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95489

W. B. Young
L. Olive

DIRECTOR
DIRECTOR
SECRETARY

154

MANCHESTER UNITED
Football Club Limited

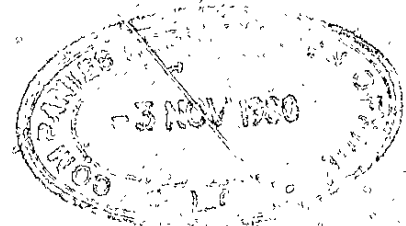
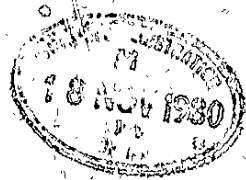
Notice of Annual

General Meeting

Thursday, 9th October, 1980

STATEMENT OF ACCOUNTS
and
ANNUAL REPORT

for the year ended 31st May, 1980



**Manchester United
Football Club Limited**

President

Sir Matt Busby, CBE

Directors

C. M. Edwards (*Chairman*)
J. A. Gibson (*Vice-Chairman*)
W. A. Young
D. D. Haroun, JP
Sir Matt Busby, CBE
J. G. Gulliver

Manager

Dave Sexton

Secretary

Leslie Olive

Registered Office

Warwick Road North
Old Trafford
Manchester M16 0RA

Auditors

Hindle & Jepson
Chartered Accountants
10 Borough Road
Darwen, BB3 1PL

Notice convening the Meeting

- NOTICE IS HEREBY GIVEN that the Sixty-ninth Annual General Meeting of the Company will be held at the Executive Suite, Old Trafford, on Thursday, 9th October, 1980, at 11 a.m., for the following purposes:—

To confirm the Minutes of the last Annual General Meeting.

To receive and consider the Directors' Report, the Statement of Accounts for the year ended 31st May, 1980, and the Auditors' Report thereon.

To declare a Dividend.

To elect Directors.

To reappoint the Auditors and to fix their remuneration.

To transact such other business as may be properly transacted at an Annual General Meeting.

By Order of the Board

L. OLIVE

Secretary

Warwick Road North

Old Trafford

Manchester, M16 0RA

16th September, 1980.

Registrar and Transfer Office
National Westminster Bank Limited
Registrar's Department
PO Box No 82
37 Broad Street
Bristol BS99 7NH

*A member entitled to attend and vote may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited with the Company's Registrars, not less than 48 hours before the Meeting.
The transfer books of the Company will be closed from 10th September to the 9th October 1980 inclusive.*

**Manchester United
Football Club Limited**

Chairman's Remarks

I am pleased to report that a profit was made during the year of £210,236. (£92,288 after payment of Corporation Tax). This was after paying out £360,175 in transfer fees more than was received.

During the year the Club suffered a great loss when our Chairman, my father, Mr. Louis Edwards passed away suddenly on 25th February. This was a severe blow to the Club as he had been a director for twenty-two years and had been Chairman since 1965. During this time the club's activities expanded considerably, particularly in commercial matters and in the development of the stadium in which he took a very keen interest. Many were the tributes which were received from all parts of the football world when he died and these were a source of great comfort to my mother, myself and all our family.

After a period when Mr. Gibson was Acting Chairman, my colleagues unanimously elected me as Chairman, and I am conscious of the great honour which was bestowed upon me and also the tremendous responsibility I have undertaken. I can assure you that I shall do my best to justify the faith that has been shown in me and I shall do everything within my power to promote the welfare of the Club we all love so much.

At the same meeting the Board appointed Sir Matt Busby as President in recognition of his great service since he took up his appointment as Manager in 1945. His contribution to the progress of the Club both as Manager and then as a Director has been invaluable. At the time of writing, I am very pleased to say that he is making steady progress after his recent illness and we look forward to having the benefit of his experience for many years to come.

The Team held a high place in the League Championship Table all season and it was a very satisfactory improvement to finish as Runners-Up. This success brought a big increase in the average league match attendance which rose from 46,430 to 51,556 and means that the Club will be taking part in European competition this season. On behalf of the Board I extend our most sincere congratulations to Manager Dave Sexton, Coach Tommy Cavanagh, Martin Buchan and all the Players and Staff for this success which was a well-deserved reward for their tremendous efforts throughout the season.

Entry into the U.E.F.A. Cup brings to the forefront the matter of behaviour by supporters travelling to the away games in Europe. This is a particularly worrying aspect which troubles all British Clubs taking part in European competitions and we have taken all possible precautions to ensure that no incidents arise which might be damaging to our Club. As the first round games will have taken place before the date of the annual meeting, we hope that the efforts made will have proved successful.

