and property development and management.

Review of the business

A review of the activities of the Group is set out in the Chairman's Statement. The results for the year are set out in the profit and loss account on page 7.

Directors

The directors of the company during the year and the interest of those serving as at 30 June 1998 in the share capital of the Company, which were all beneficial, were as follows :

	30 June 1998 <i>or date of subsequent appointment</i> No. of shares	30 June 1997 <i>No. of shares</i>
Executive		
K.W. Bates	30,000,000	30,000,000
M.I. Russell	3,000	Nil
G.J. Pinchen (Appointed 28 August 1998)	1,286,776	Nil
A.L. Shaw (Appointed 16 October 1998)	5,100	5,100
Non executive		
P.J. Murrin	Nil	Nil
R.M. Taylor	Nil	Nil
S.O. Thompson	2,811,743	2,811,743

Mr Shaw served as Company Secretary throughout the year.

In accordance with the Articles of Association R.M. Taylor and S.O. Thompson retire by rotation. Members are invited to re - elect these Directors.

Mr Pinchen and Mr Shaw, who were appointed directors on 28 August and 16 October 1998 respectively, also offer themselves for re-election.

CHELSEA VILLAGE plc
DIRECTORS' REPORT (Continued)
FOR THE YEAR ENDED 30 JUNE 1998

Results and dividends

The net profit for the year, after taxation, was £ 2,068,810 (1997 loss £ 375,723), and has been transferred to reserves.

The Directors do not recommend the payment of a dividend for the financial year.

Fixed assets

The movements in fixed assets during the year are as shown in note 13 to 15 to the financial statements. The intangible fixed assets includes the unamortised portion of the cost of players' registrations. Two Directors and a senior member of the player management of Chelsea Football Club Limited have each independently valued the playing staff. The average of their aggregate valuation as at 30 June 1998 was £ 63,550,000. The valuation assumes willing buyers for the relevant player's registrations on normal contractual terms and an orderly disposal over a period of time.

The Group's freehold, long and short leasehold land and buildings were valued at 30 June 1998 by Chesterton International plc. These valuations as detailed in note 14 have been incorporated in these financial statements.

Charitable and political donations

During the year the Group made no charitable donations in the United Kingdom (1997 £ 2,730). There were no political donations during the year (1997 £ nil).

Payments to suppliers

The company agrees terms and conditions for its goods and services with suppliers and seeks to abide by these payment terms subject to the agreed terms and conditions being met by the supplier.

Amounts due to the company's suppliers at the balance sheet date represent approximately 53 days credit based on the total amounts of goods and services invoiced by them.

CHELSEA VILLAGE plc
DIRECTORS' REPORT (Continued)
FOR THE YEAR ENDED 30 JUNE 1998

Acquisition

On 1 July 1997, the Group acquired 80% of the share capital of the Bidgleam Group (principal trading company Elizabeth Duff Travel Ltd.), a travel agency based in the South East of England. Payment for the above was made by cash and the issue of 1,750,001 ordinary shares in the Company.

Post balance sheet events

Since the year end the Group has :

1. Acquired the remaining 20% share capital of the Bidgleam Group. Consideration will be discharged by the payment of cash or the allotment of shares in the Company, or both, at the discretion of the Company.
2. Acquired the registration of four players, and sold four.
3. Refurbished the East Stand and opened a new executive club and restaurant, Canaletto's.

Significant shareholdings

Apart from the interests of the Directors referred to above, the Company has received the following notifications of holdings of more than 3% of the share capital of the Company as at the date of this report :

Swan Management Ltd	32.1%
N Y Nominees Ltd	22.6%
Havering Ltd	4.7%

Corporate governance

The Directors take the view that it should comply with the Cadbury Committee's Code of Best Practice.

The Board consists of four executive and three non executive directors. It meets regularly throughout the year. The Board has established independent Audit and Remuneration Committees both of which consist of the three non executive directors, one of whom acts as Chairman. Each Committee has formal terms of reference approved by the Board.

The Audit Committee meets at least quarterly and has responsibility to monitor controls established to ensure the integrity of the financial information reported to the Shareholders.

The Remuneration Committee advises executive directors and the Board on the remuneration of senior executives of the Group. A Nominations Committee has not been established because the approval and appointment of directors is considered to be a matter for the entire Board.

CHELSEA VILLAGE plc
DIRECTORS' REPORT (Continued)
FOR THE YEAR ENDED 30 JUNE 1998

Corporate governance (cont.)

Internal financial control

The Directors acknowledge that they have overall responsibility for the Group's system of internal financial control, the main components of which are summarised as follows :

There is a comprehensive budgeting system for all items of expenditure, with the annual budget approved by the Board. Actual results are compared to budget on a monthly basis and reported to the Board with revised financial forecasts for the year. Whilst the system can provide only reasonable, not absolute assurance against material misstatement or loss, the system is designed to ensure the Group's assets are safeguarded against material loss. The Group's control procedures require all transactions to be properly authorised and recorded and that the Group's financial position and performance are fairly reported.

Going concern basis

After making enquiries, the Directors have a reasonable expectation that the Company and the Group has adequate resources to enable the Directors to adopt the going concern basis in preparing the financial statements.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the Group and of the profit or loss of the Group for that period. In preparing those financial statements the directors are required to :

- select suitable accounting policies and then apply them consistently ;
- make judgements and 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 a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHELSEA VILLAGE plc
DIRECTORS' REPORT (Continued)
FOR THE YEAR ENDED 30 JUNE 1998

Year 2000 Date Change

The Group is undertaking a review of its computer systems to ensure they are able to operate effectively after 31 December 1999. The review also covers third parties from whom the Group receives services. It is anticipated that the review will be substantially complete by the end of this financial year. The cost to the Group in dealing with these matters is not expected to be material.

