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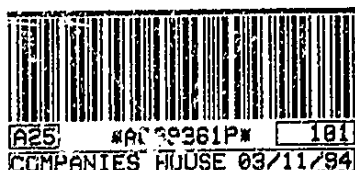
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## Directors and advisers

|                           |   |
|---------------------------|---|
| <i>Directors</i>          | A. M. Sugar D.Sc. (Chairman)<br>A. G. Berry F.C.C.A. (Deputy Chairman)*<br>C. M. Littner M.B.A. (Managing)<br>C. T. Sandy A.T.I.I. (Financial)<br>D. A. Alexiou LL.B*<br>*Non-executive |
| <i>Secretary</i>          | J. Ireland LL.B   |
| <i>Registered Office</i>  | 748 High Road<br>Tottenham<br>London N17 0AP  |
| <i>Registered Number</i>  | 1706358   |
| <i>Auditors</i>           | Touche Ross & Co.<br>Chartered Accountants<br>Hill House<br>1 Little New Street<br>London EC4A 3TR  |
| <i>Solicitors</i>         | Herbert Smith<br>Exchange House<br>Primrose Street<br>London EC2A 2HS   |
| <i>Bankers</i>            | Lloyds Bank Plc<br>35 Whitechapel High Street<br>London E17PH   |
| <i>Financial Advisers</i> | Henry Ansbacher & Co. Limited<br>One Mitre Square<br>London EC3A 5AN  |
| <i>Registrars</i>         | Independent Registrars Group Limited<br>Broseley House<br>Newlands Drive<br>Wilham<br>Essex CM8 2UL   |

## Chairman's Statement

Turnover for the year ending 31st May 1994 was £22,326,000 (1993 - £25,265,000), with pre-tax profits of £885,000 (1993 - £3,361,000).

At first glance the profitability result looks very disappointing compared to last year. However, shareholders should note that the accounts have provided for a total of £1,791,000 which is essentially made up of the outrageous fine handed down by the FA at the recent appeal hearing on the 6th July, the costs of both the Commission and appeal hearing and tax payable to the Inland Revenue as a result of the Inland Revenue inquiry into past events. Last year's exceptional charges amounted to £1,150,000.

In addition, it should be noted that in the current year the loss from player trading less amortisation was £656,000 compared to a profit of £1,823,000 in 1993 mainly in respect of the sale of Paul Gascoigne.

I would hope that we have seen the last of any substantial exceptional charges. I am satisfied that the underlying business is doing well and that these are quality results in all the circumstances on which we can build for the future.

In view of the impact on the Company's cash position of the fine imposed by the FA, as well as the tax payable to the Inland Revenue, the Directors have decided to pay a token dividend to shareholders of 1p per share so that the Company can retain *Trustee status (1993 - 5p)* to be paid on 12th November 1994 to shareholders on the register at 13th October 1994. The Board have decided to waive their entitlement in respect of a total of 8,490,305 shares representing 53% of the issued share capital.

The main subsidiary, Tottenham Hotspur Football & Athletic Co Ltd, obviously went through a very bad period for various reasons. Initially the problems were related to injuries and threat of relegation and were finally capped by the draconian decision of the FA. There is no point in detailing the extreme disappointment that the Board feels in the manner in which our Club was treated, especially bearing in mind that all the information provided to the FA was on a voluntary basis. The Board is currently considering its position regarding this matter.

Despite these unsavoury events there was certainly no point in just complaining or sulking. Indeed there was a serious job to be done in re-structuring our current squad in order to combat the obstacles placed in our way. As no doubt all shareholders and fans have noted, we have recently secured some excellent international signings to strengthen the playing department. At the time of writing, at this early stage of the season, team spirit is riding very high and our new players have settled in very well.

The South Stand re-development is well under way and should be fully completed by the Spring of 1995. In keeping with the traditions of Tottenham, and in line with the determination of the Board, our new South Stand will be one of the most innovative in European football by including the most up-to-date giant video screen and scoreboard. This will be the final phase of our re-development in order to comply with the requirements of the Taylor Report. There is scope to increase the stadium capacity by a second tier development to the North Stand and this is something which the Board will consider in the future.