We congratulate our Manager, Dave Sexton, upon his appointment as Manager of the England Under-21 team and our Coach, Tommy Cavanagh, who carried out duties with the Northern Ireland International team. We are pleased that many of our players were again selected to represent their countries in International football and we thank them for the way they upheld the good name of themselves and our Club. We especially congratulate Sammy McIlroy as Captain of Northern Ireland, the winning country in the Home International Championship.

Work is proceeding on the extension to the Executive Suite and the provision of a room for the use of supporters and Development Association agents. We feel that the additional accommodation will offer better facilities on match days and they will be available on weekdays for conferences, exhibitions, displays and meetings. We shall also be able to have closer liaison with our supporters by the extension of their activities at the ground with special emphasis upon the younger members.

On behalf of the Board, I extend a warm welcome to all our shareholders and assure you that we shall continue our efforts to achieve success and to provide the exciting and entertaining football which is a tradition of our great club.

C. M. EDWARDS,
Chairman.

**Manchester United
Football Club Limited**

**Report of the Directors
Year ended 31st May, 1980**

The principal activity of the Company is that of a Professional Football League Club.

The following were the Directors during the Financial Year:—

L. C. Edwards (died 25th February, 1980)
P. A. Gibson
W. A. Young
D. D. Haroun, JP
C. M. Edwards
Sir M. Busby, CBE
J. G. Gulliver (appointed 26th July, 1979)

The turnover and profits are shown in the Accounts.

Charitable Contributions during the year amounted to £2,280 (1979, £1,600).

In the opinion of the Directors the market value of the land and buildings is considerably greater than the book value and because of this, no depreciation has been charged this year. In view of the specialised nature of these Assets, they are unable to fix the present-day value.

Mr. D. D. Haroun and Sir M. Busby, CBE, retire by rotation and being eligible, offer themselves for re-election.

The Auditors, Messrs. Hindle & Jepson, are willing to continue in office and a resolution regarding their reappointment and remuneration will be proposed at the Annual General Meeting.

The Directors recommend that a dividend of 5.25% on the Preference Shares and a dividend of 5% on the Ordinary Shares, be paid on the 10th October 1980, to those shareholders on the register on 10th September 1980.

There is no Contract between the Company and any of its Directors which is significant in relation to the Club's business.

The average number of employees per week was 152 (1979, 153) and the aggregate remuneration paid or payable to employees for the year, amounted to £1,068,953 (1979, £866,318).

The Directors and their respective shareholdings, including family shareholdings, are:—

	31st May, 1980		1st June, 1979, or date of appointment	
	Ordinary	Preference	Ordinary	Preference
C. M. Edwards	352,837	204	338,970	204
J. A. Gibson	20,458	50	20,458	50
W. A. Young	5,165	35	5,165	35
D. D. Haroun, JP	4,891	4	4,891	4
Sir M. Busby, CBE	1,425	5	1,425	5
J. G. Gulliver	100,982	—	—	—

During the year the Club expended £207,017 (1979, £372,402) on Fixed Assets and sold Fixed Assets for £4,500 (1979, £6,141).

By Order of the Board,
L. OLIVE,
Secretary.

**Manchester United
Football Club Limited**

**Income and Expenditure Account
Year ended 31st May, 1980**

Income	1980			1979		
	£	£	£	£	£	£
Gate Receipts		2,033,817			1,981,309	
Less Share to Visiting Clubs	202,760			181,038		
Payments to Association and Clubs re Cup Ties	96,927			176,041		
Payments to Leagues, less repayments	23,875			16,740		
		323,562			373,819	
		1,710,255			1,607,490	
Programme Receipts, less expenses	78,325			37,182		
TV Fees received from League	26,719			3,850		
Use of Ground, Catering Rights, Advertising, TV Facilities, etc.	266,920			203,821		
House Rents, less expenses	—			14		
Players' Benefits, written off	200			410		
Net Profit, Restaurant and Grill Room	66,285			66,141		
		438,449			311,418	
		2,148,704			1,918,908	
Expenditure	1980			1979		
	£	£	£	£	£	£
Wages and Bonus	849,310			702,436		
Leasing Charges	46,548			9,723		
Audit	1,100			900		
Staff Pension Scheme	25,311			16,434		
Travelling and Hotel Expenses	186,467			216,203		
Players' Outfits and Requisites	11,835			16,105		
Medical Fees	13,301			11,871		
Insurance	90,340			56,359		
National Insurance Contributions	52,942			46,691		
Match Expenses	167,374			155,899		
		1,444,528			1,232,621	
Donations and Subscriptions:						
Subscriptions to Leagues, Associations, etc.	917			663		
Donations	2,106			1,400		
Part Profit of Pre-Season Tour paid to Charities	1,545			1,075		
		4,568			3,138	
Establishment Charges:						
Ground Expenses	34,970			29,793		
Gas, Water and Electricity	23,060			25,280		
Rates	33,194			33,680		
Rent	887			721		
Depreciation	90,038			96,247		
		182,149			185,721	
General Expenses:						
Postage and Telephone	12,495			8,453		
Bank Charges	(3)			3,966		
Washing and Cleaning	8,468			7,696		
Sundry Expenses	1,334			1,110		
Repairs and Renewals	57,026			41,906		
Cliff Ground alterations and repairs	3,994			8,418		
Legal Expenses	38,665			9,292		
Expenses Houses, less rents received	1,209			—		
		123,180			80,841	
		1,754,433			1,502,321	
		£394,271			£416,587	
Profit to Profit and Loss Account						