Auditors

The auditors Saffery Champness have indicated their willingness to accept re-appointment under section 385(2) of the Companies Act 1985.

Signed by order of the
Board of Directors



A.L. Shaw
Company Secretary

23 October 1998

CHELSEA VILLAGE plc
AUDITORS' REPORT TO THE MEMBERS OF CHELSEA VILLAGE plc
FOR THE YEAR ENDED 30 JUNE 1998

We have audited the financial statements on pages 7 to 33.

Respective responsibilities of Directors and Auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

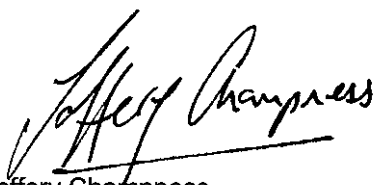
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 1998 and of the Group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Saffery Champness
Chartered Accountants and Registered Auditor

London

23 October 1998

CHELSEA VILLAGE plc
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 1998

		1998		1997	
	Note	£	£	£	£
Turnover					
Continuing operations	2	55,254,909		23,728,550	
Acquisitions		<u>33,052,227</u>	88,307,136	-	23,728,550
Direct operating costs			(67,877,170)		(15,672,960)
			<hr/>		<hr/>
Gross profit			20,429,966		8,055,590
Administrative expenses			(12,567,519)		(5,884,447)
			<hr/>		<hr/>
			7,862,447		2,171,143
Player amortisation	3		(3,084,956)		(1,920,802)
			<hr/>		<hr/>
Operating profit	4				
Continuing operations		4,618,457		250,341	
Acquisitions		<u>159,034</u>		-	
			4,777,491		250,341
Interest receivable and similar income	8	1,219,207		433,770	
Interest payable	9	<u>(3,896,081)</u>		<u>(1,059,834)</u>	
			(2,676,874)		(626,064)
			<hr/>		<hr/>
Profit / (Loss) on ordinary activities before taxation			2,100,617		(375,723)
Taxation	10		-		-
			<hr/>		<hr/>
Profit / (Loss) on ordinary activities after taxation	25		2,100,617		(375,723)
Minority interests			(31,807)		-
			<hr/>		<hr/>
Retained profit / (loss) for the year			2,068,810		(375,723)
Retained profit brought forward			2,042,099		2,417,822
			<hr/>		<hr/>
Retained profit carried forward			4,110,909		2,042,099
Profit / (Loss) per share	12		1.3p		(0.24p)

The notes numbered 1 to 31 form part of these financial statements

CHELSEA VILLAGE plc
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 1998

	1998 £	1997 £
Profit / (Loss) for the financial year	2,068,810	(375,723)
Unrealised deficit on revaluation of short leasehold properties	-	(4,498,649)
Unrealised surplus on revaluation of freehold properties	11,960,563	4,930,741
	<hr/>	<hr/>
Total recognised gains and losses for the financial year	<u>14,029,373</u>	<u>56,369</u>

The notes numbered 1 to 31 form part of these financial statements

CHELSEA VILLAGE plc
BALANCE SHEET
AS AT 30 JUNE 1998

	Note	Group		Company	
		1998 £	1997 £	1998 £	1997 £
Fixed assets					
Intangible assets	13	21,127,800	16,315,732	-	-
Tangible assets	14	100,789,967	62,354,891	3,772,681	12,605,431
Investments	15	-	-	74,077,058	21,088,660
		121,917,767	78,670,623	77,849,739	33,694,091
Current assets					
Stocks	16	1,118,058	32,309	-	-
Debtors : Due in one year	17	12,755,577	6,438,828	778,193	1,186,343
Due after one year	17	11,150,751	174,043	11,150,751	-
Short term development	18	5,590,921	1,109,902	-	555,204
Cash at bank and in hand		35,198,292	5,195,000	35,668,930	14,560,117
		65,813,599	12,950,082	47,597,874	16,301,664
Creditors :					
Amounts falling due within one year	19	(28,845,266)	(18,273,402)	(4,792,239)	(954,589)
Income in advance	19	(11,270,422)	(8,399,477)	-	-
		(40,115,688)	(26,672,879)	(4,792,239)	(954,589)
Net current assets /(liabilities)		25,697,911	(13,722,797)	42,805,635	15,347,075
Total assets less current liabilities		147,615,678	64,947,826	120,655,374	49,041,166
Creditors :					
Amounts falling due after one year	20	79,942,628	14,027,621	73,757,044	784,833
Football Trust grants	22	3,100,000	3,000,000	-	-
Capital and reserves					
Called up share capital	24	1,583,873	1,560,811	1,583,875	1,560,811
Share premium account	25	37,374,895	34,647,959	37,374,895	34,647,959
Revaluation reserve	25	21,629,898	9,669,335	2,884,357	6,753,234
Profit and loss account	25	4,110,910	2,042,100	5,055,203	5,294,329
Shareholders' funds	25	64,699,576	47,920,205	46,898,330	48,256,333
Minority interests		(126,526)			
		147,615,678	64,947,826	120,655,374	49,041,166

These financial statements were approved by the Board of Directors on 23 October 1998

