
SOUTH EASTERN LEISURE (UK) LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JANUARY 2020

SOUTH EASTERN LEISURE (UK) LTD

COMPANY INFORMATION

Directors	R. Martin G. King (resigned 4 March 2019)
Registered number	03685980
Registered office	Roots Hall Stadium Southend on Sea Essex SS2 6NQ

SOUTH EASTERN LEISURE (UK) LTD

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**STRATEGIC REPORT
FOR THE PERIOD ENDED 31 JANUARY 2020**

Introduction

The Company supports other group companies to develop land and also provides funding to its subsidiary Southend United Football Club Limited and a company under common control Roots Hall Limited. The Board are ambitious to maximise the Football Club's potential and believe the opportunity for success within the Club's demographic to be considerable. However, in the view of the Board this can only truly be fulfilled through improved infrastructure and is why a move to a new stadium remains a key objective.

A project of such magnitude is not, in the Board's opinion, sustainable if leveraged by debt and this is why enabling development to help fund the proposals is crucial. A smooth transition from Roots Hall to Fossetts Farm (Fossetts) is fundamental. Whilst this adds to the complexity through the need to coordinate two major, inextricably linked developments, it is nevertheless an objective of both the Football Club and the Council.

A new planning application at Fossetts has been submitted by the Club and it is anticipated that the Council will vote on this submission positively in the coming months. The planning application provides the appropriate mix of 'enabling development' to facilitate the new stadium, including revised proposals for residential development at Roots Hall. We have not previously been this advanced in coordinating all the 'ingredients' and are doing so without the need of a 'partner'. Previously the needs and programme constraints of others has proved an impediment. With a favourable vote by the Council the Group will be well placed to build the new facilities without further delay.

Business review

The company has continued to support Southend United Football Club Limited, including investment in the Academy, which will continue for the foreseeable future. Without such support the Football Club would not be able to maintain its infrastructure and competitive edge.

Principal risks and uncertainties

The company continues, as it has for many years to provide support to Southend United Football Club, without this support the Club could not successfully compete.

The Directors place great importance on the Football Club's move to the new modern facilities that will provide improved revenue streams and as a consequence a reduced dependence on the Company for its continued existence.

Many supporters love Roots Hall but sadly the Football Club's current stadium is no longer fit for purpose in the modern era with increasing costs year on year to ensure the Club maintains the standards demanded by the authorities. For that reason alone, support from the Council is crucial. Under the new stadium plans the Football Clubs "risks and uncertainties" are substantially reduced, if not eradicated, albeit with continued prudent management. This in turn will reduce the principal risks and uncertainties within the Company.

This report was approved by the board and signed on its behalf.

R. Martin
Director

Date: 12 April 2022

SOUTH EASTERN LEISURE (UK) LTD

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 JANUARY 2020

The directors present their report and the financial statements for the period ended 31 January 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 transactions and 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 2006. 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.

Results and dividends

The profit for the period, after taxation, amounted to £267,119 (2018 - £21,760).

The Directors have recommended no dividend be proposed for the period (2018 - £nil)

Directors

The directors who served during the period were:

R. Martin

G. King (resigned 4 March 2019)

Future developments

The Company intends to continue its function in the support of other group companies to develop land for resale. There are no intended changes to the strategic direction of the Group.

SOUTH EASTERN LEISURE (UK) LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 JANUARY 2020**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, WMT, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

R. Martin

Director

Date: 12 April 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH EASTERN LEISURE (UK) LTD

Opinion

We have audited the financial statements of South Eastern Leisure (UK) Ltd (the 'Company') for the period ended 31 January 2020, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 Company's affairs as at 31 January 2020 and of its profit for the period 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the company has net current liabilities and a negative balance sheet and that these may cast significant doubt on the Company's ability to continue as a going concern. The directors are confident that Martin Dawn Plc, one of the joint venture parties, will continue to provide the necessary funds to the Company through their financing facilities. However, there can be no certainty in these matters and this indicates the existence of a material uncertainty which may cast doubt on the Company's ability to continue as a going concern. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH EASTERN LEISURE (UK) LTD (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SOUTH EASTERN LEISURE (UK) LTD (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 2, 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 is 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 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 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 an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 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.

