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# ARSENAL FOOTBALL CLUB LIMITED

NOTICE IS HEREBY GIVEN that the Seventy Fourth Annual General Meeting of the shareholders of Arsenal Football Club Limited will be held at the Regent Crest Hotel, Carburton Street, London W1P 8EE on Tuesday 28th August, 1984 at 12 noon precisely when the following ordinary business will be transacted, viz.:

1. To receive the Directors' Report and Statement of Accounts and the Auditors' Report thereon for the year ended 31st May, 1984.
2. To re-elect Directors.
3. To re-appoint the auditors and to authorise the Directors to fix their remuneration.
4. To transact any other ordinary business of the meeting.

Dated

3rd day of August, 1984

By Order of the Board,

K. J. FRIAR,

Secretary.

Registered Office:

Arsenal Stadium,  
Avenell Road,  
Highbury,  
London N5 1BU.

Note.—A member of the Company who is entitled to attend and vote may appoint another person (whether a member or not) as his proxy to attend and vote instead of him.

A form of proxy is enclosed with this annual report for the use of members who are unable to attend the meeting and should be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.

Admission to the meeting will be upon production of an admission card only and any person attending as a proxy (whether a member or not) must produce the admission card.



# ARSENAL FOOTBALL CLUB LIMITED

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## Directors:

P. D. HILL-WOOD, Esq., (*Chairman*)  
D. DEIN, Esq., (*Vice-Chairman*)  
Sir ROBERT BEILLINGER, G.B.E., D.Sc.  
S. C. McINTYRE, Esq., M.B.E., F.C.I.S.  
A. WOOD, Esq.  
R. G. GIBBS, Esq.  
C. E. B. L. CARR, Esq.  
R. C. L. CARR, Esq.  
K. J. FRIAR Esq. (*Managing*)

Secretary:  
K. J. FRIAR

Manager:  
D. HOWE

## Auditors:

HOPE AGAR SMALLFIELD & Co.  
Chartered Accountants  
Epworth House, 25/35 City Road, London EC1Y 1AR

## Registered Office:

ARSENAL STADIUM  
Avenell Road, Highbury, London N5 1BU

## CHAIRMAN'S STATEMENT

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The Directors have pleasure in submitting their Seventy-Fourth Annual Report to the Members, together with the audited Accounts for the year ended 31st May 1984.

The year was eventful, if not as successful as we might have hoped. However, a very positive end to the Season resulted in the Club finishing 6th in the League Championship. One of the highlights of the Season was the performance of the Reserve Team, who won the Football Combination League. The Youth Team also had a successful Season, winning the Southern Junior Floodlit Cup, and reaching the semi-finals of the FA Youth Cup and the South East Counties League Cup. The performance of all the young Players in the Club gives us hope that the future is being planned on a firm footing.

After adjustment for taxation and extraordinary profit on property transactions, we report a loss for the year under review of £743,789. Although attendances for League games advanced by 16%, revenue from Cup Ties was down and transfer fees paid exceeded receipts by £1,262,500.

During the year, we acquired the services of Charlie Nicholas, Tommy Caton, Paul Mariner and John Lukic and we are confident that they will make a big contribution to the 1st Team again in the coming Season. Viv Anderson was signed in the summer and we feel that we now have a very firm base from which to launch the coming Seasons campaign.

In December 1983, we terminated Mr Terry Neill's Contract as Manager. Mr Neill made a significant contribution to the Club during his eight years as Manager and I would like to place on record our gratitude.

Mr Don Howe was confirmed as Manager towards the end of the Season and we hope that the Club will continue to prosper under his stewardship. We are proud that he will also continue as Coach of the England Team.

We were delighted to invite Mr David Dein to join the Board in September 1983. He has already made a significant contribution to the affairs of the Club and the Board were equally pleased that Mr Dein accepted their invitation to become Vice-Chairman in January 1984. His enthusiasm and energy, I am sure, will prove to be of great value to the Club in the years ahead.

We have a particularly dedicated staff at Highbury and I would like to thank them all once again for their hard work and continued loyalty.

PETER HILL-WOOD  
Chairman,  
Arsenal Football Club

## REPORT OF THE DIRECTORS

The Directors present their Report and the Audited Accounts of Arsenal Football Club Limited for the year ended 31st May 1984.

