



**ASSET OF
COMMUNITY
VALUE**

APPROVED



PHOTOGRAPH: KEITH GILLARD

THE VALLEY IS AN ASSET OF COMMUNITY VALUE

On 31st January the Royal Borough of Greenwich accepted the application made by Charlton Athletic Supporters Trust (CAST) for The Valley to be listed as an Asset of Community Value (ACV).

CAST first secured ACV status for The Valley in 2013 and the stadium has enjoyed the protection afforded by the status since then. A new application was needed because ACV status can only be granted for a five year period.

What does it mean?

It means that the owner of The Valley cannot dispose of it without first informing RB Greenwich who would then inform CAST. We would then have a window

of six months in which to raise funds to make a bid for the stadium which could not be sold to any other party during that six months.

It doesn't mean that the owner would ultimately be obliged to sell the stadium to CAST even if CAST was the highest bidder. Therefore, it doesn't give blanket protection against disposal. But it does give supporters the chance to mobilise; raise funds; gain publicity and pursue a campaign. With ACV status The Valley can not be sold off overnight with us unable to do anything about it. The existence of ACV status is also likely to be a factor considered highly relevant in any planning

application for change of use.

Furthermore, the granting of ACV status has a symbolic value. It is a statement on behalf of local people that The Valley matters. That it delivers social benefit and strengthens community cohesion and that it is a source of pride for Greenwich residents and all Charlton supporters.



Roland Duchatelet contacted Talksport on Monday 25th February after some of his properties in Sint Truiden had been vandalised. The full transcript of the conversation he held on air with Jim White and former Crystal Palace owner Simon Jordan can be found on the CAST website (<https://www.castrust.org>)

The following are some excerpts from the broadcast:

Duchatelet: "I believe the EFL should not sell football clubs to foreign owners who do not know these kinds of things can happen. For my life, it's been a major mistake to do that. So it's annoying me and it's not nice. I think it's totally wrong that foreign people get involved with English football. I don't think foreign owners which have a lot of money should be involved in English football. I think they should leave these people alone. Leave me alone, that's what I say. I didn't ask for this. I wanted to have a nice club."

Jordan: "Why isn't this deal happening, Roland, so that you can get away from this miserable existence?"

Duchatelet: "In my mind what is happening is that due to the protests which happened in August certainly that has put off to some extent some of the potential people who would be in the investor club sandwich – basically you talk about an investor club, eh – and due to this they would probably put themselves in my shoes and say that when they are the owners what is the guarantee or the likelihood even that they will do the same to me?"

Jordan: "Roland, that's not true. People look at things differently and reality is that it will come down to money. This will come down to whether they have got the money

to buy this football club from you and whether what they are offering you is what they are prepared to accept."

Duchatelet: "I think the basis of the way this system works in England is not healthy for foreign investors and that's my main concern. Whether I am the foreign investor, why should I now try to bring another foreign investor into the business? That's not my mentality, I am against that"

Jordan: "Roland, I don't want to beat you up, but I've got to say it, mate, that's utter rubbish. You've got many, many owners in English football – and I'm a former English owner that laments the fact that we have to get foreign owners – many, many foreign owners are enjoying a different relationship. You picked the wrong club, with the wrong culture, with the wrong outlook. You can't look at it and say that it's the EFL's fault. Roland, I'm sorry, mate, it has to be your fault. It has to be your relationship with the club, your appointment of your PR, your appointment of chief executive."

White: "What would you take to sell Charlton?"

Duchatelet: "In fact we give the club for free and in addition they get another £20m and if you just look at the value of the land and the buildings. Well, we have valuations of the stadium and the land and I'm not going to discuss this any further in this way. We also sign an NDA and so forth and I think it's not in the media that we have these kind of discussions, but basically what I say is that with the conditions to buy the club today we give the club for free. It's really from that perspective we give the club for free."



SCREEN GRAB: TALK SPORT

How do you value a football club?

As a supporter I am aware that Charlton Athletic plays a very important part in my life and has done so for over fifty years. But how do I quantify that? One way would be for me to consider how much money I would need to be paid to stop going to games. But actually, that doesn't help put a value on it because no amount of money would stop me going to games. For me it is priceless. So how does an owner who wants to sell a club place a value on it?