Graham Wintle (Senior statutory auditor)

for and on behalf of

WMT

Chartered Accountants

Verulam Point
Station Way
St Albans
Hertfordshire
AL1 5HE

12 April 2022

SOUTH EASTERN LEISURE (UK) LTD

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 JANUARY 2020

	Note	2020 £	2018 £
Turnover	4	450,000	450,000
Gross profit		<u>450,000</u>	<u>450,000</u>
Administrative expenses		(120,155)	(429,603)
Operating profit		<u>329,845</u>	<u>20,397</u>
Tax on profit	7	(62,726)	1,363
Profit for the financial period		<u><u>267,119</u></u>	<u><u>21,760</u></u>
Other comprehensive income for the period			
Total comprehensive income for the period		<u><u>267,119</u></u>	<u><u>21,760</u></u>

The notes on pages 10 to 18 form part of these financial statements.

SOUTH EASTERN LEISURE (UK) LTD
REGISTERED NUMBER: 03685980

BALANCE SHEET
AS AT 31 JANUARY 2020

	Note	31 January 2020 £	31 July 2018 £
Fixed assets			
Investments	8	8,162,922	8,162,922
Investment property	9	-	750,000
		<u>8,162,922</u>	<u>8,912,922</u>
Current assets			
Debtors: amounts falling due after more than one year	10	-	400,000
Debtors: amounts falling due within one year	10	5,898,574	5,430,584
		<u>5,898,574</u>	<u>5,830,584</u>
Creditors: amounts falling due within one year	11	(20,188,877)	(20,688,006)
		<u>(14,290,303)</u>	<u>(14,857,422)</u>
Net current liabilities			
		<u>(6,127,381)</u>	<u>(5,944,500)</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	12	-	(450,000)
		<u>(6,127,381)</u>	<u>(6,394,500)</u>
Net liabilities			
Capital and reserves			
Called up share capital	14	551	551
Share premium account		6,152,636	6,152,636
Revaluation reserve		5,912,922	6,412,922
Profit and loss account		(18,193,490)	(18,960,609)
		<u>(6,127,381)</u>	<u>(6,394,500)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

R. Martin
Director

Date: 12 April 2022

The notes on pages 10 to 18 form part of these financial statements.

SOUTH EASTERN LEISURE (UK) LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JANUARY 2020**

	Called up share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 August 2017	551	6,152,636	6,412,922	(18,982,369)	(6,416,260)
Comprehensive income for the year					
Profit for the year	-	-	-	21,760	21,760
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	21,760	21,760
Total transactions with owners	-	-	-	-	-
At 1 August 2018	551	6,152,636	6,412,922	(18,960,609)	(6,394,500)
Comprehensive income for the period					
Profit for the period	-	-	-	267,119	267,119
Surplus on revaluation of leasehold property	-	-	-	500,000	500,000
Other comprehensive income for the period	-	-	-	500,000	500,000
Total comprehensive income for the period	-	-	-	767,119	767,119
Transfer to/from profit and loss account	-	-	(500,000)	-	(500,000)
Total transactions with owners	-	-	(500,000)	-	(500,000)
At 31 January 2020	551	6,152,636	5,912,922	(18,193,490)	(6,127,381)

The notes on pages 10 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020**

1. General information

South Eastern Leisure (UK) Limited is a limited company, incorporated in England and Wales. The address of the registered office is given on the Company information page. The nature of the Company's operations and its principal activities are disclosed in the Directors' Report.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company produces separate financial statements. Consolidated financial statements are produced by the ultimate parent undertaking, Martin Dawn plc.

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).

These single entity financial statements are presented in GBP on the going concern basis.