M.I. Russell

R.M. Taylor

The notes numbered 1 to 31 form part of these financial statements

CHELSEA VILLAGE PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 1998

	Note	1998 £	1997 £
Cash inflow from operating activities	26.1	1,278,512	19,332,000
Returns on investments and servicing of finance	26.2	(2,676,874)	(626,000)
Taxation		(147,000)	-
Capital expenditure and financial investment	26.2	(31,934,378)	(35,896,000)
Acquisitions and disposals	26.2	(6,261,667)	(898,000)
Cash outflow before use of liquid resources and financing		(39,741,407)	(18,088,000)
Management of liquid resources	26.2	(29,583,210)	(5,036,000)
Financing			
Issue of shares	26.2	650,000	24,115,000
Increase / (reduction) in debt	26.2	69,141,699	(78,000)
		<u>69,791,699</u>	<u>24,037,000</u>
		<u>467,082</u>	<u>913,000</u>
Reconciliation of net cash flow to movement in net debt	26.3		
Increase in cash in year		467,082	913,000
Cash outflow/ (inflow) from change in debt and lease financing		(69,141,699)	78,000
Cash outflow from increase in liquid resources		<u>29,583,210</u>	<u>5,036,000</u>
		(39,091,407)	6,027,000
New hire purchase and finance leases		(256,985)	(2,147,000)
Loans converted to share capital		-	2,000,000
Movement in net debt in period		(39,348,392)	5,880,000
Net debt at 1 July 1997		<u>(7,002,457)</u>	<u>(12,882,000)</u>
Net debt at 30 June 1998		<u>(46,350,849)</u>	<u>(7,002,000)</u>

The notes numbered 1 to 31 form part of these financial statements

CHELSEA VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements.

a) Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost convention with the exception that certain land and buildings have been revalued.

b) Consolidation

The Group financial statements incorporate the financial statements of Chelsea Village plc and all its subsidiary undertakings for the year ended 30 June 1998. Acquisitions are accounted for under the acquisition method with goodwill representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, being capitalised in the Balance Sheet and amortised over its expected useful life.

A separate profit and loss account dealing with the results of the Company only has not been presented as permitted by Section 230 of the Companies Act 1985.

c) Investment in subsidiaries

Subsidiary companies are valued in the parent company balance sheet at cost.

Where a diminution in value occurs and is considered to be permanent, the diminution below the cost of the investment, including loans, is written off to the profit and loss account.

d) Depreciation

Land and Buildings

Freehold and leasehold properties are maintained by a programme of repair and refurbishment such that the residual value is at least equal to its book value. Having regard to this, it is the opinion of the Directors that the depreciation of any such property as required by the Companies Act 1985 and accounting standards would not be material.

Fixtures and Fittings

The group maintains a policy of replacing and renewing its fixed assets in order to sustain its level of service. These costs are then charged to the profit and loss account as and when they arise. Depreciation is therefore not charged on the Group's fixtures and fittings.

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

1. Accounting policies (cont.)

d) Depreciation (cont)

Other Assets

Depreciation is provided on other tangible fixed assets in equal instalments over their estimated useful lives. The following rates apply :

Plant and equipment	10% - 25%
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e) Deferred taxation

Deferred taxation is provided using the liability method to take account of all material timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that tax will be payable.

f) Transfer fees

All costs associated with the acquisition of a player's registration are capitalised as intangible fixed assets and are amortised evenly over the the period of the player's contract of employment with the company. In the event that the initial contract is renegotiated prior to expiry, the written down value at the date of renegotiation is amortised over the extended period. Fees receivable are set off against the player's net book value at the date of sale, plus any payments made in settlement of the contracts and the difference is treated as a profit or loss on disposal.

g) Players signing on fees

Players contracts of employment may include a signing on fee payable in equal instalments over the period of the contract. The group's policy is to charge such fees to the profit and loss account as they fall due under the terms of the contract.

h) Capitalised interest

Separately identifiable borrowing costs and interest incurred on the development of specific projects are capitalised as part of the group's development costs.

CHELSEA VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

1. Accounting policies (cont.)

i) Grants

Grants relating to assets which are not depreciated are deducted from the cost of fixed assets. This is not in accordance with schedule 4 to the Act, which requires fixed assets to be shown at their purchase price or production cost and hence grants contributions would be presented as deferred income. This departure from the requirements of the Act is, in the opinion of the directors, necessary for the accounts to give a true and fair view as no provision is made for depreciation and any grants and contributions relating to such assets would not be taken to the profit and loss account.

j) Turnover

Turnover represents all income arising from the ordinary activities of the Group excluding transfer fees and excluding Value Added Tax.

j) Hire purchase and leasing commitments

Assets held under hire purchase contracts and finance leases are included in the fixed assets at total rental cost less finance charges. Finance charges are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation. Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases.

k) Pensions

The Group operates a number of defined contribution schemes. Contributions to these schemes are charged to the profit and loss account as incurred.

l) Stocks

Stocks, which comprise goods held for resale and food and beverages, are valued at the lower of cost and net realisable value.

m) Stadium development

The Group capitalises all expenditure incurred for the development of the Stamford Bridge Stadium.

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

2. Segmental information

Turnover (excluding value added tax) represents the following :

	1998 £	1997 £
Football activities	37,108,643	21,898,578
Travel Agency	33,047,248	-
Property sales / leasing	7,778,199	297,330
Hotel, Catering	3,812,920	1,484,424
Merchandising	6,127,643	-
Publications / Licencing	377,642	-
Car parking / Events /Other	54,841	48,218
	<u>88,307,136</u>	<u>23,728,550</u>

All turnover arises in the United Kingdom.

The results before taxation for the football and travel agency segments were £ 3,066,884 profit (1997 £ 512,816 loss) and £ 76,463 loss (1997 £ nil) respectively.

The net assets of the football and travel agency segments were £ 31,770,120 (1997 £ 13,562,512) and £ 360,821 liabilities (1997 £ nil) respectively.

