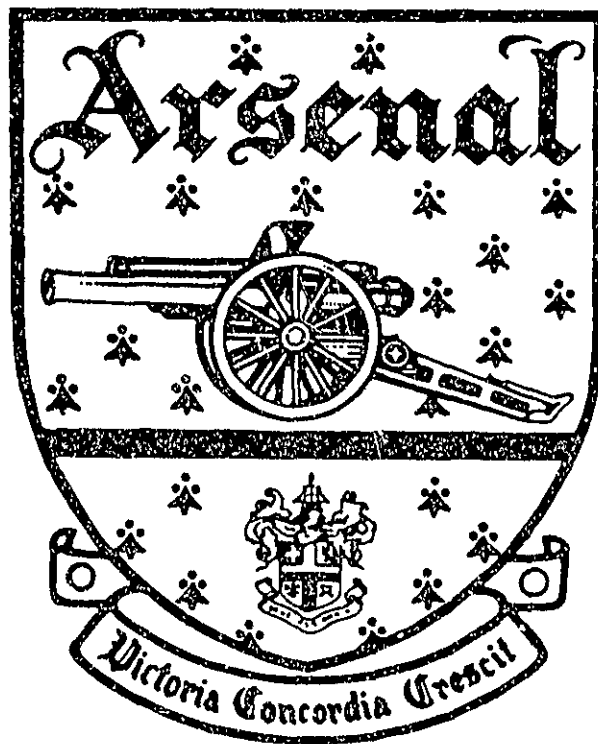


COMPANY NUMBER 109244

THE ARSENAL FOOTBALL CLUB PLC

STATEMENT OF ACCOUNTS
AND
ANNUAL REPORT
1991 - 1992

2000-92



THE ARSENAL FOOTBALL CLUB PLC

NOTICE IS HEREBY GIVEN that the Eighty Second Annual General Meeting of the shareholders of The Arsenal Football Club plc will be held at the Arsenal Stadium, Avenell Road, Highbury, London N5 1BU on Thursday 27th August, 1992 at 12 noon precisely when the following ordinary business will be transacted, viz.:

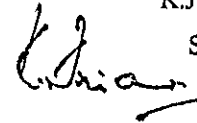
1. To receive the Directors' Report and Statement of Accounts and the Auditors' Report thereon for the year ended 31st May, 1992
2. To re-elect Directors.
3. To re-appoint the Auditors and to authorise the Directors to fix their remuneration.
4. To transact any other ordinary business of the meeting.

Dated this
15th day of July, 1992

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.

THE ARSENAL FOOTBALL CLUB PLC

Directors

P.D. HILL-WOOD, Esq. (*Chairman*)

D.B. DEIN, Esq. (*Vice Chairman*)

Sir ROBERT BELLINGER, G.B.E., D.Sc.

R.G. GIBBS, Esq.

C.E.B.L. CARR, Esq.

R.C.L. CARR, Esq.

D.D. FISZMAN, Esq.

K.J. FRIAR, Esq. (*Managing*)

Secretary

K.J. FRIAR

Manager

G. GRAHAM

Auditors

KIDSONS IMPEY

Chartered Accountants and Registered Auditors

Spectrum House, 20-26 Cursitor Street, London EC4A 1HY

Registrars

CI REGISTRARS LIMITED

Victoria Street, Luton

Bedfordshire LU1 2PZ

Registered Office

ARSENAL STADIUM

Avenell Road, Highbury, London N5 1BU

CHAIRMAN'S STATEMENT

The Directors have pleasure in submitting their 82nd Annual Report to the Members together with the Audited Accounts for the year ended 31 May 1992.

Having to follow a Championship season was never going to be easy, and expectations were understandably high. Our results before the turn of the year were frustrating and despite a marvellous finishing run of 17 matches without defeat, the season under review saw us finish 4th in the Football League. Only one position away from again qualifying for Europe.