The following principal accounting policies have been applied:

2.2 Going concern

The Company is aware of its present position and its shareholders and other group companies intend to continue to support the Company through various funding facilities. On this basis, the Directors consider it appropriate to prepare these financial statements on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.5 Taxation

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.

2.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.7 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.11 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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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

There were no critical judgments made in the process of applying the Company's accounting policies.

There were no key assumptions concerning the future or other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2018 £
Rent received	450,000	450,000
	<u>450,000</u>	<u>450,000</u>

All turnover arose within the United Kingdom.

5. Auditors' remuneration

Auditors' remuneration is paid through a related company, Martin Dawn plc.

6. Employees

The average monthly number of employees, including the directors, during the period was as follows:

	2020 No.	2018 No.
Directors	<u>2</u>	<u>2</u>

SOUTH EASTERN LEISURE (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020

7. Taxation

	2020 £	2018 £
Corporation tax		
Current tax on profits for the year	66,601	3,875
Adjustments in respect of previous periods	(3,875)	(5,238)
	<u>62,726</u>	<u>(1,363)</u>
Total current tax	<u>62,726</u>	<u>(1,363)</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit/(loss) on ordinary activities	<u>62,726</u>	<u>(1,363)</u>

Factors affecting tax charge for the period/year

The tax assessed for the period/year is the same as (2018 - the same as) the standard rate of corporation tax in the UK of 19 % (2018 - 19%) as set out below:

	2020 £	2018 £
Profit on ordinary activities before tax	<u>329,845</u>	<u>20,397</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	181,421	3,875
Effects of:		
Deferred tax not recognised	(211,663)	(211,663)
Adjust closing deferred tax to average rate of 20%	211,663	211,663
Adjustments to tax charge in respect of prior periods	-	(5,238)
Brought forward losses relieved	(181,421)	-
Group relief	62,726	-
	<u>62,726</u>	<u>(1,363)</u>
Total tax charge for the period/year	<u>62,726</u>	<u>(1,363)</u>

Factors that may affect future tax charges

SOUTH EASTERN LEISURE (UK) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020**

7. Taxation (continued)

There is a deferred tax asset of £1,745,310 (2018 - £1,799,393) that has not been recognised due to uncertainty regarding the crystallisation of future profits.

8. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2018	12,789,429
At 31 January 2020	12,789,429
Impairment	
At 1 August 2018	4,626,507
At 31 January 2020	4,626,507
Net book value	
At 31 January 2020	8,162,922
At 31 July 2018	8,162,922

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Southend United Football Club Limited	Football club	Ordinary	70.47 %
South Eastern Leisure Company Limited	Property development	Ordinary	100 %
Soccer Stadium PLC	Dormant	Ordinary	100 %

SOUTH EASTERN LEISURE (UK) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020**

Subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 January 2020 and the profit or loss for the period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Southend United Football Club Limited	(16,548,134)	(2,558,077)
South Eastern Leisure Company Limited	6,162,922	-
Soccer Stadium PLC	2,000,000	2,000,000

9. Investment property

	Freehold investment property £
At 1 August 2018	750,000
Disposals	(750,000)
At 31 January 2020	-

The 2020 valuations were made by the Directors,, on an open market value for existing use basis.

10. Debtors

	31 January 2020 £	31 July 2018 £
Due after more than one year		
Prepayments and accrued income	-	400,000
	-	400,000
Due within one year		
Trade debtors	2,852	-

SOUTH EASTERN LEISURE (UK) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020**

10. Debtors (continued)

Amounts owed by group undertakings	4,845,722	5,025,722
Other debtors	1,050,000	4,862
Prepayments and accrued income	-	400,000
	<u>5,898,574</u>	<u>5,430,584</u>

11. Creditors: Amounts falling due within one year

	31 January 2020 £	<i>31 July 2018 £</i>
Other loans	3,584,409	3,584,409
Trade creditors	-	6,604
Amounts owed to group undertakings	16,084,645	16,629,614
Corporation tax	57,864	-
Other taxation and social security	2,334	7,754
Accruals and deferred income	459,625	459,625
	<u>20,188,877</u>	<u>20,688,006</u>

