

Southampton Football Club Limited

Report and Financial Statements

31 May 2003

Deloitte & Touche LLP
Southampton



REPORT AND FINANCIAL STATEMENTS 2003

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REPORT AND FINANCIAL STATEMENTS 2003

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R J G Lowe (Chairman)
B H D Hunt (Vice Chairman)
A E Cowen
I L Gordon
M R Richards, FCA
K St John Wiseman, MA
R M Withers

SECRETARY

E S Coley

TEAM MANAGER

Paul Sturrock

REGISTERED OFFICE

The Friends Provident St Mary's Stadium
Britannia Road
Southampton
SO14 5FP

BANKERS

Barclays Bank PLC
Southampton City Branch
Southampton
SO14 2ZP

SOLICITORS

Paris, Smith & Randall
1 London Rd
Southampton
SO15 2AE

AUDITORS

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Southampton

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 May 2003.

PRINCIPAL ACTIVITY

The company is a football club, which participates in the FA Premier League, other leagues and cup competitions.

RESULTS, DIVIDENDS AND FUTURE PROSPECTS

The profit and loss account is set out on page 6 and shows a loss before tax for the year of £413,975 (2002: profit of £3,864,442). No dividend (2002: £nil) is proposed. The directors believe that the club is well placed both financially and in terms of its playing squad to take advantage of the continuing strength of being a Premier League football club.

DIRECTORS AND THEIR INTERESTS

A list of the present directors of the company is given on page 1.

The directors had no interests in the share capital of the company or any other group company, other than the parent undertaking at the year end.

The directors' interests in the share capital of the parent undertaking, Southampton Leisure Holdings PLC, are disclosed in the directors' report of that company. In addition I L Gordon had an interest in 848,000 5p ordinary shares in Southampton Leisure Holdings PLC at the beginning and end of the year and R M Withers had an interest in 1,120,000p ordinary shares at the beginning of the year.

PLAYERS' REGISTRATION

As stated in accounting policy note 1, the cost of acquired players is reflected in the accounts in order to comply with FRS10.

POLICY ON PAYMENT OF CREDITORS

The company values its relationship with its many suppliers. As part of meeting its obligations under each purchase transaction, the company's policy is to pay amounts due for settlement in accordance with the negotiated terms of trade.

Trade creditors at 31 May 2003 represented 33 days of annual purchases (2002: 37). This figure excludes creditors in respect of player purchases which are paid on the date payment is contractually due.

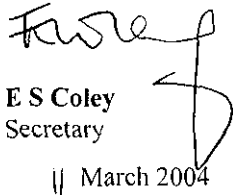
DIRECTORS' REPORT (continued)

AUDITORS

On 1 August 2003, Deloitte & Touche, the Company's auditors, transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company has given its consent to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989.

Under sections 252 and 386 of the Companies Act respectively, a resolution has been passed dispensing with the holding of annual general meetings and with the annual appointment of auditors.

Approved by the Board of Directors and signed on behalf of the Board


E S Coley
Secretary
11 March 2004

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 as at the end of the financial year and of the profit or loss of the company 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTHAMPTON FOOTBALL CLUB LIMITED

We have audited the financial statements of Southampton Football Club Limited for the year ended 31 May 2003 which comprise the profit and loss account, the balance sheet and the related notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, 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 the company's affairs at 31 May 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



DELOITTE & TOUCHE LLP

Chartered Accountants and Registered Auditors
Southampton

16 March 2004

PROFIT AND LOSS ACCOUNT
Year ended 31 May 2003

	Note	Operations excluding player trading	Player trading*	Continuing operations	As restated
		2003 £	2003 £	2003 £	2002 £
TURNOVER	2	44,130,761	-	44,130,761	33,882,151
Cost of sales		(34,308,748)	(6,711,384)	(41,020,132)	(34,585,310)
Gross profit/(loss)		9,822,013	(6,711,384)	3,110,629	(703,159)
Administrative expenses (including exceptional pension contribution of £204,533. see note 5)		(3,049,773)	-	(3,049,773)	(2,483,621)
Operating profit/(loss)	3	6,772,240	(6,711,384)	60,856	(3,186,780)
(Loss)/profit on disposal of players and manager		-	(295,690)	(295,690)	7,108,133
(Loss)/profit before interest and taxation		6,772,240	(7,007,074)	(234,834)	3,921,353
Net interest payable	6			(179,141)	(56,911)
(Loss)/profit on ordinary activities before taxation				(413,975)	3,864,442
Tax on (loss)/profit on ordinary activities	7			362,890	(244,338)
Retained (loss)/profit for the year	19			(51,085)	3,620,104

*Player trading represents the amortisation and the profit or loss on disposal of player registrations.