The Merchandising Division, which encompasses our retail and Mail Order activities, continues to trade profitably and I am pleased to report has been streamlined into a very efficient organisation, having converted a loss of £208,000 last year into a profit of £339,000 this year.

The initial response to the newly launched away replica kit has been most encouraging and our extensive range of merchandise has been well received.

## Chairman's Statement

continued

Our gate receipts were consistently high throughout the season and sponsorship and royalty income, as well as our commercial activities, continue to make excellent progress.

It is hoped that with all the bad events behind us and together with a re-structured team, we should be able to go forward profitably and harmoniously in the future as well as being able to enjoy a far better performance on the field.

I would like to thank our supporters and shareholders for the patience they have shown during last season and hope we will never encounter such a period again.

I would also like to take this opportunity to thank all our staff members, both on the football and administrative side for their hard work. I am sure we can now all look forward to a brighter future and I am confident we can rely on their continued support and efforts.



A. M. Sugar *Chairman*

## Directors' report

The Directors present their annual report and the audited accounts for the year ended 31st May 1994.

### Principal activities

The principal activities of the Group are the operation of a professional football club in England and related merchandising activities.

### Review of business and future developments

A review of the activities of the Group is set out in the Chairman's Statement. The results for the year are set out in the profit and loss account on page 9.

### Dividends and transfer to reserves

The Directors recommend the payment of a final dividend of 1p per share to all shareholders on the register on 13th October 1994 to be paid on 12th November 1994. The Directors have waived their beneficial entitlement to the above dividend. The retained profit for the year of £522,000 (1993 - £2,255,000) was transferred to reserves.

### Fixed assets

Details of changes in fixed assets are given in notes 11 to 13 to the accounts. The intangible fixed assets represent the unamortised portion of the cost of players' registrations. The Directors consider that the current re-sale value of the players is considerably in excess of the book value.

### Directors

The Directors who served during the year and the interests of those serving as at 31st May 1994 in the share capital of the Company, which were all beneficial, were as follows:

|                                   | 31st May 1994 | 31st May 1993<br>or appointment<br>if later |
|-----------------------------------|---------------|---|
|                                   | No. of shares | No. of shares                               |
| A. M. Sugar                       | 8,150,535     | 7,650,535                                   |
| A. G. Berry                       | 290,000       | 800,000                                     |
| C. M. Littner (appointed 5/11/93) | 13,000        | -   |
| C. T. Sandy                       | 1,571         | 1,571                                       |
| D. A. Alexiou                     | 35,199        | 35,199                                      |
| J. Crystal (resigned 4/11/93)     | N/A           | N/A   |
| T. F. Venables (resigned 9/9/93)  | N/A           | N/A   |

The shares in which A. M. Sugar is interested are registered in the name of Amshold Limited, a company which is wholly owned by A. M. Sugar.

C. M. Littner was granted an option to subscribe for 70,000 ordinary shares of the Company on 14th March 1994 under the Executive Share Option Scheme at a price of 82p per share exercisable between 14th March 1997 and 14th March 2004. No other Directors have been granted options at the date of this report.

There were no changes in the interests of the Directors between 31st May 1994 and 31st August 1994.

T. F. Venables had an option to subscribe for 350,000 shares under the Executive Share Option Scheme at a price of 115p per share exercisable between 7th March 1991 and 7th March 1998. This option lapsed on 14th June 1993 when his service contract was terminated.

Subject to his re-appointment at the forthcoming Annual General Meeting, A. G. Berry holds office under a letter of appointment which will terminate on 13th October 1996.

## Directors' report

continued

### Directors' interests in contracts

The following paragraphs give details of all material interests of Directors in contracts and transactions involving the Company and any of its subsidiary undertakings.

A contract for the provision of computer services between the Company and Amstrad plc is in existence (value £25,000 plus VAT per annum) terminable on three months' notice. The Company also purchased from Amstrad plc further services and hardware for a total of £6,357 plus VAT. In addition to the above, Amstrad plc has purchased advertising, from the Group during the year amounting to £4,320 plus VAT and is in the second year of a three year advertising contract worth £57,000 plus VAT over the three years. A. M. Sugar has a substantial minority shareholding in Amstrad plc. All of these transactions were at arm's length.