Our return to European Competition started well when we beat F.C. Austria Memphis in the first round winning 6-2 on aggregate. The games against Benfica were nail-biting affairs. The first leg of the second round was away in Portugal where we played in the magnificent 'Stadium of Light' and drew 1-1.

In the return leg at Highbury the result at the end of normal time was again 1-1 but sadly we were to be defeated 1-3 after extra time. Although it was a great disappointment, there were valuable lessons to be learned. Many of our younger players had never had the opportunity of European Competition and the experience will, I am sure, be of great benefit in future European campaigns.

Our youth policy continues to provide a flow of talent with Kevin Campbell establishing a regular place in the first team. Ray Parlour made his debut against Liverpool at Anfield and made 6 first team appearances throughout the season.

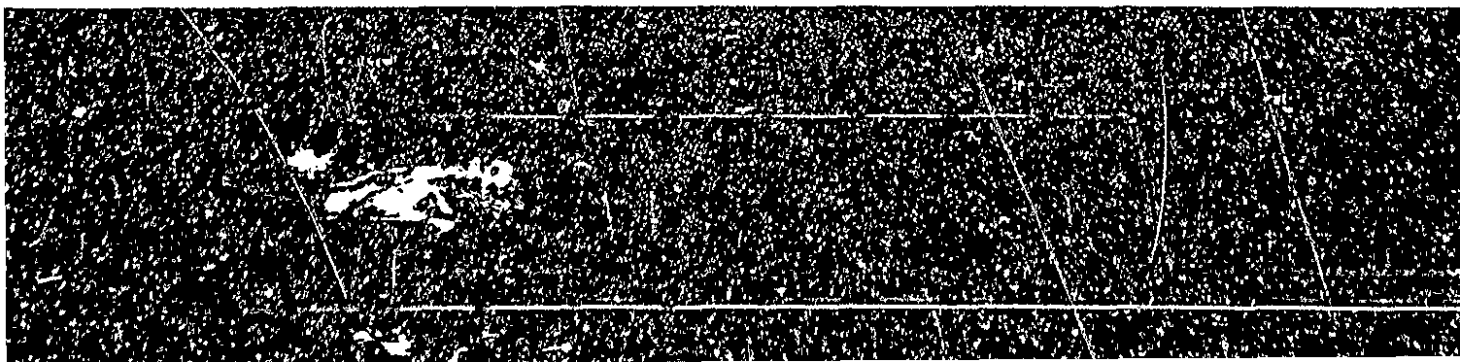
Other young players are constantly emerging and I am confident that the continual introduction of home-grown talent, blended with the fine acquisitions made by George Graham will serve the Club well in the coming season.

During the year Michael Thomas left us to join Liverpool and I would like to place on record our thanks for the fine contribution he made throughout the years he was with us.

Sadly, Craig McKernon and Sigi Jonsson both had their playing careers cut short through injury, and I wish them every success in whatever occupation they choose to pursue in the future.

The first team squad was strengthened substantially. Pal Lydersen joined us from Norway, Jimmy Carter from Liverpool and, of course, Ian Wright, who had such a magnificent season, arrived from Crystal Palace. Ian was the League's leading goal scorer and deservedly won the Adidas Golden Boot Award for scoring the greatest number of goals in Division One. A marvellous achievement.

Next season sees the inauguration of the Premier League, which initially will be comprised of 22 clubs but will reduce to 20 clubs at the end of season 1994/95.



CHAIRMAN'S STATEMENT (continued)

The new Premier League will have greater autonomy over its affairs with each club having one vote thus removing the previous antiquated and out-dated voting structure. If we are able to retain a greater percentage of the money that we generate then we should be better able to improve spectator facilities while simultaneously strengthening our squad.

Our off-field activities continue to expand. The major retail sports shop 'Arsenal World of Sport' at Finsbury Park continues to be a great success. Despite a difficult year of general recession and smaller attendances, the overall trading along with existing shops at the Stadium has generated a turnover in excess of £2.2 million.