There are no recognised gains or losses for the current financial year or preceding financial year other than as stated above. Accordingly a statement of total recognised gains and losses has not been presented.

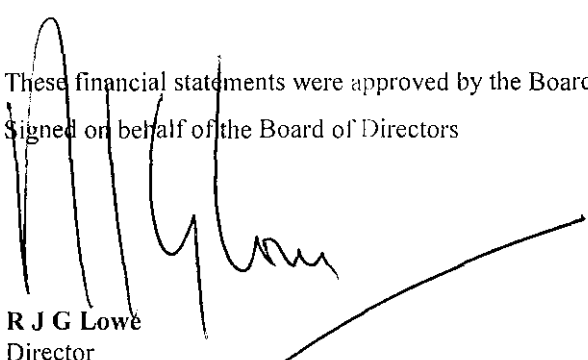
BALANCE SHEET

31 May 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Intangible assets	8	14,508,780	12,133,293
Tangible assets	9	786,316	651,467
Investments	10	1,000	1,000
		<u>15,296,096</u>	<u>12,785,760</u>
CURRENT ASSETS			
Stocks	11	269,853	363,998
Debtors	12	5,240,283	8,190,693
Cash and bank balances		3,275	9,789
		<u>5,513,411</u>	<u>8,564,480</u>
CREDITORS: amounts falling due within one year	13	<u>(14,112,203)</u>	<u>(16,915,721)</u>
NET CURRENT LIABILITIES		<u>(8,598,792)</u>	<u>(8,351,241)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,697,304	4,434,519
CREDITORS: amounts falling due after more than one year	14	(2,125,511)	(169,657)
PROVISION FOR LIABILITIES AND CHARGES	17	<u>(668,219)</u>	<u>(310,203)</u>
		<u>3,903,574</u>	<u>3,954,659</u>
CAPITAL AND RESERVES			
Called up share capital	18	52,570	52,570
Profit and loss account	19	3,851,004	3,902,089
EQUITY SHAREHOLDERS' FUNDS	19	<u>3,903,574</u>	<u>3,954,659</u>

These financial statements were approved by the Board of Directors on 11 March 2004

Signed on behalf of the Board of Directors


R J G Lowe
Director

NOTES TO THE ACCOUNTS

Year ended 31 May 2003

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Consolidated accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company is a wholly owned subsidiary undertaking of Southampton Leisure Holdings PLC and so it is exempt from preparing group accounts under section 228 of the Companies Act 1985.

Comparative balances

Certain stadium running and commercial expenses, which in previous periods have been classified as administrative expenses, are now included within cost of sales. The total of these costs are £2,072,000 in the year to 31 May 2002. The comparatives have been restated to reflect this change in classification.

Turnover

Turnover represents the total amount receivable from the principal activities of the company, excluding transfer fees receivable, and is stated net of value added tax.

Intangible assets

The element of each player's transfer fee which relates to his registration is capitalised as an intangible asset and amortised over the period of his contract including any agreed extensions, subject to any provision for impairment. Contingent fees payable, which are dependent upon the number of first team appearances and international debuts made, are capitalised in the period when it is considered probable that the conditions of the contract will be satisfied.

Investments

Investments that are held for the long term are included in the balance sheet as fixed assets at cost. Provision is made where in the opinion of the directors, an impairment in value has occurred.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation less any provision for impairment. Depreciation is provided on all tangible fixed assets other than assets under development, at rates calculated to write off the cost, less estimated residual value, based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, as follows:

Equipment	-	over 4 to 10 years
Motor vehicles	-	over 4 to 5 years

Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective items where appropriate.

Signing on fees

Signing on fees are charged to cost of sales over the duration of the player's contract.