3. Player amortisation

Amortisation of cost of players' registrations	5,944,820	5,880,927
Gain on disposal of players' registrations	(2,859,864)	(3,960,125)
	<u>3,084,956</u>	<u>1,920,802</u>

4. Operating profit

This is stated after charging :

Amortisation of intangible assets :		
Owned	6,432,892	499,000
Depreciation of tangible fixed assets :		
Owned	427,988	134,199
Leased	238,405	113,667
Operating lease rentals :		
Land and buildings	93,096	1,719,976
Other	4,271	4,271
Auditors remuneration and expenses		
Audit	90,000	64,452
Other	17,000	8,711

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

5. Staff numbers and costs	1998 No.	1997 No.
The average number of employees of the Group during the year was as follows :		
Playing staff, managers and coaches	58	58
Ground staff	8	8
Administration and commercial	297	59
	<u>363</u>	<u>125</u>

The aggregate payroll costs of these employees were as follows :

	£	£
Wages and salaries	24,207,209	13,426,000
Social Security costs	2,527,879	1,315,000
Other pension costs	247,135	132,000
	<u>26,982,223</u>	<u>14,873,000</u>

6. Directors' emoluments

Aggregate emoluments	85,000	65,000
Pension contributions to money purchase schemes	8,000	8,000
Gains made on share options	-	375,000
	<u>93,000</u>	<u>448,000</u>

On 18 December 1996, Mr K.W.Bates sold his benefits under a share option agreement over 7,500,000 shares for 5p per share, which give rise to a profit of £375,000.

The number of directorsto whom retirement benefits are accruing is :

Money purchase schemes	1	1
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The emoluments of the highest paid director were

Other emoluments	85,000	65,000
Money purchase pension contributions	<u>8,000</u>	<u>8,000</u>
	<u>93,000</u>	<u>73,000</u>

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

7. Related party transactions

K.W. Bates had an interest in a material contract between the company and Mayflower Securities Limited, a company in which he has a controlling interest. During the year ended 30 June 1998 the Group expended £ 122,425 (1997 £ 122,425) in respect of publicity and promotion of the Group's business, under the principal terms of that contract.

A company beneficially owned by K.W. Bates acquired a long leasehold interest in an apartment from subsidiary undertaking for £775,000. The agreed price was recommended by Savilles, the selling agents and the Directors therefore consider that the disposal constitutes an arm's length transaction.

	1998 £	1997 £
8. Interest receivable		
Bank interest	1,219,207	433,770
	<u>1,219,207</u>	<u>433,770</u>

9. Interest payable and similar charges

Interest payable on bank loans and overdrafts :		
repayable within five years	358,390	251,501
repayable after five years	-	322,000
Eurobond 2007	3,126,313	-
Other loans	9,576	35,517
Finance lease charges	401,802	450,816
Eurobond 2007 issue costs	1,938,843	-
less : amounts capitalised	(1,938,843)	-
	<u>3,896,081</u>	<u>1,059,834</u>

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

10. Taxation

No liability to corporation tax has arisen due to losses incurred and the availability of group relief. (1997 £ nil)

11. Profit for the financial year

The profit for the financial year of the Group includes a loss of £ 239,145 (1997 profit £ 289,690) dealt with in the individual accounts of Chelsea Village plc.

12. Profit per share

The calculation of profit per share is based on the profit for the year of £ 2,068,810 (1997 loss £ 375,723) and on 158,387,583 (1997 156,081,152) ordinary shares in issue.

13. Intangible fixed assets

Group	Other Intangibles £	Cost of Players' Registrations £	Goodwill £	Total £
Cost				
At 1 July 1997	1,017,719	25,357,047	-	26,374,766
Additions	10,150	8,282,500	2,952,310	11,244,960
Disposals	-	(811,557)	-	(811,557)
At 30 June 1998	1,027,869	32,827,990	2,952,310	36,808,169
Amortisation				
At 1 July 1997	499,333	9,559,701	-	10,059,034
Charge for the year	342,623	5,944,820	145,449	6,432,892
Disposals	-	(811,557)	-	(811,557)
At 30 June 1998	841,956	14,692,964	145,449	15,680,369
Net Book Value				
At 30 June 1998	185,913	18,135,026	2,806,861	21,127,800
At 30 June 1997	518,386	15,797,346	-	16,315,732

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

14. Tangible fixed assets

Group	Land and Buildings £	Plant and Equipment £	Site Development Costs £	Total £
Cost / valuation				
At 1 July 1997	51,248,489	2,400,743	9,212,769	62,862,001
Additions	13,574,330	3,089,537	10,477,039	27,140,906
Revaluation	11,960,563	-	-	11,960,563
At 30 June 1998	76,783,382	5,490,280	19,689,808	101,963,470
Depreciation				
At 1 July 1997	11,652	495,458	-	507,110
Charge for the year	48,537	617,856	-	666,393
At 30 June 1998	60,189	1,113,314	-	1,173,503
Net Book Value				
At 30 June 1998	76,723,193	4,376,966	19,689,808	100,789,967
At 30 June 1997	51,236,837	1,905,285	9,212,769	62,354,891
Cost or valuation comprises :				
At cost	10,110,994	5,490,280	19,689,808	35,291,082
At 30 June 1998 valuation	66,672,388	-	-	66,672,388
At 30 June 1998	76,783,382	5,490,280	19,689,808	101,963,470
The net book value of land and buildings comprises :		1998		1997
		£		£
Freehold land and buildings		9,343,193		11,558,207
Long leasehold building		67,370,000		0
Short leasehold land and buildings		10,000		39,678,630
		76,723,193		51,236,837