The following items have been included in Directors' emoluments:

- (a) During the year the Company paid fees totalling £50,000 plus VAT to Amshold Limited in respect of the services of A. M. Sugar and a total of £58,500 plus VAT to Amsprop Trading Limited in respect of the services of C. T. Sandy and other associated costs. Amshold Limited is wholly owned by A. M. Sugar. Amshold Limited owns 76% of Amsprop Limited which in turn owns 100% of Amsprop Trading Limited.
- (b) During the year the Company paid fees totalling £26,250 to Aldwick Management Services Ltd in respect of the services of A. G. Berry.
- (c) During the year the Company paid fees totalling £4,167 to Gordon Dadds, a firm of solicitors, in respect of the services of D. A. Alexiou.

### Non-executive directors

A. G. Berry is 53 and has been a Director since 1987. He is Chairman of Recruit plc and was formerly Chairman of Business Technology Group plc and Blue Arrow plc.

D. A. Alexiou is 52 and was re-appointed to the Board on 14th May 1993. He was previously a Director from 11th May 1983 to 7th August 1991 and has been on the board of Tottenham Hotspur Football & Athletic Company Limited since 1980. He is the senior partner of Gordon Dadds, a firm of solicitors.

### Significant shareholdings

Apart from the interests of the Directors referred to above, the Company has received the following notifications of holdings of more than 3% of the share capital of the Company as at the date of this report:

|                                  |       |
|----------------------------------|-------|
| Perpetual Group unit trust funds | 9.16% |
| Dempsey Opportunities Fund       | 3.75% |

### Tax Status

In the opinion of the Directors the Company was a close company within the meaning of the Income and Corporation Taxes Act 1988 between 1st June 1993 and 31st August 1993. The Company ceased to be a close company with effect from 1st September 1993.

### Donations

During the year the Group made no charitable donations (1993 - nil).  
There were no political donations during the year (1993 - nil).

## Directors' report

continued

### Post balance sheet events and contingent liabilities

A number of player transactions have taken place after the year end. Details are included in note 28 to the financial statements.

Work has continued on the re-development of the South Stand, completion of which is expected in early 1995, at a total cost of approximately £8,000,000.

### Corporate governance

As foreshadowed in last year's Annual Report, the Board has completed its review of all the recommendations of the Cadbury Committees' Code of Best Practice.

The Board has concluded that the Company need not, for the present time, fully comply with every aspect of the Code insofar as it is not felt necessary, by reason of the size of the Company, to form separate remuneration and audit committees, as these functions are performed by the Board as a whole, or to appoint a third non-executive director.

The Cadbury Committee report recognised that full compliance with the Code might not be appropriate for smaller listed companies. The Board supports the principles advocated by the Code of openness, integrity and accountability and following the formalisation of certain procedures since the year end, is firmly of the opinion that proper and effective procedures are in place despite non-compliance in the three above mentioned areas.

As noted by the Cadbury Committee, the Company is not required to comply with the provisions in paragraphs 4.5 and 4.6 of the Code at present.

### Directors' responsibilities for preparing the financial statements

The Directors are obliged by law to prepare financial statements for each financial year and to present them annually to the Company's members in Annual General Meeting.

The financial statements, of which the form and content is prescribed by the Companies Act 1985, must give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year, and of the profit of the Group for that period, and they must comply with applicable accounting standards.

The Directors are also responsible for the adoption of suitable accounting policies and their consistent use in the financial statements, supported where necessary by reasonable and prudent judgements and estimates, and for applying the going concern basis to the financial statements unless it is not appropriate to presume that the Group will continue in business.

The Directors confirm that the above requirements have been complied with in the financial statements.

In addition, the Directors are responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the Company and Group and to prevent and detect fraud or any other irregularities.

### Auditors

A resolution to re-appoint Touche Ross & Co. will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board,



John Ireland LL.B  
Secretary

8th September 1994



## Report of the auditors

To the members of Tottenham Hotspur plc

We have audited the accounts on pages 9 to 23 which have been prepared under the accounting policies set out on pages 12 and 13.