The Mail Order side of the operation has again expanded, and in order to service this part of our business and the shops, we have acquired a warehouse in the local vicinity. This will enable us to meet the ever increasing demand for Arsenal merchandise which provides a substantial and necessary addition to our income.

The redevelopment of our Stadium to comply with the Taylor Report started on schedule in May with the demolition of the North Bank. This was a sad moment in the history of the Club. However, we had no alternative if we are to comply with Government legislation and meet the criteria for European qualification. The new North Bank Stand is scheduled to be completed at the end of next season. The remainder of the Stadium will be re-seated next close season, thus allowing us to open as a fully seated stadium in August 1993.

I am delighted to report that in January, Mr. Daniel D. Fiszman accepted the Directors' invitation to join the Board. Mr. Fiszman, who is a life-long supporter of the Club, is Chairman of the multi-national SDC group of companies involved in raw materials and is also a Director of Psion PLC. I am sure he will be able to make a very positive contribution to the Club at this challenging time.

Turning to the Accounts, I am pleased to report that operating profits have risen to £1,961,234 for the year under review. However, after taking account of transfer fees and taxation the final result is a loss of £43,773. Whilst it is disappointing to report a loss, I believe that the players purchased have significantly strengthened our prospects for future success and that overall the Club remains in a strong position financially.

Finally, on behalf of the Board, I would like to thank our dedicated and hard-working staff, both on and off the field, for the contribution they have made to the Club during the year.

PETER HILL-WOOD
Chairman

THE ARSENAL FOOTBALL CLUB PLC

DIRECTORS' REPORT 31st May 1992

The directors present their annual report and the audited financial statements of the company for the year ended 31st May 1992.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of a professional football club and the related commercial activities.

RESULTS AND DIVIDENDS

The results for the year are set out on page 7 and are reviewed in the Chairman's Statement. The directors do not recommend the payment of a dividend.

DIRECTORS AND DIRECTORS' SHAREHOLDINGS

The directors of the company at 31st May 1992, all of whom served throughout the year with the exception of Mr. D.D. Fiszman who was appointed on 24th January 1992, together with details of their interests in the company's share capital, as recorded in the register of directors' interests are set out below:-

	Ordinary Shares of £1 each	
	At 31st May 1992	At 31st May 1991
P.D. Hill-Wood	448	448
D.B. Dein	23,816	23,816
Sir Robert Bellinger, G.B.E., D.Sc.	712	712
R.G. Gibbs	200	200
C.E.B.L. Carr	4,392	4,392
R.C.L. Carr	2,288	2,288
K.J. Friar	200	200
D.D. Fiszman	10,080	-

Of the above interests in shares, Mr. D.B. Dein and Mr. D.D. Fiszman have an interest in the same 10,000 shares.

On 19th June 1992 Mr. R.C.L. Carr notified the company that he had an interest in an additional 7,704 shares.

In accordance with the provisions of Article 90 of the Articles of Association Mr. D.B. Dein and Sir Robert Bellinger, G.B.E., D.Sc. retire by rotation and, being eligible, offer themselves for re-election.

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

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year, the company made donations for charitable purposes amounting to £6,767 (1991-£3,799).

THE ARSENAL FOOTBALL CLUB PLC

DIRECTORS' REPORT (continued)

31st May 1992

FIXED ASSETS

The movements in fixed assets during the year are set out in the notes to the financial statements.

The directors are of the opinion that the market value of the company's land and buildings is greater than book value.

AUDITORS

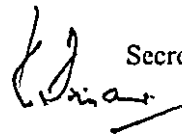
Kidsons Impey have agreed to offer themselves for re-election as auditors of the company.