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

14. Tangible fixed assets (cont.)

Company

	Land and Buildings £	Plant and Equipment £	Site Development Costs £	Total £
Cost / valuation				
At 1 July 1997	9,143,541	899,629	2,643,777	12,686,947
Additions	1,068,451	337,030	1,443,099	2,848,580
Revaluation	(3,868,877)	-	-	(3,868,877)
Group transfers	(3,613,000)	-	(4,086,876)	(7,699,876)
At 30 June 1998	2,730,115	1,236,659	-	3,966,774
Depreciation				
At 1 July 1997	-	81,516	-	81,516
Charge for the year	-	112,577	-	112,577
At 30 June 1998	-	194,093	-	194,093
Net Book Value				
At 30 June 1998	2,730,115	1,042,566	-	3,772,681
At 30 June 1997	9,143,541	818,113	2,643,777	12,605,431
Cost or valuation comprises :				
At cost	500,000	1,236,659	-	1,736,659
At 30 June 1998 valuation	2,230,115	-	-	2,230,115
At 30 June 1998	2,730,115	1,236,659	-	3,966,774

The net book value of land and buildings comprises :

	1998 £	1997 £
Freehold land and buildings	2,730,115	8,843,541
Long leasehold building	-	-
Short leasehold land and buildings	-	300,000
	<u>2,730,115</u>	<u>9,143,541</u>

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

14. Tangible fixed assets (cont.)

Valuations

Group

The open market value of the Group's freehold and leasehold interest in the hotel and stadium were valued by Chesterton International plc, Chartered Surveyors as at 30 June 1998 in the sum of £ 99,181,000 in accordance with the Statement of Asset Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyors.
Included within this valuation were the following :

- 1 The stadium was valued at £ 63,190,000 calculated on a depreciated replacement cost basis.
- 2 The club shop and hotel have been valued to existing use value.
- 3 The sports and leisure and additional hotel site have been valued to future development value.
- 4 The Group's freehold and leasehold residential units have not been re-valued at the year end as it is the Directors' opinion there has been no material change since the last year end.
- 5 The re-development of Stamford Gate House has been included with assets in the course of construction.

Company

The open market value of the Company's freehold land and leasehold interest in the hotel was estimated valued by Chesterton International plc, Chartered Surveyors as at 30 June 1998 in the sum of £ 28,690,000 in accordance with the Statement of Asset Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyors.

Group	1998	1997
	£	£
Included in revalued land and buildings are :		
Finance arrangement costs	189,700	184,000
Interest payable	1,120,812	70,105
	<hr/>	<hr/>
	1,310,512	254,105

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

14. Tangible fixed assets (cont.)

The amount of land and buildings (included at cost or valuation) determined according to the historical cost accounting rules is as follows ;

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Cost				
Freehold property	9,942,583	11,481,000	1,180,115	8,945,000
Short leasehold property	-	29,594,000	-	-
Long leasehold property	41,597,901	-	-	-
	<u>51,540,484</u>	<u>41,075,000</u>	<u>1,180,115</u>	<u>8,945,000</u>
Depreciation				
Freehold property	874,274	675,422	48,742	675,422
Short leasehold property	-	206,000	-	-
Long leasehold property	207,989	-	-	-
	<u>1,082,263</u>	<u>881,422</u>	<u>48,742</u>	<u>675,422</u>
Net book value				
Freehold property	9,068,309	10,805,578	1,131,373	8,269,578
Short leasehold property	-	29,388,000	-	-
Long leasehold property	41,389,912	-	-	-
	<u>50,458,221</u>	<u>40,193,578</u>	<u>1,131,373</u>	<u>8,269,578</u>
Included in fixed assets are assets which are held under finance leases and hire purchase contracts as follows :				
Net book value	<u>6,197,248</u>	<u>6,182,000</u>	<u>938,371</u>	<u>752,000</u>
Depreciation charged in the year	<u>318,190</u>	<u>114,000</u>	<u>70,613</u>	<u>38,000</u>

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

15. Fixed asset investments

Company	Shares £	Loan Accounts £	Total £
Investment in subsidiary undertakings			
Cost / valuation			
At 1 July 1997	7,195,999	15,038,340	22,234,339
Additions	4,375,012	-	4,375,012
Movement during the year	-	48,613,386	48,613,386
At 30 June 1998	<u>11,571,011</u>	<u>63,651,726</u>	<u>75,222,737</u>
Provision for diminution			
At 1 July 1997 & 30 June 1998	<u>417</u>	<u>1,145,262</u>	<u>1,145,679</u>
Net book value			
At 30 June 1998	<u>11,570,594</u>	<u>62,506,464</u>	<u>74,077,058</u>
At 30 June 1997	<u>7,195,582</u>	<u>13,893,078</u>	<u>21,088,660</u>

Acquisitions in the year

On 1 July 1997 the company acquired 80% of the ordinary share capital of Bidgleam Limited. The consideration for the purchase was £ 219,000 in cash and £2,100,000 in the form of ordinary shares issued by Chelsea Village plc. The fair values at the time of acquisition are given below :

	Book value at acquisition £	Revaluations £	Fair values at acquisition £
Goodwill	493,091	3,184,297	3,677,388
Tangible assets	229,903	-	229,903
Debtors	2,476,408	-	2,476,408
Cash at bank	21,083	-	21,083
Creditors	(1,922,112)	-	(1,922,112)
Bank overdraft	(1,582,731)	-	(1,582,731)
	<u>(284,358)</u>	<u>3,184,297</u>	<u>2,899,939</u>
80% acquired	<u>(227,486)</u>	<u>2,547,438</u>	<u>2,319,952</u>