He could compare it with the sale price of other clubs but, as no two clubs are the same, this may not be helpful.

He might be a rich man who loves the club and who tries to set a price that sells the club as swiftly as possible to a benevolent new owner.

He might want to recover as much of his original investment as possible and to retain his credibility and dignity.

How has our owner approached this conundrum?

The honest answer is that we don't know and we don't even know for sure what his asking price is. What we do know is that he said on TalkSport last week that:

"In fact we give the club for free and in addition they get another £20m and if you just look at the value of the land and the buildings" and "the real estate and the land, that's what they have to pay to some extent. Not completely, but to some extent."

It isn't entirely clear what this means but it implies that the main factor for fixing his sale

price is the valuation of the land and the buildings at The Valley and Sparrows Lane. It looks like he wants to receive a proportion of this at least.

The last published group accounts (June 2017) valued the land and buildings at £53m for existing use. This is not a figure plucked from the air. It is the opinion of a qualified, professional third-party Cushman & Wakefield. (This figure might be revised in the accounts to June 2018 which should be published in the next few weeks.)

When Roland Duchatelet bought the club in 2014 the most recent group accounts at June 2013 included professionally valued land and buildings at £40.4m. The accounts also disclose that £15.3M was owed to the then owners and that the net assets of the busi-

"Any value of land comes with the liability of a football club"

ness were £5.2m. We conjecture that the land and buildings valuation

played an important part in determining what price he was prepared to pay. By the time he bought the club (six months later) it is likely that trading losses had reduced net assets towards zero with the losses being funded by loans from the then owners. It is therefore reasonable to assume that when his acquisition took place, he replaced the loans owed to the previous owners by putting some £18m into the company which had net assets of £Nil and that he paid a nominal price for the shares. Broadly speaking, everyone was happy and he was welcomed into the CAFC community.

Now that he is looking to sell it is our conjecture that he continues to put emphasis on the value of the land and buildings. It appears that

this underpins his whole approach to setting a selling price. The most recent group accounts to 30 June 2017 included the professionally valued land and buildings at £53M. The accounts also disclose that £56.5M was owed to Duchatelet's company Staprix NV and that the net liabilities of group were £11M. We also conjecture that losses since 30 June 2017 have been funded by loans from Duchatelet via Staprix NV. If he is seeking to replicate his purchase model of 2013 and return the company to net assets of £Nil he would be looking for something in the region of £46m being the difference between what he has loaned via Staprix NV and the net liabilities.

National newspapers this week have reported that he has recently turned down a £35m offer and Simon Jordan on TalkSport suggested that he has £50m in mind. Even if it can be argued that the land and building value has increased it would be hard to find anyone who would dispute that relegation and increasing annual losses have drastically reduced the value of the football side of things. Accrington chairman Andy Holt has said: "Any value of land comes with the liability of a football club" and current annual operating losses at CAFC must be approaching £10m.

We are constantly told that a price was agreed with two different parties a year ago. However, their blatant inability actually to conclude a deal suggests that this price is a complete pipe dream. Nevertheless, it seems that Duchatelet is wedded to the idea that he can sell a vastly reduced club for such a large sum underpinned by property which is only useable for what is currently third tier football.



And every month the club isn't sold costs him £0.6m at the very least.

And meanwhile, everyone is unhappy. Lee Bowyer can't sign a striker to replace Karlan Grant. Thousands of supporters stay away. Potential buyers waste money and time. The EFL is embarrassed.

And what about Duchatelet? We know he feels increasingly embattled. He wants to be left alone. He has already accepted what a mistake it was for him to get involved in football clubs, particularly Charlton. He is a rich man in his seventies. It seems that he could have banked £35m and never had to think about Charlton Athletic again.

We are just ordinary supporters for whom our club is priceless. We urge Roland Duchatelet to bring an end to the current miserable situation by swallowing his pride and lowering his expectations.

In the end, any purchase price is simply what a buyer is willing and able to pay.

SUPPORTER FUNDRAISING

Recent months have seen a growing anxiety among Charlton supporters about the future.