Registered Office:

Arsenal Stadium, Avenell Road, Highbury, London N5 1BU
15th July 1992

By Order of the Board
K.J. Friar

Secretary



THE ARSENAL FOOTBALL CLUB PLC
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MAY 1992

	<i>Note</i>	1992	1991
		£	£
TURNOVER.....	2	13,739,104	11,294,661
Costs and overheads less other income.....	3	(11,525,876)	(9,422,209)
Exceptional items.....	4	<u>(251,994)</u>	<u>(1,455,983)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TRANSFER FEES.....		1,961,234	416,469
Transfer fees (payable)/receivable.....		<u>(2,126,000)</u>	<u>332,394</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(164,766)	748,863
Taxation.....	7	<u>(120,993)</u>	<u>109,799</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION RETAINED FOR THE FINANCIAL YEAR..	15	<u><u>(43,773)</u></u>	<u><u>639,064</u></u>

The notes on pages 10 to 16 form part of these financial statements.

THE ARSENAL FOOTBALL CLUB PLC

BALANCE SHEET 31st MAY 1992

	Note	1992	1991
		£	£
FIXED ASSETS	8	11,770,719	10,572,876
Tangible assets			
CURRENT ASSETS	9	545,153	382,248
Stocks	10	1,717,309	1,223,667
Debtors		—	131,940
Investments		2,977,967	3,843,972
Cash at bank and in hand		5,240,429	5,581,827
CREDITORS	11	(4,962,385)	(8,036,394)
Amounts falling due within one year		278,044	(2,454,567)
NET CURRENT ASSETS/(LIABILITIES)		12,048,763	8,118,309
TOTAL ASSETS LESS CURRENT LIABILITIES		(7,486,227)	(3,592,000)
CREDITORS	12	4,562,536	4,526,309
Amounts falling due after more than one year			
NET ASSETS		56,000	56,000
CAPITAL AND RESERVES		237,201	237,201
Called up share capital	14	846,000	766,000
Share premium account	15	3,423,335	3,467,108
Building reserve	15	4,562,536	4,526,309
Profit and loss account	15		
SHAREHOLDERS' FUNDS			

The financial statements on pages 7 to 16 were approved by the board of directors on 15th July 1992.

On behalf of the board

P.D. HILL-WOOD)

D.B. DEIN) Directors

The notes on pages 10 to 16 form part of these financial statements.

THE ARSENAL FOOTBALL CLUB PLC

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MAY 1992

	£	1992	£	£	1991	£
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES			(558,051)		3,035,986	
CASH OUTFLOW IN RESPECT OF TRANSFERS						
Payments for purchase of players	(3,050,000)			(3,452,283)		
Receipts from sale of players	<u>1,657,500</u>			<u>3,193,844</u>		
			(1,392,500)		(258,439)	
RETURNS ON INVESTMENT AND SERVICING OF FINANCE						
Interest received			429,078		123,254	
TAXATION						
Corporation tax paid			(209,697)		(664,063)	
INVESTING ACTIVITIES						
Payments to acquire tangible fixed assets	(1,571,450)			(3,603,369)		
Receipts from sale of freehold property	178,500					
Receipts from sale of motor vehicles ..	<u>11,725</u>			<u>33,578</u>		
NET CASH OUTFLOW FROM INVESTING ACTIVITIES			<u>(1,381,225)</u>		<u>(3,569,791)</u>	
NET CASH OUTFLOW BEFORE FINANCING			(3,112,395)		(433,053)	
FINANCING						
Donation received			80,000		—	
Debenture subscriptions			<u>2,034,450</u>		<u>2,534,200</u>	
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			<u>(997,945)</u>		<u>2,101,147</u>	

See note 18 for further details.

The notes on pages 10 to 16 form part of these financial statements.

THE ARSENAL FOOTBALL CLUB PLC

NOTES ON FINANCIAL STATEMENTS - 31st MAY 1992

I. PRINCIPAL ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost accounting rules and in accordance with the applicable accounting standards, except as stated below.

TURNOVER

Turnover represents income from football and related activities.

DEPRECIATION

Depreciation is calculated to write off the cost of plant, equipment, motor vehicles and certain freehold improvements included in freehold property in equal annual instalments over their estimated useful lives at rates ranging from 10 to 20 per cent.