Details of the Company's Subsidiary undertakings are shown in note 31

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
16. Stocks				
Merchandising	1,020,127	-	-	-
Food and beverages	97,931	32,309	-	-
	<u>1,118,058</u>	<u>32,309</u>	<u>-</u>	<u>-</u>
17. Debtors				
Trade debtors	8,377,155	3,610,000	9,369	472
Other debtors	635,375	2,044,871	132,559	826,245
Prepayments and accrued income	3,743,047	783,957	636,265	359,626
	<u>12,755,577</u>	<u>6,438,828</u>	<u>778,193</u>	<u>1,186,343</u>
Due after one year				
Prepayments and accrued income	-	174,043	-	-
Other debtors	11,150,751	-	11,150,751	-
	<u>11,150,751</u>	<u>174,043</u>	<u>11,150,751</u>	<u>-</u>

As part of the Eurobond issue (see note 21), the Group made a loan to Chelsea Pitch Owners plc of £ 11,150,751. This was used to acquire the share capital of Stardust Investments Limited and discharge the debts of that Company in order to leave the freehold interest in the stadium site unencumbered. Contemporaneously, Stardust Investments Limited sold to the Company the common parts of the freehold site and granted a long leasehold interest over the stadium site at a peppercorn rent to Chelsea Football Club Limited. Chelsea Pitch Owners is obliged to repay the debt in full.

18. Current asset investments

Short term development	<u>5,590,921</u>	<u>1,109,902</u>	<u>-</u>	<u>555,204</u>
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The property development held for resale represents the development of a number of residential apartments that will be sold on long term leases.

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
19. Creditors :				
Amounts falling due within one year :				
Bank loans and overdrafts	24,001	670,404	24,001	24,001
Trade creditors	13,289,251	12,414,226	258,928	146,612
Corporation tax	119	147,000	-	-
Other loans	25,000	100,000	-	-
Other creditors	1,798,096	862,982	-	-
Other tax and social security	2,866,101	1,787,644	8,801	12,039
Accruals and deferred income	8,721,707	1,018,922	4,328,175	654,000
Hire purchase and finance lease obligations	2,120,991	1,272,224	172,334	117,937
	<u>28,845,266</u>	<u>18,273,402</u>	<u>4,792,239</u>	<u>954,589</u>
Payments received in advance	11,270,422	8,399,477	-	-
	<u>40,115,688</u>	<u>26,672,879</u>	<u>4,792,239</u>	<u>954,589</u>

20. Creditors :

Amounts falling due after one year

Bank loans and overdrafts	5,053,892	7,027,893	53,892	77,893
Payments received in advance	32,499	64,999	-	-
Trade creditors	-	3,795,833	-	-
Other loans	73,176,767	25,000	73,176,767	-
Other creditors	505,980	11,960.00	-	-
Amounts owed to group undertakings	-	-	-	192,175
Hire purchase and finance lease obligations	1,173,490	3,101,936	526,385	514,765
	<u>79,942,628</u>	<u>14,027,621</u>	<u>73,757,044</u>	<u>784,833</u>

Other loans represent the net income from the £75,000,000 Eurobond issue after deducting the costs of issue.

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

21. Borrowings and secured liabilities

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
The aggregate borrowings amounted to:				
Bank loans and overdrafts	5,077,893	7,698,297	77,893	101,894
Hire purchase and finance lease obligations	3,294,481	4,374,160	698,719	632,702
Eurobond 2007	73,176,767	-	-	-
Other loans	25,000	125,000	-	-
	<u>81,574,141</u>	<u>12,197,457</u>	<u>776,612</u>	<u>734,596</u>
Which are repayable as follows :				
Within one year or on demand				
Bank loans and overdrafts	24,001	670,404	24,001	24,001
Hire purchase and finance lease obligations	2,120,991	1,272,224	172,334	117,937
Other loans	25,000	100,000	-	-
	<u>2,169,992</u>	<u>2,042,628</u>	<u>196,335</u>	<u>141,938</u>
Between two and five years				
Bank loans and overdrafts	53,892	5,202,893	53,892	77,893
Hire purchase and finance lease obligations	1,173,490	3,045,675	526,385	458,504
Other loans	-	25,000	-	-
	<u>3,397,374</u>	<u>10,316,196</u>	<u>776,612</u>	<u>678,335</u>
After five years				
Eurobond 2007	73,176,767	-	-	-
Bank loans	5,000,000	1,825,000	-	-
Hire purchase and finance lease obligations	-	56,261	-	56,261
	<u>81,574,141</u>	<u>12,197,457</u>	<u>776,612</u>	<u>734,596</u>

On 17 December 1997 Chelsea Village plc issued a £ 75,000,000 Eurobond. The coupon rate is 8.875% payable annually on the anniversary of the issue. As a condition of the issue the Group repaid all existing bank borrowings and the Group acquired either freehold or long leasehold interests in the entire Stamford Bridge site.(see note 17)

The Trustee of the Issue holds a first mortgage debenture over the Group's assets.

Obligations under finance leases and hire purchase contracts are secured by the related leased assets. Liabilities under hire purchase agreements amounting to £1,016,238 are further secured by an assignment and floating legal and equitable charges over all rights and monies due to the Group under a sponsorship agreement dated 30 November 1995.

The bank overdraft is secured by a fixed second charge on the freehold owned by the Company and its subsidiaries.