**Manchester United
Football Club Limited**

**Profit and Loss Account
Year ended 31st May, 1980**

	1980		1979	
	£	£	£	£
Profit, brought down		394,271		416,587
Add Receipts from Transfer of Players		725,000		55,000
		<u>1,119,271</u>		<u>471,587</u>
		1,085,175		356,485
Less Payments for Transfer of Players		<u>34,096</u>		<u>115,102</u>
		1,871		1,942
Add Deposit Account Interest		172,346		46,515
Interest on Short-Term Investments		1,923		—
Interest on Loans to Employees		<u>210,236</u>		<u>163,559</u>
Net Profit for year, before Taxation	117,948		91,602	
Less Corporation Tax based on the year's profit at 52%	—		7,872	
Debit Balance — Deferred Tax Account, written off	<u>—</u>	<u>117,948</u>	<u>—</u>	<u>99,474</u>
		92,288		64,085
Add Corporation Tax Recoverable on Expenditure Incurred under the Safety of Sports Grounds Act by virtue of Section 49 Finance Act Number 2, 1975		<u>—</u>		<u>157,095</u>
		92,288		221,180
Less Cost of Rights Issue		<u>—</u>		<u>23,994</u>
		92,288		197,186
Add Balance from previous years	767,672		624,468	
Prior Year Adjustments:			(3,560)	
Under-provision for Tax	—		—	
Over-provision for Rates reduced on appeal	36,722		—	
Compensation from League provided for last year, but not received	<u>(11,193)</u>	<u>793,201</u>	<u>—</u>	<u>620,908</u>
		885,489		818,094
		13		10
Add Unclaimed Dividend for 1975 forfeited		<u>885,502</u>		<u>818,104</u>
Less Proposed Dividend recommended by the Directors:				
Ordinary Shares at 5%	50,341		50,341	
Preference Shares at 5.25%	<u>91</u>	<u>50,432</u>	<u>91</u>	<u>50,432</u>
Surplus, carried forward		<u>£835,070</u>		<u>£767,672</u>

**Manchester United
Football Club Limited**

**Balance Sheet
As at 31st May, 1980**

	1980		1979	
	£	£	£	£
Fixed Assets (see Notes 1a and 2)		1,267,139		1,158,349
Current Assets	25,798		16,999	
Stock-in-Trade, at cost	112,219		394,743	
Sundry Debtors and Prepayments	1,187,664		818,070	
Short-Term Loans	6,470		6,975	
Tax Repayable	216,640		50,622	
Cash at Bank	2,311		2,101	
Cash in Hand		1,551,102		1,289,510
		2,818,241		2,447,859
Less Current Liabilities	301,373		377,987	
Sundry Creditors and Accruals	340,536		—	
Season Tickets, Paid in Advance	196		57	
Unclaimed Dividends	7,621		63,928	
Bank Overdraft	50,432		50,432	
Provision for Proposed Dividend	21,613		21,614	
Provision for Advanced Corporation Tax on Proposed Dividend	95,431		—	
Provision for Corporation Tax payable 1st January, 1981		817,202		514,018
		£2,001,039		£1,933,841
Financed by				
Subscribed Capital (see Note 3)				
1,725 7½% Cumulative Preference Shares of £1 each, fully paid		1,725		1,725
1,006,821 Ordinary Shares of £1 each, fully paid		1,006,821		1,006,821
		1,008,546		1,008,546
Capital Reserves	34,823		34,823	
Amount paid by Development Association towards cost of New Stand	120,000		120,000	
Safety of Ground Reserve		154,823		154,823
Revenue Reserves	2,400		2,800	
Reserve for accrued Benefits	835,070		767,672	
Profit and Loss Account, Surplus		837,670		770,472
		£2,001,039		£1,933,841