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

	31 January 2020 £	<i>31 July 2018 £</i>
Accruals and deferred income	-	450,000
	<u>-</u>	<u>450,000</u>

SOUTH EASTERN LEISURE (UK) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020**

13. Financial instruments

	31 January 2020 £	<i>31 July 2018 £</i>
Financial assets		
Financial assets that are debt instruments measured at amortised cost	5,903,436	5,025,722
Financial assets that are equity instruments measured at cost less impairment	8,162,922	-
	<u>14,066,358</u>	<u>5,025,722</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(20,131,013)</u>	<u>(20,680,252)</u>

Financial assets that are equity instruments measured at cost less impairment comprise amounts owed from subsidiary companies.

Financial liabilities measured at amortised cost comprise trade creditors, intercompany creditors, other loans and certain accruals.

14. Share capital

	31 January 2020 £	<i>31 July 2018 £</i>
Allotted, called up and fully paid		
275 (2018 - 275) Ordinary D shares of £1.00 each	275	275
275 (2018 - 275) Ordinary MD shares of £1.00 each	275	275
1 (2018 - 1) Preference share of £1.00	1	1
	<u>551</u>	<u>551</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JANUARY 2020**

15. Related party transactions

The ordinary share capital in South Eastern Leisure UK Limited is owned by Martin Dawn plc and Mezcal Investments Limited. Martin Dawn plc holds 275 Ordinary MD shares and Mezcal Investments Limited holds 275 Ordinary D shares. South Eastern Leisure Company Limited and Soccer Stadium Limited are wholly owned subsidiaries of South Eastern Leisure UK Limited. South Eastern Leisure UK Limited holds 478,806 shares in Southend United Football Club Limited which gives them a shareholding of approximately 70%.

At the year end, South Eastern Leisure UK Limited owed Mezcal Investments Limited £3,584,409 (2018: £3,584,409).

At the year end, South Eastern Leisure UK Limited owed Martin Dawn plc £4,996,354 (2018: £5,141,323). Martin Dawn plc paid all the fees incurred for the audit of the group which includes those for South Eastern Leisure UK Limited. These are disclosed in the Martin Dawn plc consolidated accounts, as filed with Companies House.

At the year end, South Eastern Leisure Company Limited owed South Eastern Leisure UK Limited £1,187,761 (2018: £1,187,761).

Roots Hall Limited is a company under common control and is therefore a related party. At the year end Roots Hall Limited was owed £9,088,291 (2018: £9,488,291) by South Eastern Leisure UK Limited.

At the year end South Eastern Leisure UK Limited owed Soccer Stadium Limited £2,000,000 (2018: £2,000,000).

At the year end Southend United Football Club Limited owed South Eastern Leisure UK Limited £3,657,961 (2018: £3,837,934) after historic provisions.

16. Post balance sheet events

The COVID-19 (coronavirus) pandemic has had an increasingly significant effect on individuals, businesses and organisations worldwide, including South Eastern Leisure UK Ltd. The outbreak came into widespread public knowledge in 2020. The Directors have taken all necessary measures to satisfy themselves that the Company will continue to be able to operate throughout the current lockdown conditions and beyond. Therefore, the Company is considered to be a going concern and no adjustments have been made to the figures in these financial statements.

The Directors have considered the effect on the value of the assets and liabilities of the Company since the balance sheet date, as well as actual and expected future income and expenditure, cash flow requirements and the Company's ability to continue as a going concern. They have taken steps to protect the workforce and the business, including its cash flow, so as to be able to maintain liquidity given that the effects of the current crisis are likely to last for several months.

17. Controlling party

There is no ultimate controlling party in either the current or the preceding period/year.

The ultimate consolidating parent is Martin Dawn plc.

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.