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

21. Borrowings and secured liabilities (cont.)

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Loans due after five years				
Included in amounts due after one year are amounts repayable in instalments, some of which fall due after five years :				
Due within five years :				
Bank loans	-	1,175,000	-	-
Hire purchase and finance lease liabilities	538,571	539,000	538,571	576,937
	<u>538,571</u>	<u>1,714,000</u>	<u>538,571</u>	<u>576,937</u>
Due after five years				
Bank loans	5,000,000	1,825,000	-	-
Hire purchase and finance lease liabilities	-	56,261	-	56,261
	<u>5,000,000</u>	<u>1,881,261</u>	<u>-</u>	<u>56,261</u>

Chelsea Football Club Limited received an interest only 10 year bank loan of £5,000,000 repayable in full on 31 July 2007. The loan is guaranteed by the Estate of the late Matthew Harding and interest is payable at a rate of 0.5% over LIBOR. The Executors and Trustees of the Estate are obliged to procure the renewal of the guarantee by 28 October 1998.

The finance lease due after more than five years is repayable in quarterly instalments of £ 29,058, including finance charges at an average rate of 9.9%

CHELSEA VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
22. Football trust grants				
Grants receivable	3,100,000	3,000,000	-	-

The grants receivable from the Football Trust are in respect of the completed North Stand Development at the stadium.

23. Deferred taxation

No provision for deferred taxation has been made. An analysis of the deferred taxation (assets) / liabilities unprovided, calculated at 31%, is as follows :

Accelerated capital allowances	4,977,000	653,000	-	(3,000)
Short term timing differences	-	-	-	-
Other timing differences	(13,000)	4,834,000	-	-
	4,964,000	5,487,000	-	(3,000)
Taxation losses	(1,812,000)	(4,737,000)		
Property and investment revaluations	9,402,000	3,341,000	1,358,000	2,444,000
	12,554,000	4,091,000	1,358,000	2,441,000

24. Share capital

	1998		1997	
	Number	£	Number	£
Ordinary shares of 1p each				
Authorised	170,000,000	1,700,000	170,000,000	1,700,000
Allotted, issued and fully paid	158,387,583	1,583,876	156,081,100	1,560,801

Ordinary share capital was issued during the year to acquire the 80% interest in the equity of the Bidgleam Group of Companies.

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

25. Movement on reserves and reconciliation of movement in shareholders' funds

Group	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss £	Total shareholders funds £
Balance at 30 June 1997	1,560,811	34,647,959	9,669,335	2,042,100	47,920,205
Profit for the financial year	-	-	-	2,068,810	2,068,810
Unrealised surplus on revaluation of property	-	-	11,960,563	-	11,960,563
Issue of share capital	23,064	2,726,936	-	-	2,750,000
Equity shareholders funds at 30 June 1998	<u>1,583,875</u>	<u>37,374,895</u>	<u>21,629,898</u>	<u>4,110,910</u>	<u>64,699,578</u>
Company					
Balance at 30 June 1997	1,560,811	34,647,959	6,753,234	5,294,329	48,256,333
Profit for the financial year	-	-	-	(239,126)	(239,126)
Unrealised surplus on revaluation of property	-	-	(3,868,877)	-	(3,868,877)
Issue of share capital	23,064	2,726,936	-	-	2,750,000
Equity shareholders funds at 30 June 1998	<u>1,583,875</u>	<u>37,374,895</u>	<u>2,884,357</u>	<u>5,055,203</u>	<u>46,898,330</u>

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

26 Notes to the Cash Flow Statement	1998 £	1997 £
26.1 Reconciliation of operating profit to operating cash flows		
Operating profit	4,777,491	250,000
Depreciation charges	666,393	248,000
Profit on sale of intangible fixed assets	(2,859,864)	(3,960,000)
Amortisation of players registrations	5,944,820	5,881,000
Amortisation of commercial rights	342,623	499,000
Amortisation of goodwill	145,449	-
Increase in stocks	(1,085,749)	(2,000)
Increase in debtors	(14,817,049)	(4,620,000)
Increase in creditors	8,164,398	21,036,000
	<hr/>	<hr/>
Net cash inflow from operating activities	1,278,512	19,332,000
	<hr/>	<hr/>
26.2 Analysis of cash flows for headings netted in the cash flow statement		
Returns on investments and servicing of finance		
Interest received	1,219,207	434,000
Interest paid	(3,494,279)	(609,000)
Interest element of finance lease payments	(401,802)	(451,000)
	<hr/>	<hr/>
	(2,676,874)	(626,000)
	<hr/>	<hr/>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(26,601,592)	(23,554,000)
Purchase of : intangible fixed assets	(8,292,650)	(18,328,000)
contract settlements	-	(879,000)
Grants received	100,000	200,000
Sale of intangible fixed assets	2,859,864	6,665,000
	<hr/>	<hr/>
	(31,934,378)	(35,896,000)
	<hr/>	<hr/>
Acquisition and disposals		
Acquisition of subsidiary	(219,000)	-
Net overdrafts acquired with subsidiary	(1,561,648)	-
Cost of short term development	(4,481,019)	(1,029,000)
Sale of interest in joint venture	-	131,000
	<hr/>	<hr/>
Net cash outflow for acquisitions and disposals	(6,261,667)	(898,000)
	<hr/>	<hr/>

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

26 Notes to the Cash Flow Statement (cont.)

26.2 Analysis of cash flows for headings netted in the cash flow statement (cont.)	1998 £	1997 £
Management of liquid resources		
Cash deposited on deposits of less than one year	(29,583,210)	(5,036,000)
Net cash outflow from from management of liquid resources	<u>(29,583,210)</u>	<u>(5,036,000)</u>
Financing		
Issue of ordinary share capital	650,000	24,292,000
Expenses of issuing share capital	-	(177,000)
Debt due within one year		
Increase in short term borrowings	-	478,000
Repayment of short term borrowings	(724,403)	(100,000)
Debt due after one year		
New secured loan	75,000,000	280,000
Expenses of raising new secured loan	(1,823,233)	
Repayment of secured loan	(1,974,001)	(1,400,000)
Repayment of unsecured loan	-	(1,000,000)
Hire purchase and capital element of finance lease rental payments	(1,336,664)	(856,000)
	<u>69,141,699</u>	<u>(78,000)</u>
	<u>69,791,699</u>	<u>24,037,000</u>