### PRINCIPAL ACTIVITY

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

### RESULTS AND REVIEW OF THE BUSINESS

The results for the year are set out on page 5 and these are reviewed in the Chairman's Statement. The Directors do not recommend the payment of a dividend.

### LAND AND BUILDINGS

The Directors are of the opinion that the market value of the Company's Land and Buildings is considerably greater than book value but in view of the specialised nature of most of this asset, it is not practicable to fix a realistic present day value.

### DIRECTORS

The Directors who held office during the year, together with their shareholdings, were as follows:

	<u>31st May 1984</u>	<u>31st May 1983</u>
	<u>Beneficial Interests</u>	
P. D. Hill-Wood	1,016	1,016
D. Dein (Appointed 21st September 1983)	1,165	1,162 at date of appointment
Sir Robert Bellinger, G.B.E., D.Sc.	89	89
S. C. McIntyre, M.B.E., F.C.I.S.	80	80
Rev. N. F. Bone, T.D. (Resigned 21st September 1983)		25
A. Wood	81	81
R. G. Gibbs	42	42
C. E. B. L. Carr	128	25
R. C. L. Carr	274	25
K. J. Friar	105	105
	<u>Non Beneficial Interests</u>	
P. D. Hill-Wood	35	
D. Dein	1	
C. E. B. L. Carr	5	1,208

In accordance with the provisions of Article 90 of the Articles of Association Mr. R.G. Gibbs and Mr. C.E.B.L. Carr retire by rotation, and, being eligible, offer themselves for re-election.

Under the provisions of Article 94 of the Articles of Association, Mr. D. Dein retires from the Board and, being eligible, offers himself for re-election.

### AUDITORS

Hope Agar Smallfield & Co are willing to continue in office as Auditors to the Company and, in accordance with Section 14 of the Companies Act 1976, a resolution will be submitted to the forthcoming Annual General Meeting proposing their appointment for the ensuing year.

By Order of the Board  
K. J. FRIAR  
Secretary

3rd August 1984

# ARSENAL FOOTBALL CLUB LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MAY 1984

	Note	1984	1983
		£	£
TURNOVER	2	2,508,560	2,276,492
Costs and Overheads less Other Income	3	<u>2,186,645</u>	<u>1,875,658</u>
PROFIT ON ORDINARY ACTIVITIES			
BEFORE TRANSFER FEES ... ..		321,915	400,834
Transfer Fees Payable/(Receivable) ... ..		<u>1,262,500</u>	<u>(170,665)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES			
BEFORE TAXATION ... ..		(940,585)	571,499
Taxation ... ..	5	<u>(103,000)</u>	<u>103,000</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES			
AFTER TAXATION ... ..		(837,585)	468,499
Extraordinary Items ... ..		<u>93,796</u>	<u>26,262</u>
(LOSS)/PROFIT FOR THE YEAR ... ..	16	<u>£(743,789)</u>	<u>£494,761</u>

# ARSENAL FOOTBALL CLUB LIMITED

## BALANCE SHEET 31st MAY, 1984

	Note	1984	1983
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets ... ..	7	1,117,184	1,118,624
<b>CURRENT ASSETS</b>			
Stocks ... ..	8	31,818	40,129
Debtors ... ..	9	475,567	207,081
Short Term Investments ... ..		196,784	957,832
Cash at Bank and in Hand ... ..		1,750	1,312
		<u>711,919</u>	<u>1,206,354</u>
<b>CURRENT LIABILITIES -</b>			
<b>CREDITORS DUE WITHIN ONE YEAR</b>			
Bank Overdraft ... ..	10	259,958	240,629
Creditors ... ..	11	815,780	753,280
		<u>1,075,738</u>	<u>993,909</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b> ... ..		<u>(363,819)</u>	<u>212,445</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> ..		<u>753,365</u>	<u>1,331,069</u>
<b>CREDITORS DUE AFTER MORE THAN ONE YEAR</b> 12		<u>(3,000)</u>	<u>(194,267)</u>
		<u>£750,365</u>	<u>£1,136,802</u>
<b>CAPITAL AND RESERVES</b>			
Called-up Share Capital ... ..	13	7,010	5,849
Share Premium Account .. ..	14	286,191	
Building Reserve ... ..	15	396,000	326,000
Profit and Loss Account ... ..	16	61,164	804,953
<b>SHAREHOLDERS' FUNDS</b> ... ..		<u>£750,365</u>	<u>£1,136,802</u>

P.D. H. L. WOOD  
D. LEIN

} Directors

K J. FRIAR, Secretary.