NOTES TO THE ACCOUNTS

Year ended 31 May 2003

1. ACCOUNTING POLICIES (continued)

Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from these in which they are included in Financial Statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company makes contributions to the Football League Pension Scheme on behalf of its employees who are members of that scheme. The charge in the accounts represents the premiums paid during the year.

2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties excluding transfer fees receivable. Turnover is attributable to one continuing activity, the operation of a professional football club.

3. OPERATING PROFIT/(LOSS)

	2003 £	2002 £
Operating profit/(loss) is stated after charging/(crediting):		
Amortisation of players	6,711,384	6,235,237
Auditors' remuneration		
- audit	14,000	12,000
- other services	43,500	9,000
Depreciation of fixed assets		
- owned	282,197	208,071
- held under finance leases and hire purchase contracts	24,239	24,239
Rentals under operating leases		
- plant and machinery	252,516	166,209
- land and building	96,976	93,416
Profit on fixed asset disposal	(2,084)	(7,695)

4. DIRECTORS' REMUNERATION

Director's remuneration is borne by the parent company. B H D Hunt was paid £15,000 (2002: £15,000) by the parent undertaking during the year for consulting services.

NOTES TO THE ACCOUNTS

Year ended 31 May 2003

5. STAFF COSTS

	2003	2002
	£	£
Wages and salaries	22,495,994	18,788,955
Social security costs	2,491,700	2,104,566
Pension contributions	99,928	175,904
	<u>25,087,622</u>	<u>21,069,425</u>

The average monthly number of employees employed by the company during the year is as follows:

	2003	2002
	No.	No.
Direct	170	164
Administration	49	42
	<u>219</u>	<u>206</u>

In addition the company employs approximately 350 temporary staff on match days (2002: 350).

Certain staff of the company are members of either the Football League Limited Players Retirement Income Scheme, a defined contribution scheme, or the Football League Limited Pension and Life Assurance Scheme ('FLLPLAS'), a defined benefit scheme. As the company is one of a number of participating employers in the FLLPLAS, the scheme actuary has indicated that it is not possible to allocate any of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and consequently contributions are expensed in the profit and loss account as they become payable. For this reason, under FRS 17, the scheme would be accounted for as if it were a defined contribution scheme. Other than the information below, no information is available about the deficit in the scheme as a whole. The assets of the schemes are held separately from those of the company, being invested with insurance companies.

In August 1999, following an independent actuaries' report commissioned by the Trustees a substantial deficit in the FLLPLAS was identified. The scheme has now closed to new members and Southampton Football Club has made provision for its share of the deficit based on the apportionment at that time, see note 17.

The latest actuarial valuation of the scheme at 31 August 2002 has indicated that the Club's provisional share of the deficit has increased to £313,533 as at 1 April 2003 due to worsening investment market conditions. The additional provision of £204,533 has been charged to the profit and loss account as an exceptional administrative expense. The revised allocation is being repaid over a ten year period, initially at a monthly repayment of £6,407.

Contributions payable by the company to employees' (including executive Directors) personal pension schemes are charged to the profit and loss account in the period to which they relate. The schemes are defined contribution schemes, the assets of which are held separately from the Group.

NOTES TO THE ACCOUNTS
Year ended 31 May 2003

6. NET INTEREST PAYABLE

	2003 £	2002 £
Bank overdraft	(176,828)	(90,900)
Finance charges payable under finance leases and hire purchase contracts	(9,739)	(9,739)
Interest payable	(186,567)	(100,639)
Bank deposit interest receivable	7,426	43,728
	<u>(179,141)</u>	<u>(56,911)</u>

7. TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

The taxation (credit)/charge is made up as follows:

	2003 £	2002 £
Current tax:		
United Kingdom corporation tax at 30% (2002: 30%)	-	219,955
Adjustment in respect of prior years	(219,973)	24,379
Total current tax (credit)/charge	(219,973)	244,334
Deferred tax		
Timing differences, origination and reversal	(126,044)	-
Adjustment in respect of prior years	(16,873)	-
Total deferred tax credit	(142,917)	-
Tax (credit)/charge on (loss)/profit on ordinary activities	<u>(362,890)</u>	<u>244,334</u>

Factors affecting tax charge for the current period

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK: 30% (2002: 30%).

