
CHARLTON ATHLETIC HOLDINGS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 JUNE 2022

CHARLTON ATHLETIC HOLDINGS LIMITED
REGISTERED NUMBER: 02689249

BALANCE SHEET
AS AT 30 JUNE 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	50,609,014	53,658,888
		<u>50,609,014</u>	<u>53,658,888</u>
Current assets			
Debtors: amounts falling due within one year	6	69,162	-
Cash at bank and in hand	7	854,039	535,334
		<u>923,201</u>	<u>535,334</u>
Creditors: amounts falling due within one year	8	(45,320)	(37,220)
Net current assets		<u>877,881</u>	<u>498,114</u>
Total assets less current liabilities		<u>51,486,895</u>	<u>54,157,002</u>
Creditors: amounts falling due after more than one year	9	(47,224,406)	(45,321,175)
Provisions for liabilities			
Deferred tax	10	(1,838,145)	(1,838,145)
		<u>(1,838,145)</u>	<u>(1,838,145)</u>
Net assets		<u><u>2,424,344</u></u>	<u><u>6,997,682</u></u>
Capital and reserves			
Called up share capital	11	150	150
Profit and loss account	12	2,424,194	6,997,532
		<u><u>2,424,344</u></u>	<u><u>6,997,682</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 June 2023.

CHARLTON ATHLETIC HOLDINGS LIMITED
REGISTERED NUMBER: 02689249

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2022

L de Turck

Director

The notes on pages 3 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. General information

Charlton Athletic Holdings Limited is a private company limited by shares and incorporated in England. The address of the registered office is The Valley, Floyd Road, London, SE7 8BL. The company's principal activity is that of property investment.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Baton 2010 Limited as at 30 June 2022 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Company meets its day to day liabilities using funding from its ultimate parent company, Staprix NV. The board of directors has reviewed the future cash flow projections of the company and in their opinion, the Company is able to continue its normal day to day operations for at least 12 months from the date of approval of these financial statements, due to receiving a letter of support from Staprix NV for this period. Accordingly the financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2.5 Revenue

Revenue represents rental income relating to the land on which the Valley Stadium and the Sparrows Lane training ground complex are situated and is stated net of value added tax. Income is recognised over the period of the lease agreement.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Tangible fixed assets

Freehold buildings comprise the Valley Stadium and the Sparrows Lane training ground. Freehold buildings are initially recognised at cost. Other costs include leasehold improvements, interior fit outs to the stadium and training ground which are initially recognised at cost.

After recognition, under the revaluation model, freehold buildings are carried at fair value determined with sufficient regularity so to ensure that the carrying value does not differ materially from that which would be determined using fair value at the end of each reporting period. Such fair values are determined every five years using the depreciated replacement cost approach because the specialised nature of the asset means that there are no market transactions of this type of asset.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 7%
Interior fit outs	- 10 - 20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalent

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Creditors

Short-term creditors are measured at the transaction price.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from related parties.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following are the Company's key sources of estimation uncertainty:

Depreciation of tangible fixed assets

Tangible fixed assets are depreciated over their useful life taking into account residual value where appropriate. The actual useful lives of the assets and residual values may vary depending upon a number of factors, including technological innovation and maintenance programmes.

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2021 - 2).

CHARLTON ATHLETIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

5. Tangible fixed assets

	Freehold property £	Leasehold improvements £	Total £
Cost or valuation			
At 1 July 2021	11,700,000	44,246,758	55,946,758
At 30 June 2022	11,700,000	44,246,758	55,946,758
Depreciation			
At 1 July 2021	-	2,287,870	2,287,870
Charge for the year on owned assets	-	3,049,874	3,049,874
At 30 June 2022	-	5,337,744	5,337,744
Net book value			
At 30 June 2022	11,700,000	38,909,014	50,609,014
At 30 June 2021	11,700,000	41,958,888	53,658,888

The freehold properties were valued at 30 June 2022 by the directors on an open market value for existing use basis.

6. Debtors

	2022 £	2021 £
Trade debtors	69,162	-
	<u>69,162</u>	<u>-</u>

7. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	854,039	535,334
	<u>854,039</u>	<u>535,334</u>

CHARLTON ATHLETIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	9,600	-
Other creditors	30,220	30,220
Accruals and deferred income	5,500	7,000
	<u>45,320</u>	<u>37,220</u>

9. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Amounts owed to ultimate parent company	47,224,406	45,321,175
	<u>47,224,406</u>	<u>45,321,175</u>

10. Deferred taxation

	2022 £
At beginning of year	(1,838,145)
At end of year	<u>(1,838,145)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Revaluation of tangible fixed assets	(1,838,145)	(1,838,145)
	<u>(1,838,145)</u>	<u>(1,838,145)</u>

CHARLTON ATHLETIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

11. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
150 (2021 - 150) Ordinary shares of £1.00 each	<u>150</u>	<u>150</u>

12. Reserves

Profit and loss account

Included within the profit and loss account is £7,836,305 (2021: £7,836,305) relating to revaluation of freehold property. This amount is non-distributable. The amount is stated net of a provision for deferred tax of £1,838,145 (2021: £1,838,145).

13. Contingent liabilities

There are fixed and floating charges over the Company's assets in relation to loans made to the former group undertaking, Charlton Athletic Football Company Limited, by former directors of that company.

14. Related party transactions

Staprix NV charged interest on loans in the period resulting in an interest charge of £887,216 (2021: £1,074,417). At the year end the company owed Staprix NV £47,224,406 (2021: £45,321,175).

15. Controlling party

The company's ultimate holding company is Staprix NV, a company registered in Belgium, which is 95% owned by R Duchâtelet.

The company's immediate parent company is Baton 2010 Limited, a company registered in England which is the only company in the group required to prepare group financial statements. Copies of these financial statements are available from Companies House.

16. Auditors' information

The auditors' report on the financial statements for the year ended 30 June 2022 was unqualified.

The audit report was signed on 27 June 2023 by Richard Paul (senior statutory auditor) on behalf of Nyman Libson Paul LLP.

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.