Leasehold properties are depreciated over the period of the leases in equal annual instalments.

Statement of Standard Accounting Practice Number 12 requires that provision be made for depreciation of fixed assets having a finite useful life. However, it is company policy to maintain freehold property in such condition that its value is not diminished by the passage of time and the related maintenance expenditure is charged to the profit and loss account in the year it is incurred. Therefore any element of depreciation is considered to be immaterial and no provision is made. In view of the development plans for the North Stand, certain freehold costs relating to the old North Bank have been written off.

STOCKS

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

TRANSFER FEES

Transfer fees are charged or credited to the profit and loss account in the year in which they are contracted.

DEFERRED INCOME

Deferred income represents licence fees for executive boxes which are credited to the profit and loss account over the period of the licences and income from sponsorship agreements which is credited to the profit and loss account over the period of the agreement.

LEASES

Rentals payable under operating leases are charged to the profit and loss account in the period in which they fall due.

GRANTS

Grants received are matched with the related expenditure. Accordingly where the expenditure is of a capital nature the amount of the grant is deducted from the cost of the related asset. The directors believe that this is a fairer reflection of the facts than the accounting treatment recommended in Statement of Standard Accounting Practice Number 4 (Revised).

PENSIONS

The company makes contributions on behalf of employees and directors to a number of independently controlled pension funds. Contributions are charged to the profit and loss account over the period to which they relate.

DEFERRED TAX

No provision has been made for deferred tax on the basis that the potential liability is not likely to crystallise in the foreseeable future. Details of the amount of deferred tax not provided are shown in note 13 to the financial statements.

THE ARSENAL FOOTBALL CLUB PLC

NOTES ON FINANCIAL STATEMENTS - 31st MAY 1992 (continued)

2. TURNOVER	1992	1991
Turnover comprises the following:	£	£
Gate receipts.....	7,125,161	5,947,548
Ground advertisements and other activities.....	6,613,943	5,172,350
Prize money.....	—	174,763
	<u>13,739,104</u>	<u>11,294,661</u>
 3. COSTS AND OVERHEADS LESS OTHER INCOME		
Employment costs.....	6,061,276	4,529,092
Depreciation.....	422,477	315,215
Other operating charges.....	5,471,201	4,701,156
Interest receivable.....	(429,078)	(123,254)
	<u>11,525,876</u>	<u>9,422,209</u>
 Other operating charges include:-		
(Profit)/Loss on disposal of fixed assets.....	(64,310)	91
Auditors' remuneration.....	12,000	10,000
Operating lease payments - plant and machinery.....	7,584	17,645
- other.....	92,151	33,334
	<u>—</u>	<u>—</u>
 4. EXCEPTIONAL ITEMS		
Costs relating to the issue of debentures.....	251,994	1,455,983
	<u>—</u>	<u>—</u>
 5. DIRECTORS' EMOLUMENTS		
Management remuneration including pension contributions.....	236,143	149,733
Remuneration, excluding pension contributions, of the Chairman.....	—	—
Remuneration, excluding pension contributions, of the highest paid director.....	108,669	106,433
The number of other directors whose emoluments fell within the following ranges were:		
£ Nil	Number 5	Number 4
£25,001 - £30,000	—	1
£105,001 - £110,000	1	—

THE ARSENAL FOOTBALL CLUB PLC

NOTES ON FINANCIAL STATEMENTS - 31st MAY 1992 (continued)

6. EMPLOYEES

The average number of persons employed by the company during the year was:

Playing staff	54
Training staff	9
Administrative staff	48
Ground staff	12
	<u>123</u>

1992
Number

1991
Number

48
9
36
15
108

Staff costs:

Wages and salaries	5,430,934
Social security costs	534,719
Other pension costs	95,623
	<u>6,061,276</u>