### Respective responsibilities of Directors and Auditors

As described on page 7 in the Directors' Report the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relating to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

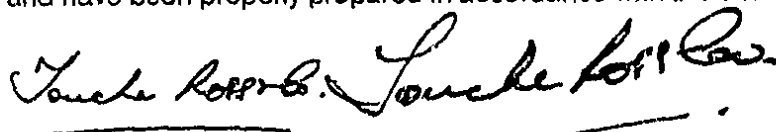
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Uncertainty arising from litigation

In forming our opinion, we have considered the adequacy of the disclosures made in note 27 which explains the status of major litigation between the Company and a former Director. The future settlement of this litigation could result in additional liabilities. It is not possible to quantify the effects, if any, of this uncertainty. Our opinion is not qualified in this respect.

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and Group as at 31st May 1994 and of the profit of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Touche Ross & Co.  
Chartered Accountants and Registered Auditors

8th September 1994

Hill House  
1 Little New Street  
London EC4A 3TR

# Consolidated profit and loss account

Year ended 31st May 1994

|  | Note | 1994<br>£'000 | 1993<br>£'000 |
|--|------|---------------|---------------|
| <b>Turnover – continuing operations</b>              | 2    | 22,326        | 25,265        |
| Cost of sales and distribution costs                 |      | 3,089         | 2,900         |
| Player and match expenses                            |      | 12,197        | 13,835        |
| Administrative expenses                              |      | 5,903         | 5,372         |
|  |      | <u>21,189</u> | <u>22,107</u> |
| <b>Operating profit – continuing operations</b>      | 5    | 1,137         | 3,158         |
| Net interest (payable)/receivable                    | 4    | (252)         | 203           |
| <b>Profit on ordinary activities before taxation</b> |      | 885           | 3,361         |
| Taxation charge on profit on ordinary activities     | 6    | (288)         | (305)         |
| <b>Profit for the financial year</b>                 |      | 597           | 3,056         |
| Dividends – declared                                 | 7    | 160           | 801           |
| – less waived  | 7    | (85)          | (801)         |
| <b>Retained profit for the financial year</b>        | 9    | 522           | 2,255         |
| <b>Earnings per share</b>                            | 10   | 3.7p          | 19.1p         |

## Statement of total recognised gains and losses

|   | Note | 1994<br>£'000 | 1993<br>£'000 |
|---|------|---------------|---------------|
| Profit for the financial year   |      | 597           | 3,056         |
| Unrealised deficit on revaluation of<br>freehold land and buildings         | 14   | (164)         | (1,747)       |
| <b>Total recognised gains and losses relating<br/>to the financial year</b> |      | <u>433</u>    | <u>1,309</u>  |

There is no material difference between the reported profit on ordinary activities before taxation and the equivalent historical cost amount.

Movements on reserves are shown in note 20 to the financial statements.

The notes on pages 12 to 23 form part of these financial statements.