26.3 Analysis of net debt

	At 1 July 1997 £	Cash flow £	Other non cash changes £	At 30 June 1998 £
Cash at bank and in hand	160,000	420,082		580,082
Bank overdrafts	(47,000)	47,000		-
Debt due within one year	(723,404)	699,403		(24,001)
Debt due after one year	(7,052,893)	(71,177,766)		(78,230,659)
Hire purchase and finance leases	(4,374,160)	1,336,664	(256,985)	(3,294,481)
Money market deposits	5,035,000	29,583,210		34,618,210
	<u>(7,002,457)</u>	<u>(39,091,407)</u>	<u>(256,985)</u>	<u>(46,350,849)</u>

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

26 Notes to the Cash Flow Statement (cont.)

26.4 Purchase of subsidiary undertakings	1998	1997
	£	£
Net assets acquired		
Tangible fixed assets	229,903	-
Debtors	2,476,408	-
Cash at bank	21,083	-
Creditors	(1,897,549)	-
Bank overdrafts	(1,582,731)	-
Loans and finance leases	(24,563)	-
Minority shareholders' interests	<u>155,490</u>	<u>-</u>
	(621,959)	-
Goodwill	<u>2,940,959</u>	<u>-</u>
	<u>2,319,000</u>	<u>-</u>

The subsidiary undertaking acquired during the year contributed £ 83,668 to the Group's net operating cash flows, paid £ 173,290 in respect of net returns on investments and servicing of finance, and utilised £ 78,220 for capital expenditure.

CHELSEA VILLAGE plc
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

27. Capital commitments

The annual commitments under non-cancellable operating leases are :

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Land and buildings :				
Leases expiring within one year	12,000	-	-	-
Leases expiring within two to five years	70,901	12,000	-	-
Leases expiring in more than five years	193,555	1,725,000	-	1,179,000
	<u>276,456</u>	<u>1,737,000</u>	<u>-</u>	<u>1,179,000</u>

Other

Leases expiring within two to five years	3,996	9,514,000	-	-
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Capital expenditure commitments were as follows :

Contracted for but not provided :

Tangible fixed assets	11,711,183	21,500,000	-	-
Intangible fixed assets	12,200,000	2,250,000	-	-
	<u>23,911,183</u>	<u>23,750,000</u>	<u>-</u>	<u>-</u>

28. Contingent liabilities

a) The Company has guaranteed the overdrafts of its subsidiary undertakings.

The amount covered by this guarantee at 30 June 1998 was £ nil.

b) The Company has guaranteed a hire purchase liability of a subsidiary undertaking. The amount covered by this guarantee at 30 June 1998 was £1,585,461.

29. Pension commitments

A subsidiary undertaking contributes to pension schemes providing benefits based both upon contributions made and upon final salary. Both schemes are administered by the Football League Limited. The group also contributes to other schemes providing benefits based upon contributions made. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge of £ 247,135 (1997 £ 131,730) is payable to these funds.

30. Post balance sheet events

Since 30 June 1998 the Group has acquired the registrations of four professional football players and sold four others. The net expenditure of these transfers was £ 6.8m.

The Company has acquired the remaining 20% of the share capital of the Bidgleam Group of Companies, trading as EDTfor a consideration of £ 600,000.

A subsidiary company refitted and commenced trading from the East stand including a restaurant called Canaletto's.

A subsidiary company completed on the sale of 4 apartments realising a gross sale proceeds of £ 2.4m

CHELSEA VILLAGE PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998

31. Subsidiary undertakings

The company has the following subsidiary undertakings :

Trading	Nature of business
Chelsea Football Club Limited	Professional football club
Chelsea Car Parks Limited	Car park management
Chelsea Communications Limited	Publications, Radio and Internet operations
Chelsea Contractors Limited	Property development
Chelsea Village Catering Limited	Catering services
Chelsea Village Hotel Limited	Hotel development
Chelsea Village Merchandising Limited	Merchandising and Mail Order
Chelsea Village Management Limited	Group utilities and facilities
Chelsea Events Limited	Event organisation
Chelsea Leisure Services Limited	Property development
Chelsea Pacific Limited	Nightclub
Bidgleam Limited	Holding Company of travel agency
Elizabeth Duff Travel	Travel agency
Fulham Securities Limited	Property lessors and development
Stamford Bridge Properties Limited	Property lessors
Stamford Bridge Securities Limited	Property lessors and development
Chelsea Limited	Holding company of Chelsea Football Club Limited
Dormant	
Arkles Limited	
Chelsea Caterers Limited	
Chelsea Financial Consultants Limited	
Chelsea Garden Village Limited	
Chelsea Pensioner Limited	
Chelsea Television Limited	
Chelsea T.V. Limited	
Chelsea Vintners Limited	
Chelsea Worldwide Travel Limited	
London Voice Limited	
The Chelsea Style Limited	
Virjeans Limited	

All of the above companies are incorporated in Great Britain and registered in England and Wales.

The Company owned 80% of the ordinary share capital of Bidgleam Limited during the year. Since the year end the remaining 20 % has been acquired.

The entire share capital and control of 100% of the voting rights of all the other subsidiary undertakings is held by the Company.