£
5,430,934
534,719
95,623
6,061,276

£
4,069,657
367,566
91,869
4,529,092

7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

United Kingdom corporation tax based on the (loss)/profit for the year at 33% (1991 - 33.8%)

Overprovision in respect of prior years

(110,000)
(10,993)
(120,993)

150,000
(40,201)
109,799

8. TANGIBLE FIXED ASSETS

Cost or valuation

	Freehold Properties £	Short Leasehold Properties £	Plant and Equipment £	Motor Vehicles £	Total £
Value at 1st June 1965	5,750	—	—	—	5,750
Cost at 1st June 1991	8,883,728	684,162	1,740,656	143,499	11,452,045
Additions	1,490,530	16,263	203,842	31,375	1,742,010
Disposals	(191,046)	—	—	(26,071)	(217,117)
At 31st May 1992	<u>10,188,962</u>	<u>700,425</u>	<u>1,944,498</u>	<u>148,803</u>	<u>12,982,688</u>
Depreciation					
At 1st June 1991	166,410	46,836	588,314	83,353	884,919
Charge for year	99,542	75,032	218,055	29,848	422,477
Disposals	(78,046)	—	—	(17,381)	(95,427)
At 31st May 1992	<u>187,912</u>	<u>121,868</u>	<u>806,369</u>	<u>95,820</u>	<u>1,211,969</u>
Net Book Amount					
At 31st May 1992	<u>10,001,050</u>	<u>578,557</u>	<u>1,138,129</u>	<u>52,983</u>	<u>11,770,719</u>
At 31st May 1991	<u>8,723,062</u>	<u>637,326</u>	<u>1,152,342</u>	<u>60,146</u>	<u>10,572,876</u>

THE ARSENAL FOOTBALL CLUB PLC

NOTES ON FINANCIAL STATEMENTS - 31st MAY 1992 (continued)

8. TANGIBLE FIXED ASSETS (continued)

Grants received from The Football Trust during the year totalling £47,692 have been deducted from the cost of fixed assets in line with the company's accounting policy set out in note 1.

At 31st May 1992 the company had the following capital commitments:-

	1992 £	1991 £
Authorised and contracted for.....	8,222,605	250,000
Authorised but not contracted for.....	75,000	—

The directors have agreed in principle development plans for the Highbury Stadium in order to comply with the requirements of the Taylor Report; these development plans are currently estimated to cost £22,500,000.

9. STOCKS

Goods for resale.....	545,153	382,248
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10. DEBTORS

Trade debtors.....	144,830	234,911
Other debtors.....	892,028	766,127
Corporation tax.....	81,000	—
Prepayments and accrued income.....	599,451	222,629
	<u>1,717,309</u>	<u>1,223,667</u>

Other debtors include £428,000 (1991 - £380,000) receivable in more than one year in respect of executive box licences being paid by instalment and certain sponsorship arrangements.

11. CREDITORS: Amounts falling due within one year

Debenture subscriptions.....	—	2,534,200
Trade creditors.....	259,215	125,937
Corporation tax.....	—	281,111
Other taxation and social security.....	477,824	431,020
Other creditors.....	1,361,167	827,630
Accruals and deferred income.....	2,864,179	3,836,496
	<u>4,962,385</u>	<u>8,036,394</u>

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

Debenture subscriptions.....	4,568,650	—
Deferred income.....	2,917,577	3,592,000
	<u>7,486,227</u>	<u>3,592,000</u>

The debenture subscriptions are to be applied in the redevelopment of the Highbury Stadium. The company received planning permission for the new North Stand during the year and subscribers have been issued with interim certificates; the debentures will be issued once the project is complete. Under the terms and conditions of the debentures the debentures are repayable at par after 150 years.