The differences are explained below:

	2003 %	2002 %
Standard tax rate for period as a percentage of profits	30	30
Effects of:		
Expenses not deductible for tax purposes	(6)	2
Capital allowances in excess of depreciation	(1)	-
Utilisation of tax losses	(4)	-
Movement in short term timing differences	(15)	(1)
Group relief not paid for	-	(25)
Other deferred tax movements	(4)	-
Prior period adjustments	53	-
Current tax rate for period as a percentage of profits	<u>53</u>	<u>6</u>

NOTES TO THE ACCOUNTS
Year ended 31 May 2003

7. TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

	2003 £	2002 £
Analysis of deferred tax balance (see note 12)		
Capital allowances in excess of depreciation	40,449	10,437
Short term timing differences	116,876	54,025
Losses	17,921	-
Player registrations	(32,329)	(64,462)
	<u>142,917</u>	<u>-</u>

8. INTANGIBLE FIXED ASSETS

	Player registrations £
Cost	
At 1 June 2002	25,134,961
Additions	9,578,945
Disposals	(4,323,648)
At 31 May 2003	<u>30,390,258</u>
Accumulated depreciation	
At 1 June 2002	13,001,668
Charge for the year	6,711,384
Disposals	(3,831,574)
At 31 May 2003	<u>15,881,478</u>
Net book value	
At 31 May 2003	<u>14,508,780</u>
At 31 May 2002	<u>12,133,293</u>

NOTES TO THE ACCOUNTS
Year ended 31 May 2003

9. TANGIBLE FIXED ASSETS

	Equipment £	Motor vehicles £	Total £
Cost			
At 1 June 2002	1,115,406	121,726	1,237,132
Additions	443,369	-	443,369
Disposals	(2,605)	(16,325)	(18,930)
	<hr/>	<hr/>	<hr/>
At 31 May 2003	1,556,170	105,401	1,661,571
Depreciation			
At 1 June 2002	489,333	96,332	585,665
Provided during the year	291,996	14,440	306,436
Disposals	(521)	(16,325)	(16,846)
	<hr/>	<hr/>	<hr/>
At 31 May 2003	780,808	94,447	875,255
Net book value			
At 31 May 2003	<hr/> 775,362 <hr/>	<hr/> 10,954 <hr/>	<hr/> 786,316 <hr/>
At 31 May 2002	<hr/> 626,073 <hr/>	<hr/> 25,394 <hr/>	<hr/> 651,467 <hr/>

The net book value for equipment includes £24,239 (2002: £48,477) relating to assets acquired under hire purchase contracts and finance leases.

10. FIXED ASSET INVESTMENTS

	£
Ordinary shares in subsidiary at cost:	
At 1 June 2002 and 31 May 2003	<hr/> 1,000 <hr/>

Details of the investment in which the company holds more than 10% of the nominal value of any class of share capital are as follows:

Name of company	Holding	Proportion held	Nature of business
Saints Supporters Club Limited	Ordinary shares	100%	Dormant

The above company is incorporated in Great Britain.

NOTES TO THE ACCOUNTS

Year ended 31 May 2003

11. STOCKS

	2003	2002
	£	£
Consumable stocks	269,853	363,998

There is no material difference between the balance sheet values of stock and their replacement cost.

12. DEBTORS

	2003	2002
	£	£
Amounts due from parent company	448,861	-
Amounts due from group undertakings	1,803,480	1,358,556
Trade debtors	2,423,411	5,914,701
Prepayments and accrued income	386,353	159,786
Other debtors	35,261	757,650
Deferred taxation (see note 17)	142,917	-
	<u>5,240,283</u>	<u>8,190,693</u>

All amounts are due within one year.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003	2002
	£	£
Bank loan (see note 15)	100,000	-
Bank overdraft (see note 15)	-	2,981,945
Amounts due to parent company	-	1,677,313
Amounts due to Group undertaking	3,227,049	1,387,670
Obligations under finance leases and hire purchase contracts (see note 15)	35,726	35,726
Trade creditors	4,287,183	4,914,692
Corporation tax	-	219,959
Other taxes and social security costs	1,945,098	1,920,590
Accruals and deferred income	4,517,147	3,777,826
	<u>14,112,203</u>	<u>16,915,721</u>