On the playing side there is concern about the contract situations of the management team and key players. Bowyer and Jackson have produced a committed and united squad which has the respect of supporters and which will command our full support through to the end of the season. However, because of expiring contracts, fans can have little confidence at the moment that this could be carried forward into a new season.

But, even more alarmingly, the

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long-running sale saga has left many of us worrying about the future of the club itself.

Our owner has made it clear that he wants out of the club. Ideally, he agrees a price with a willing and ambitious buyer who wants to take the club forward while respecting its history and traditions and embracing its greatest asset – its supporters.

But, with the club having been on the market for over a year, optimism is in short supply. It is very difficult to

second guess Roland Duchatelet’s next move. Some have speculated that he might be considering separating the football side of things from the property side. Others have expressed concern that the option remains for him to call in his loan and file for liquidation. It would be a bizarre move on his part and we are not for one moment suggesting that he is planning this. We are just conscious that it isn’t completely beyond the bounds of possibility.

It is our view that we should hope for the best and prepare for the worst.

We are therefore currently involved in exploration of the various avenues that might be open to supporters if there was ever felt to be a need and justification to raise funds to secure the future of the club or to ensure that fans had more of a say. We are very aware that this is a complex issue and we want to be fully informed and well-advised if and when the time arises. As the fully constituted representative fan body CAST is the appropriate vehicle to take such preparations forward and we are very open to advice and suggestions from any who have expertise to offer in this area. If you are interested in doing so please email “[mail to:secretary@castrust.org](mailto:secretary@castrust.org)”

What is CAST?

It is a fully constituted and regulated Community Benefit Society under the jurisdiction of The Financial Conduct Authority. It is part of a national movement of Supporters Trusts under the umbrella of parent body - Supporters Direct. Its aim is:

Protecting, preserving and promoting Charlton Athletic for this and future generations.

CAST was set up in 2013 and has grown to over 1000 members. Every member has the right to stand at our AGM for election to the board of CAST. In this way we guarantee that supporters of all opinions can get involved and have an influence on the direction and policies of the organisation.

The current board is made up of nine fans with a combined supporting age of over 360 years!

We want to see the greatest possible supporter influence in the running and ownership of the club and we want to be the vehicle through which a constructive and healthy relationship exists between the club and the supporters.

We have been vocal in our criticism of how the club has been

run for the last few years and, because we regularly survey the opinions of our members (and non-members), we are confident that the critical views we have expressed are representative and proportionate. We have made repeated attempts to enter into dialogue with Roland Duchatelet. At the same time we have worked with the club on various initiatives – including lobbying on ticket prices – and on wider issue such as safe standing. We have represented the views of Charlton fans to the media and have joined in campaigns about football governance and The Olympic Stadium. We met the EFL in January as part of their investigation into recent events at Charlton.

In the event of a change of ownership we would approach any new owner with the offer to make good use of the great reserve of skill, experience, imagination and good will that exists among Charlton supporters

The more members we have the more influence we can exert. You can join us by completing the form overleaf. The gain of ACV status for The Valley is just the start.

JOIN THE ADDICKS' TRUST TODAY AND HAVE A SAY IN THE FUTURE OF YOUR FOOTBALL CLUB

Complete this form and hand it in with £5 adult membership payment to the Trust stall behind the North Stand today or join online at www.castrust.org/join

Your Details

First Name Last Name

Date of Birth Email Address

Address

I wish to join the Charlton Athletic Supporters' Trust as a:

Junior Member - Under 16s (Free) - You must be under 16

Full Member (£5) - You must be over 16 and enclose payment with this form

The fee is for one year's full membership and includes a Membership e-Certificate, Ownership of £1 Share (whilst a paid member) and AGM rights.

The fee is non-refundable, but membership can be cancelled at any time.

Signature Date

Please hand in the form to the Trust stall behind the North Stand or return by post with cheque made payable to Charlton Athletic Supporters' Trust to: CAS Trust c/o 601 London Road, Westcliff on Sea, Essex SS0 9PE

The Charlton Athletic Supporters' Trust is registered in England and Wales as the Charlton Supporters Society Limited. Industrial and Provident Society number 31912R



**CASTRUST: PROTECTING, PRESERVING AND
PROMOTING CHARLTON ATHLETIC FOR THIS
AND FUTURE GENERATIONS.**