3rd August 1984

*P. D. H. Wood*  
*David Lein*  
*K. J. Friar*

# ARSENAL FOOTBALL CLUB LIMITED

NOTES TO THE ACCOUNTS 31st May, 1984

## 1. ACCOUNTING POLICIES

### Convention

The accounts have been prepared under the historical cost convention.

### Turnover

Turnover represents income from football and related activities.

### Depreciation

Depreciation on all fixed assets other than freehold properties is calculated to write off cost during their expected normal lives by annual instalments at rates ranging from 10 per cent to 20 per cent. No depreciation has been provided in the year under review on freehold properties.

### Stocks

Stocks are valued at the lower of cost and net realisable value.

## 2. TURNOVER

Turnover comprises the following:

	1984	1983
Gate Receipts ... ..	1,811,459	1,735,648
Ground Advertisements and other Activities ... ..	697,101	540,844
	<u>£2,508,560</u>	<u>£2,276,492</u>

## 3. COSTS AND OVERHEADS LESS OTHER INCOME

Employment Costs (Note 4) ... ..	1,409,400	1,232,904
Depreciation ... ..	30,391	21,780
Other Operating Charges ... ..	778,370	755,788
Interest Receivable ... ..	(37,765)	(135,478)
Interest Payable on Bank Overdraft ... ..	6,249	653
	<u>£2,186,645</u>	<u>£1,875,658</u>
Auditors' Remuneration included in Other Operating Charges ...	<u>£2,850</u>	<u>£2,500</u>

## 4. DIRECTORS AND EMPLOYEES

Employment costs incurred were:

Wages and Salaries ... ..	1,303,440	1,096,368
Social Security Costs ... ..	66,071	65,782
Other Pension Costs ... ..	39,889	70,754
	<u>£1,409,400</u>	<u>£1,232,904</u>

Employment costs include the following in respect of Directors:  
Management Remuneration (1983: From date of appointment)

	<u>£45,000</u>	<u>£13,125</u>
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The number of employees whose emoluments receivable were in excess of £30,000 for the year were:

£30,001 - £35,000 ... ..	2	1
£35,001 - £40,000 ... ..	2	5
£40,001 - £45,000 ... ..	4	2
£45,001 - £50,000 ... ..	1	1
£50,001 - £55,000 ... ..	1	-
£55,001 - £60,000 ... ..	1	-
£60,001 - £65,000 ... ..	-	1
£65,001 - £70,000 ... ..	1	-
£70,001 - £75,000 ... ..	-	-
£75,001 - £80,000 ... ..	1	1
£80,001 - £85,000 ... ..	-	-
£85,001 - £90,000 ... ..	-	-
£90,001 - £95,000 ... ..	-	-

# ARSENAL FOOTBALL CLUB LIMITED

NOTES TO THE ACCOUNTS 31st May, 1984 – continued

## 4. DIRECTORS AND EMPLOYEES (contd.)

The average number employed by the Company within each category of persons was:	1984	1983
Playing Staff ... ..	38	34
Team Management and Training Staff ... ..	6	7
Administrative Staff ... ..	16	17
Ground Staff ... ..	19	21
	<u>79</u>	<u>79</u>

## 5. TAXATION

Corporation Tax at 49% (1983 52%) ... ..	<u>£(103,000)</u>	<u>£103,000</u>
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## 6. EXTRAORDINARY ITEMS

Profit on Disposal of Freehold Properties ... ..	<u>£93,796</u>	<u>£26,262</u>
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## 7. TANGIBLE FIXED ASSETS