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

	2003	2002
	£	£
Bank loan (see note 15)	825,000	-
Obligations under finance leases and hire purchase contracts (see note 15)	8,931	44,657
Trade creditors	1,167,500	125,000
Accruals and deferred income	124,080	-
	<u>2,125,511</u>	<u>169,657</u>

NOTES TO THE ACCOUNTS

Year ended 31 May 2003

15. BORROWINGS

	2003 £	2002 £
Amounts payable:		
Within one year or on demand	135,726	3,017,671
Between one and two years	108,931	44,657
Between two and five years	300,000	-
After five years	425,000	-
	<u>969,657</u>	<u>3,062,328</u>

A bank loan of £1,000,000 has been taken out during the year. The loan is repayable in quarterly instalments over a ten year period at an interest rate of 2% over the bank base rate. The bank borrowings are secured upon group freehold properties. Obligations under finance leases and hire purchase contracts are secured upon the assets to which they relate.

16. FINANCIAL COMMITMENTS

At 31 May 2003, the company was committed to making the following payments under non-cancellable operating leases to 31 May 2003.

	2003		2002	
	Land and buildings £	Other £	Land and buildings £	Other £
Leases which expire:				
Within one year	1,440	35,603	-	25,247
Within two to five years	-	194,571	-	138,826
Five years or more	97,738	-	93,086	-
	<u>99,178</u>	<u>230,174</u>	<u>93,086</u>	<u>164,073</u>

NOTES TO THE ACCOUNTS

Year ended 31 May 2003

17. PROVISION FOR LIABILITIES AND CHARGES

	2003 £	2002 £
Contingent transfer fees payable	367,500	110,250
Pensions (see note 5)	300,719	199,953
	<u>668,219</u>	<u>310,203</u>
	2003 £	2002 £
Contingent transfer fees		
Opening balance	110,250	110,250
Capitalised in the year	367,500	-
Reclassified	(110,250)	-
	<u>367,500</u>	<u>110,250</u>
Closing balance		

The Directors have made provision for contingent transfer fees where they consider it probable that the contingency will occur and the contractual amount will become payable.

	2003 £	2002 £
Pension provision		
Opening balance	199,953	300,000
Charge to the profit and loss account	204,533	-
Utilised in the year	(103,767)	(100,047)
	<u>300,719</u>	<u>199,953</u>
Closing balance		

18. SHARE CAPITAL

	2003 £	2002 £
Authorised:		
Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>52,570</u>	<u>52,570</u>

NOTES TO THE ACCOUNTS

Year ended 31 May 2003

19. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	2003 Total £	2002 Total £
At 1 June	52,570	3,902,089	3,954,659	334,555
(Loss)/profit for the year	-	(51,085)	(51,085)	3,620,104
At 31 May	<u>52,570</u>	<u>3,851,004</u>	<u>3,903,574</u>	<u>3,954,659</u>

20. CONTINGENT LIABILITIES

Excluding items provided in the balance sheet, at 31 May 2003 Southampton Football Club had a liability to pay up to £1,485,000 (2002: £2,795,000) to other clubs in respect of players under contract, dependent upon the number of first team appearances and international debuts made.

21. ULTIMATE PARENT UNDERTAKING

The company is a wholly owned subsidiary undertaking of Southampton Leisure Holdings PLC, which is also the ultimate parent undertaking and controlling party and is incorporated in Great Britain. The consolidated accounts of Southampton Leisure Holdings PLC are those of both the largest and smallest group of which the company is a member and for which group accounts are prepared.

Copies of the group accounts may be obtained from the Company Secretary, Southampton Leisure Holdings PLC, The Friends Provident St Mary's Stadium, Britannia Road, Southampton, SO14 5FP.

22. RELATED PARTY TRANSACTIONS

The company has utilised the exemption given under Financial Reporting Standard No.8 paragraph 3(c) as a wholly owned subsidiary not to disclose transactions with other entities that are part of, or investees in, the Southampton Leisure Holdings PLC group.