THE ARSENAL FOOTBALL CLUB PLC

NOTES ON FINANCIAL STATEMENTS - 31st MAY 1992 (continued)

	1992 £	1991 £
13. DEFERRED TAXATION		
Unprovided deferred taxation		
Corporation tax deferred by accelerated capital allowances	<u>249,500</u>	<u>140,000</u>
14. CALLED UP SHARE CAPITAL		
AUTHORISED		
Ordinary shares of £1 each	<u>56,000</u>	<u>56,000</u>
ALLOTTED, ISSUED AND FULLY PAID		
Ordinary shares of £1 each	<u>56,000</u>	<u>56,000</u>

15. SHARE PREMIUM AND OTHER RESERVES

	<i>Share Premium Account</i> £	<i>Building Reserve</i> £	<i>Profit and Loss Account</i> £	<i>Total</i> £
Balance at 31st May 1991	237,201	766,000	3,467,108	4,470,309
Loss for the year	—	—	(43,773)	(43,773)
Donation	—	80,000	—	80,000
Balance at 31st May 1992	<u>237,201</u>	<u>846,000</u>	<u>3,423,335</u>	<u>4,506,536</u>

16. LEASING COMMITMENTS

Commitments due under operating leases for the period to 31st May 1993 are:-

	1992		1991	
	<i>Land and Buildings</i> £	<i>Other</i> £	<i>Land and Buildings</i> £	<i>Other</i> £
Leases expiring in:-				
One year	59,201	8,000	53,636	14,350
Two to five years	17,500	—	—	—
Over five years	40,000	—	40,000	—
	<u>116,701</u>	<u>8,000</u>	<u>93,636</u>	<u>14,350</u>

17. CONTINGENCIES

Under the conditions of a transfer agreement in respect of a player purchased in the year a further £50,000 will be payable should the player complete 50 First Team appearances. No provision has been made in these financial statements for this amount as the directors do not believe that the applicable number of appearances will be achieved in the foreseeable future.

THE ARSENAL FOOTBALL CLUB PLC

NOTES ON FINANCIAL STATEMENTS - 31st MAY 1992 (continued)

	1992 £	1991 £	
18. CASH FLOW STATEMENT			
(a) Reconciliation of operating profit to net cash (outflow)/inflow from operating activities			
Operating profit.....	1,532,156	293,215	
Depreciation.....	422,477	315,215	
(Profit)/loss on fixed asset disposals	(64,310)	91	
Increase in stock.....	(162,905)	(292,319)	
Increase in debtors.....	(515,122)	(254,298)	
(Decrease)/increase in creditors (excluding exceptional items).....	(369,364)	2,418,099	
(Decrease)/increase in creditors (exceptional).....	(1,400,983)	1,455,983	
Net cash (outflow)/inflow from operating activities	<u>(558,051)</u>	<u>3,935,986</u>	
Profit on ordinary activities before transfer fees.....	1,961,234	416,469	
Interest receivable.....	(429,078)	(123,254)	
Operating profit.....	<u>1,532,156</u>	<u>293,215</u>	
(b) Analysis of changes in cash and cash equivalents during the year			
At 1st June 1991	3,975,912	1,874,765	
Net cash (outflow)/inflow.....	<u>(997,945)</u>	<u>2,101,147</u>	
At 31st May 1992	<u>2,977,967</u>	<u>3,975,912</u>	
(c) Analysis of balances of cash and cash equivalents as shown in the balance sheet			
	1992 £	1991 £	Change in year £
Cash at bank and in hand.....	2,977,967	3,843,972	(866,005)
Short term investments.....	—	131,940	(131,940)
	<u>2,977,967</u>	<u>3,975,912</u>	<u>(997,945)</u>
	1991 £	1990 £	Change in year £
Cash at bank and in hand.....	3,843,972	1,742,825	2,101,147
Short term investments.....	131,940	131,940	—
	<u>3,975,912</u>	<u>1,874,765</u>	<u>2,101,147</u>

THE ARSENAL FOOTBALL CLUB PLC

NOTES ON FINANCIAL STATEMENTS - 31st MAY 1992 (continued)