C. M. EDWARDS CHAIRMAN
D. D. HAROUN J.P. DIRECTOR

Manchester United Football Club Limited

Notes
forming part of, and to be read in conjunction
with, the Accounts to 31st May, 1980

(1) Accountancy Principles

(a) Depreciation

Depreciation of Fixed Assets is on a reducing balance basis at the following annual rates on the written down values:—

	MUFC	Executive Suite
(i) Freehold Land, Stand and Buildings	nil	nil
(ii) Plant and Machinery	25%	20%
(iii) Fixtures and Fittings	15%	100%

(b) Deferred Taxation

The Debit Balance on the Deferred Tax Account was written off last year and there are no transfers necessary to the account this year.

(c) Advance Corporation Tax

Advance Corporation Tax on the proposed dividend, which will be set-off against future Corporation Tax liability has been written off to the Profit and Loss Account. Potential future benefit depends on Corporation Tax becoming payable in the future. Advance Corporation Tax written off last year will be utilised in reducing the Corporation Tax liability resulting from this year's profit.

(2) Fixed Assets

	Freehold Land, Stands and Buildings	Plant and Machinery	Fixtures and Fittings	Total
Cost of Assets owned, 1st June, 1979	799,303	272,358	460,864	1,532,525
Additions during year	168,791	35,503	2,722	207,016
Less Disposals, at cost	968,094	307,861	463,586	1,739,541
Cost of Assets owned, 31st May, 1980	£968,094	£291,451	£463,586	£1,723,131
Cumulative Depreciation at 1st June, 1979	95,049	148,427	130,700	374,176
Depreciation, this year	—	42,117	51,609	93,726
Less Depreciation on Assets sold	—	(11,910)	—	(11,910)
Cumulative Depreciation at 31st May, 1980	£95,049	£178,634	£182,309	£455,992
Net Book Value, 31st May, 1980	£873,045	£112,817	£281,277	£1,267,139

Assets purchased before 17th June, 1947, are brought into account at the book value thereof at that date.
All properties are freehold.

- (3) The Authorised Share Capital is 7,500 7½% Cumulative Preference Shares of £1 each and 1,007,500 Ordinary Shares of £1 each.
(4) Turnover is based on actual receipts including amounts accrued due.
(5) Neither the Chairman nor any director received any emoluments in 1979 or 1980.
(6) The number of employees receiving more than £20,000 (excluding pension scheme contributions) were in the following brackets:—

	1980	1979
£20,001 to £25,000	5	3
£25,001 to £30,000	2	2
£30,001 to £35,000	4	1
£35,001 to £40,000	1	—

- (7) Benefits paid to players amounted to nil (1979, nil) and the amount credited to Revenue is £200 (1979, £410) therefore decreasing the provision for accrued benefits to £2,600 (1979, £2,800).

(8) Future Capital Expenditure

	1980	1979
Outstanding Commitments	£559,146	£80,634
Board Authorisations not contracted for	none	£20,420

- (9) The Company is a Close Company. No material shortfall can arise and no provision for Income Tax under Section 77 of the Income and Corporation Taxes Act 1965, as amended by the Finance Act 1972, is necessary.
(10) By virtue of the Finance Act 1972, dividends paid after 5th April, 1973, on the 7½% Cumulative Preference Shares were payable at the rate of 5.25% without deducting tax.

**Manchester United
Football Club Limited**

**Statement of Source and Application of Funds
Year ended 31st May, 1980**

	1980	1979
Source of Funds		
Profit, before Taxation	210,236	163,559
Adjustments not involving the movement of funds:		
Depreciation	93,726	97,407
Decrease in Reserve for Accrued Players' Benefits	(200)	(410)
Total generated by operations	303,762	260,556
Add Sale of Fixed Assets	4,500	6,141
Proceeds from Rights Issue	—	1,002,177
Receipts from Football Grounds Improvement Trust	—	120,000
Over-provision for expenses in previous years	25,529	—
	<u>333,791</u>	<u>1,380,874</u>
Application of Funds:		
Purchase of Fixed Assets	207,016	372,402
Dividends paid, less forfeited	50,419	312
Corporation Tax paid	22,013	596
Cost of Rights Issue	—	23,994
	<u>279,448</u>	<u>397,304</u>
Increase in Working Capital	<u>£54,343</u>	<u>£991,570</u>
Made Up		
Increase/(Decrease) in Current Assets		
Stock	8,799	2,122
Debtors	(282,524)	92,300
Net Liquid Funds	592,129	847,916
	<u>318,404</u>	<u>942,338</u>
Less Increase/(Decrease) in Creditors	<u>264,061</u>	<u>(49,232)</u>
	<u>£54,343</u>	<u>£991,570</u>

**Manchester United
Football Club Limited**

**Report of the Auditors
for the year ended 31st May, 1980**

We have examined the Accounts set out on pages four to eight which have been prepared under the Historical Cost Convention. In our opinion the Accounts give, under the Accounting Convention stated above, a true and fair view of the state of affairs at 31st May, 1980, and of the Profit and Source and Application of Funds for the year ended on that date, and comply with the Companies Acts 1948 and 1967.