	Freehold Properties	Plant, Fixtures, Fittings and Equipment	Emergency and Flood Lighting	Motor Vehicles	Total
Value at 1965 ... ..	5,750				5,750
Cost at 1st June 1983 ... ..	1,163,404	175,651	41,405	51,457	1,431,917
Additions ... ..	81,094	42,750		21,350	145,194
Disposals ... ..	(115,192)	(24,207)		(6,406)	(145,805)
	<u>1,135,056</u>	<u>194,194</u>	<u>41,405</u>	<u>66,401</u>	<u>1,437,056</u>
Depreciation at 1st June 1983 ... ..	127,393	126,919	41,355	23,376	319,043
Charge for the year ... ..		17,110		13,281	30,391
Disposals ... ..		(24,207)		(5,355)	(29,562)
	<u>127,393</u>	<u>119,822</u>	<u>41,355</u>	<u>31,302</u>	<u>319,872</u>
Net Book Value 31st May 1984 ... ..	<u>£1,007,663</u>	<u>£74,372</u>	<u>£50</u>	<u>£35,099</u>	<u>£1,117,184</u>
Net Book Value 31st May 1983 ... ..	<u>£1,041,761</u>	<u>£48,732</u>	<u>£50</u>	<u>£28,081</u>	<u>£1,118,624</u>

At 31st May 1984, the Company had the following capital commitments:

	1984	1983
Authorised and Contracted for ... ..	<u>£215,000</u>	<u>£</u>

## 8. STOCKS

Stocks represent items held for resale.

## 9. DEBTORS

	1984	1983
Trade Debtors ... ..	293,403	75,747
Other Debtors ... ..	128,329	82,483
Prepayments and Accrued Income ... ..	53,835	48,851
	<u>£475,567</u>	<u>£207,081</u>
Amounts due after more than one year included in Other Debtors	<u>£37,691</u>	<u>£22,477</u>



# ARSENAL FOOTBALL CLUB LIMITED

NOTES TO THE ACCOUNTS 31st May, 1984 -- continued

## 10. BANK OVERDRAFT

The bank overdraft is secured by a debenture covering certain of the Company's freehold properties.

## 11. CREDITORS DUE WITHIN ONE YEAR

	1984	1983
Trade Creditors ... ..	24,098	8,356
Season Tickets ... ..	151,739	236,314
Other Creditors ... ..	528,293	390,320
Corporation Tax ... ..	-	854
Other Taxation and Social Security ... ..	39,944	43,313
Accruals ... ..	71,706	74,123
	<u>£815,780</u>	<u>£753,280</u>

## 12. CREDITORS DUE AFTER MORE THAN ONE YEAR

Corporation Tax ... ..		103,000
Signing on Fees ... ..	3,000	91,267
	<u>£3,000</u>	<u>£194,267</u>

## 13. SHARE CAPITAL

Authorised ... ..	£7,000	£7,000
Ordinary Shares of £1 each ... ..		
Allotted, Issued and Fully Paid		
Ordinary Shares of £1 each ... ..	£7,000	£5,839
Amounts paid on Shares Forfeited ... ..	£10	£10

## 14. SHARE PREMIUM ACCOUNT

The balance on the share premium account of £286,191 arose out of the allotment during the year of 1,161 previously unissued shares at £250 per share, and is net of related capital duty.

## 15. BUILDING RESERVE

At 1st June 1983 ... ..	326,000
Donations ... ..	70,000
	<u>£396,000</u>

## 16. PROFIT AND LOSS ACCOUNT

At 1st June 1983 ... ..	804,953
Loss for the year ... ..	(743,789)
	<u>£61,164</u>