# Balance sheets

as at 31st May 1994

|  |      | Group          |                 | Company         |                 |
|--|------|----------------|-----------------|-----------------|-----------------|
|  | Note | 1994<br>£'000  | 1993<br>£'000   | 1994<br>£'000   | 1993<br>£'000   |
| <b>Fixed assets</b>                          |      |                |                 |                 |                 |
| Intangible assets                            | 11   | 10,901         | 10,809          | -               | -               |
| Tangible assets                              | 12   | 24,249         | 22,432          | 23,976          | 22,243          |
| Investments                                  | 13   | -              | -               | 1,345           | 1,345           |
|  |      | <u>35,150</u>  | <u>33,241</u>   | <u>25,321</u>   | <u>23,588</u>   |
| <b>Current assets</b>                        |      |                |                 |                 |                 |
| Properties for resale                        | 14   | 225            | -               | 225             | -               |
| Stocks                                       |      | 263            | 171             | 263             | 171             |
| Debtors                                      | 15   | <u>1,884</u>   | <u>1,929</u>    | <u>131</u>      | <u>887</u>      |
|  |      | <u>2,372</u>   | <u>2,100</u>    | <u>619</u>      | <u>1,058</u>    |
| <b>Creditors:</b>                            |      |                |                 |                 |                 |
| Amounts falling due within one year          | 16   | <u>11,243</u>  | <u>12,601</u>   | <u>12,440</u>   | <u>15,078</u>   |
| Net current liabilities                      |      | <u>(8,871)</u> | <u>(10,501)</u> | <u>(11,821)</u> | <u>(14,020)</u> |
| Total assets less current liabilities        |      | 26,279         | 22,740          | 13,500          | 9,568           |
| <b>Creditors:</b>                            |      |                |                 |                 |                 |
| Amounts falling due after more than one year | 17   | <u>(3,393)</u> | <u>(212)</u>    | <u>(3,180)</u>  | <u>(42)</u>     |
| Net assets                                   |      | <u>22,886</u>  | <u>22,528</u>   | <u>10,320</u>   | <u>9,526</u>    |
| <b>Capital and reserves:</b>                 |      |                |                 |                 |                 |
| Called up share capital                      | 19   | 4,005          | 4,005           | 4,005           | 4,005           |
| Share premium account                        | 20   | 1,192          | 1,192           | 1,192           | 1,192           |
| Revaluation reserve                          | 20   | 2,969          | 3,189           | 2,629           | 2,849           |
| Profit and loss account                      | 20   | <u>14,720</u>  | <u>14,142</u>   | <u>2,494</u>    | <u>1,480</u>    |
| Shareholders' funds                          | 21   | <u>22,886</u>  | <u>22,528</u>   | <u>10,320</u>   | <u>9,526</u>    |

The financial statements were approved by the Board of Directors on 8th September 1994.

Signed on behalf of the Board

A. M. Sugar

C. T. Sandy

Director

The notes on pages 12 to 23 form part of these financial statements.

**Consolidated cash flow statement**

Year ended 31st May 1994

|  | Note | 1994<br>£'000 | 1993<br>£'000 |
|--|------|---------------|---------------|
| <b>Cash inflow from operating activities</b>                                 | 22   | 4,211         | 2,451         |
| <b>Returns on investments and servicing of finance</b>                       |      |               |               |
| Interest received  |      | 29            | 457           |
| Interest paid  |      | (221)         | (475)         |
| Interest element of finance lease rentals                                    |      | (25)          | (28)          |
| Dividend paid  |      | (321)         | (480)         |
| <b>Net cash outflow from returns on investments and servicing of finance</b> |      | (538)         | (526)         |
| <b>Tax paid</b>  |      |               |               |
| Advance Corporation Tax  |      | (93)          | (160)         |
| Corporation Tax  |      | (55)          | -             |
|  |      | (148)         | (160)         |
| <b>Investing activities</b>  |      |               |               |
| Payments to acquire players' registrations                                   |      | (4,676)       | (6,840)       |
| Receipts from sales of players' registrations                                |      | 3,430         | 7,253         |
|  |      | (1,246)       | 413           |
| Payments to acquire tangible fixed assets                                    |      | (3,396)       | (1,282)       |
| Receipts from sales of tangible fixed assets                                 |      | 64            | 92            |
|  |      | (3,332)       | (1,190)       |
| <b>Net cash outflow from investing activities</b>                            |      | (4,578)       | (777)         |
| <b>Net cash (outflow)/inflow before financing</b>                            |      | (1,053)       | 988           |
| <b>Financing</b>   |      |               |               |
| Net increase/(decrease) in obligations under finance leases                  | 24   | 38            | (122)         |
| Bank loan  | 24   | 2,600         | -             |
| <b>Net cash inflow/(outflow) from financing</b>                              |      | 2,638         | (122)         |
| <b>Increase in cash and cash equivalents</b>                                 | 23   | 1,585         | 866           |

The notes on pages 12 to 23 form part of these financial statements.

## Notes to the accounts

Year ended 31st May 1994

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's accounts

#### Basis of accounting

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention with the exception that certain freehold and leasehold properties have been revalued.

#### Basis of consolidation

The consolidated accounts incorporate the accounts of Tottenham Hotspur plc and its subsidiaries. The results of subsidiaries acquired or disposed of during the year are included from, or up to, the date of acquisition or disposal respectively. Goodwill arising on the acquisition is written off directly to the reserves in the year of acquisition.