18. CASH FLOW STATEMENT (continued)

(d) Analysis of changes in financing during the year

	Building Reserve £	Share capital (including premium) £	Debenture loan £	Total £
Balance at 31st May 1991	766,000	293,201	2,534,200	3,593,401
Cash inflow from financing...	80,000	—	2,034,450	2,114,450
Balance at 31st May 1992	<u>846,000</u>	<u>293,201</u>	<u>4,568,650</u>	<u>5,707,851</u>

	Building Reserve £	Share capital (including premium) £	Debenture loan £	Total £
Balance at 31st May 1990	766,000	293,201	—	1,059,201
Cash inflow from financing...	—	—	2,534,200	2,534,200
Balance at 31st May 1991	<u>766,000</u>	<u>293,201</u>	<u>2,534,200</u>	<u>3,593,401</u>

THE ARSENAL FOOTBALL CLUB PLC

AUDITORS' REPORT TO THE MEMBERS OF THE ARSENAL FOOTBALL CLUB PLC

We have audited the financial statements on pages 7 to 16 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st May 1992 and of its loss and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Kidsons Impey
Kidsons Impey

Registered Auditors

Chartered Accountants

London

15th July 1992

THE ARSENAL FOOTBALL CLUB PLC

PLAYING RECORD SUMMARY - SEASON 1991-92

FIRST TEAM

HOME
AWAY

BARCLAYS LEAGUE DIVISION ONE

P	W	D	L	F	A	Pts.
21	12	7	2	51	22	43
21	7	8	6	30	24	29
42	19	15	8	81	46	72

Final Position: 4th

Round 3

F.A. CHALLENGE CUP

v WREXHAM (A) LOST 1-2

Round 2 (1st Leg)
Round 2 (2nd Leg)
Round 3

RUMBELOWS CUP

v LEICESTER CITY (A) DREW 1-1
v LEICESTER CITY (H) WON 2-0
v COVENTRY CITY (A) LOST 0-1

Round 1 (1st Leg)
Round 1 (2nd Leg)
Round 2 (1st Leg)
Round 2 (2nd Leg)

EUROPEAN CUP

v AUSTRIA MEMPHIS (H) WON 6-1
v AUSTRIA MEMPHIS (A) LOST 0-1
v S L BENFICA (A) DREW 1-1
v S L BENFICA (H) LOST 1-3 (AET)

HOME
AWAY

FOOTBALL COMBINATION

P	W	D	L	F	A	Pts.
19	12	3	4	42	21	39
19	10	3	6	38	28	33
38	22	6	10	80	49	72

Final Position: 3rd

HOME
AWAY

SOUTH EAST COUNTIES LEAGUE

P	W	D	L	F	A	Pts.
15	10	3	2	47	20	23
15	9	2	4	38	28	20
30	19	5	6	85	48	43

Final Position: 2nd

Round 2
Round 3
Round 4

F.A. YOUTH CUP

v BRIGHTON & HOVE ALBION (A) WON 5-2
v WATFORD (H) WON 4-0
v EVERTON (H) LOST 1-2

Round 1
Round 2
Round 3
Semi-Final

S.E.C.L. CUP

v MILLWALL (A) WON 3-1
v FULHAM (H) WON 5-2
v WIMBLEDON (H) WON 4-3
v TOTTENHAM HOTSPUR (H) LOST 0-1

Round 1
Round 1 (Replay)
Round 2
Round 3
Semi-Final
Semi-Final (Replay)
Final (1st Leg)
Final (2nd Leg)

SOUTHERN JUNIOR FLOODLIT CUP

v WATFORD (A) DREW 1-1
v WATFORD (H) WON 2-1
v MAIDSTONE UNITED (H) WON 2-0
v WIMBLEDON (H) WON 2-0
v ASTON VILLA (H) DREW 2-2
v ASTON VILLA (A) WON 1-0
v TOTTENHAM HOTSPUR (A) WON 4-3
v TOTTENHAM HOTSPUR (H) LOST 2-5

LOST ON AGGREGATE 6-8