# ARSENAL FOOTBALL CLUB LIMITED

## STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 31st MAY, 1984

	1984		1983	
	£	£	£	£
<b>(OUTFLOW)/SOURCE OF FUNDS</b>				
(Loss)/Profit before Taxation ... ..		(940,585)		571,499
Extraordinary items ... ..		93,796		26,262
Adjustment for item not involving the movement of funds:				
Depreciation ... ..		30,391		21,789
		<u>(816,398)</u>		<u>619,550</u>
 <b>FUNDS FROM OTHER SOURCES</b>				
Donations ... ..		70,000		-
Issue of Shares ... ..		287,352		
		<u>(459,046)</u>		<u>619,550</u>
 <b>APPLICATION OF FUNDS</b>				
Purchase of Fixed Assets (Net) ... ..		28,951		170,113
Signing on Fees ... ..		88,267		
		<u>£(576,264)</u>		<u>£449,437</u>
 <b>(DECREASE)/INCREASE IN WORKING CAPITAL</b>				
 <b>MOVEMENT IN WORKING CAPITAL</b>				
<b>(DECREASE)/INCREASE ARISING FROM:</b>				
Stocks ... ..		(2,311)		(11,611)
Debtors ... ..		268,486		(313,405)
Cash and Short Term Investments less Overdraft		(779,939)		(684,859)
Creditors ... ..		<u>(62,500)</u>		<u>1,459,312</u>
		<u>£(576,264)</u>		<u>£449,437</u>

# ARSENAL FOOTBALL CLUB LIMITED

REPORT OF THE AUDITORS  
To the Members of Arsenal Football Club Limited

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We have audited the accounts on pages 5 to 10 in accordance with approved Auditing Standards.

In our opinion the accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs at 31st May 1984 and of its results and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

HOPE AGAR SMALLFIELD & Co.

*Chartered Accountants.*

1 PWORTH HOUSE,  
25/35 CITY ROAD,  
LONDON EC1Y 1AR.

3rd August, 1984

# ARSENAL FOOTBALL CLUB LIMITED

## PLAYING RECORD 1983 -84

### FIRST TEAM

HOME  
AWAY

#### CANON LEAGUE DIV. 1

P	W	D	L	F	A	Pts.
21	10	5	6	41	29	35
21	8	4	9	33	31	28
42	18	9	15	74	60	63

FINAL POSITION: 6th

#### F.A. CHALLENGE CUP

v MIDDLESBROUGH (A) LOST 2-3

#### MILK CUP

v PLYMOUTH ARGYLE (A) DREW 1-1  
v PLYMOUTH ARGYLE (H) WON 1-0  
v TOTTENHAM HOTSPUR (A) WON 2-1  
v WALSALL (H) LOST 1-2

ROUND 3

ROUND 2 (1st LEG)  
ROUND 2 (2nd LEG)  
ROUND 3  
ROUND 4

### SECOND TEAM

HOME  
AWAY

#### FOOTBALL COMBINATION

P	W	D	L	F	A	Pts.
21	17	1	3	55	9	35
21	12	7	2	41	21	31
42	29	8	5	96	30	66

FINAL POSITION: 1st

### THIRD TEAM

HOME  
AWAY

#### SOUTH EAST COUNTIES LEAGUE

P	W	D	L	F	A	Pts
15	9	1	5	49	30	19
15	8	3	4	35	24	19
30	17	4	9	84	54	38

FINAL POSITION: 5th

#### SOUTH EAST COUNTIES LEAGUE CUP

ROUND 1 (REPLAY) v NORWICH CITY (H) DREW 0-0  
ROUND 1 v NORWICH CITY (A) WON 2-1  
ROUND 2 v MILLWALL (H) WON 3-0  
SEMI-FINAL v CHFLSEA (A) LOST 1-4

#### F.A. YOUTH CUP

ROUND 2 v CARSHALTON ATH. (A) WON 2-0  
ROUND 3 v BRISTOL ROVERS (A) DREW 4-4  
ROUND 3 (REPLAY) v BRISTOL ROVERS (H) WON 3-1  
ROUND 4 v BRISTOL ROVERS (H) WON 1-0  
ROUND 5 v CAMBRIDGE UNITED (H) WON 2-1  
SEMI-FINAL (1st LEG) v ASTON VILLA (H) LOST 2-3  
SEMI-FINAL (2nd LEG) v STOKE (A) LOST 0-3  
v STOKE (H)

#### SOUTHERN JUNIOR FLOODLIT CUP

ROUND 1 v READING (H) WON 4-1  
ROUND 2 v Q.P.R. (A) WON 5-3  
1/4 FINAL v IPSWICH TOWN (H) WON 2-1  
SEMI-FINAL v MILLWALL (H) WON 2-1  
FINAL (1st LEG) v NORWICH (H) DREW 2-2  
FINAL (2nd LEG) v NORWICH (A) WON 4-1

Won cup 6-3 on aggregate.