HINDLE & JEPSON
Chartered Accountants
10 Borough Road
Darwen
Lancashire
BB3 1PL

21st August 1980.

**Manchester United
Football Club Limited**

**Minutes of the Sixty-eighth Annual General Meeting
held at the Tyldesley Suite, Lancashire County Cricket Club,
Old Trafford, on Thursday, 25th October, 1979, at 11 a.m.**

PRESENT

Directors: L. C. Edwards (*Chairman*)
J. A. Gibson (*Vice-Chairman*)
W. A. Young
D. D. Haroun, JP
C. M. Edwards
Sir Matt Busby, CBE
J. G. Gulliver

In attendance: L. Olive (*Secretary*)
195 Shareholders
J. Jepson (*Accountant and Auditor*)
M. Watkins (*Solicitor*)

**APOLOGIES
NOTICE OF
MEETING
MINUTES**

Apologies for absence were received from 11 Shareholders.
The Notice convening the Meeting was read by the Secretary.

The Minutes of the Sixty-seventh Annual General Meeting held at the Registered Office, Warwick Road North, Manchester 16, on Thursday, 12th October, 1978, having been circulated were, with the consent of the Meeting taken as read.

Mr. D. Brotherton asked the Chairman about the Minutes of the Extra-Ordinary General Meeting being available to Shareholders and the Chairman replied that these Minutes were available for inspection. It was then proposed by Mr. Egerton, seconded by Mrs. Kelly and carried that the Minutes be confirmed and signed as a true and correct record.

**DIRECTORS'
REPORT AND
STATEMENT OF
ACCOUNTS**

The Printed Directors' Report and Statement of Accounts having been circulated were, with the consent of the Meeting, taken as read.
The Chairman called upon Mr. Jepson to read the Auditors' Report.
The Chairman having previously circulated his comments then proposed the Directors' Report and Statement of Accounts be received, approved and adopted and a dividend as recommended, namely 5.25% on the Preference Shares and 5% on the Ordinary Shares be paid for the year ended 31st May, 1979.

This was seconded by Mr. Broadbent, and after questions had been answered by the Chairman and Mr. Jepson the proposition was put to the Meeting and carried unanimously.

**ELECTION OF
DIRECTORS**

Mr. L. C. Edwards informed the Meeting that Mr. J. A. Gibson and Mr. C. M. Edwards retired by rotation and being eligible, offered themselves for re-election.

There being no further nominations Mr. Young proposed, and Mr. Newton seconded, that Mr. Gibson be, and is hereby re-elected as a Director of the Company.

Sir Matt Busby proposed, and Mr. H. Wilde seconded, that Mr. C. M. Edwards be and is hereby re-elected as a Director of the Company. The Propositions were then put to the Meeting and carried.

Mr. Gibson expressed appreciation on behalf of Mr. C. M. Edwards and himself for their re-election and the continued confidence shown in them.

Mr. L. C. Edwards informed the Meeting that Mr. J. G. Gulliver had been co-opted on to the Board on the 26th July, 1979, and in accordance with the Articles of Association retired, but being eligible offered himself for re-election.

Mr. D. D. Haroun proposed, and Mr. J. McCabe seconded, that Mr. J. G. Gulliver be and is hereby re-elected as a Director of the Company.

The Proposition was put to the Meeting and carried unanimously.

Mr. Gulliver thanked the Meeting and said that he would do all in his power to serve the Board well.

**AUDITORS'
REMUNERATION**

It was proposed by Mr. Anderson and seconded by Mr. McGrath, that the Auditors be reappointed and that their remuneration be fixed by the Directors. This was agreed unanimously.

**ANY OTHER
BUSINESS**

The Chairman thanked the Shareholders for coming to the Meeting and for taking such a great interest. He felt sure that with the support of the Members, the Club would go from strength to strength.
Questions were asked by Mr. McAdam regarding the Manager's Report to which the Chairman replied.

A vote of thanks to the Chairman proposed by Mr. Brotherton on behalf of the Shareholders to which Mr. Edwards responded, concluded the Meeting.