A separate profit and loss account dealing with the results of the Company only has not been presented as permitted by Section 230 of the Companies Act 1985.

#### Turnover

Turnover comprises match and box receipts and proceeds of sale of players' registrations relating to the current year and sales invoiced during the year, exclusive of Value Added Tax.

#### Depreciation

Freehold land is not depreciated.

Leasehold property is amortised over the term of the lease.

Other fixed assets are depreciated on a straight line basis at annual rates appropriate to their estimated useful lives as follows:

|                             |           |
|-----------------------------|-----------|
| Freehold properties         | 2%        |
| Motor vehicles              | 20%       |
| General plant and equipment | 10% - 33% |

#### Properties for resale

Properties for resale are held at the lower of cost and net realisable value.

#### Stocks

Stocks, which comprise goods held for resale, are valued at the lower of cost and net realisable value.

#### Transfer fees

The costs of players' registrations are capitalised and, after allowing for estimated residual values, are amortised over the period of the respective players' contracts.

Transfers are recognised in the year in which the transfer is registered with the relevant football governing body (currently the Premier League) except where the contract is not conditional upon registration in which case the transfer is recognised when the contract becomes unconditional (usually when payment is made or received). Payments or receipts which are contingent on the performance of team or player are not recognised until the events crystallising such payments or receipts have taken place.

#### Signing on fees

Signing on fees are charged to the profit and loss account in the accounting period in which they are payable.

#### Fixed asset investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

#### Pension costs

Defined contribution arrangements are made for eligible employees of the Group. The pension cost charged in the year represents contributions payable by the Group to the pension scheme.

# Notes to the accounts

Year ended 31st May 1994

## Finance leases

Assets held under finance leases are included in fixed assets at total rental cost less finance charges. Finance charges are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation. Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases.

## Deferred taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that assets or liabilities will crystallise in the foreseeable future.

## Grants receivable

Grants receivable are credited to a deferred credit account within the creditors total and released to the profit and loss account over the life of the asset in respect of which they are receivable in accordance with the Statement of Standard Accounting Practice No. 4 (as revised).

## Foreign exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the exchange rates ruling on the balance sheet date. Translation differences are dealt with in the profit and loss account.

## 2. Turnover, operating profit and net assets

Turnover comprises:

|   | 1994<br>£'000 | 1993<br>£'000 |
|---|---------------|---------------|
| Primary football activities   | 15,061        | 14,521        |
| Sale of players' registrations  | 4,559         | 8,671         |
| Football merchandise retail and distribution                            | 2,706         | 2,073         |
|   | <u>22,326</u> | <u>25,265</u> |
| Operating Profit – continuing operations<br>can be analysed as follows: |               |               |
| Primary football activities – before exceptional charges                | 3,245         | 2,693         |
| – exceptional charges   | (1,791)       | (1,150)       |
|   | <u>1,454</u>  | <u>1,543</u>  |
| Player trading less amortisation  | (656)         | 1,823         |
| Football merchandise retail and distribution                            | 339           | (208)         |
|   | <u>1,137</u>  | <u>3,158</u>  |
| Net assets comprise:  |               |               |
| Primary football activities   | 11,729        | 11,802        |
| Players' registrations  | 10,901        | 10,809        |
| Football merchandise retail and distribution                            | 256           | (83)          |
|   | <u>22,886</u> | <u>22,528</u> |

Turnover and operating profit all derive from activities in the United Kingdom.

# Notes to the accounts

Year ended 31st May 1994

## 3. Staff numbers and costs

The average number of full time employees of the Group during the year was as follows:

|   | 1994       | 1993       |
|---|------------|------------|
|   | No.        | No.        |
| Players and football administration staff | 87         | 90         |
| Administration staff                      | 55         | 60         |
| Retail and distribution staff             | 26         | 20         |
|   | <u>168</u> | <u>170</u> |

The aggregate payroll costs of these employees were as follows:

|                       | 1994         | 1993         |
|-----------------------|--------------|--------------|
|                       | £'000        | £'000        |
| Salaries and bonuses  | 6,166        | 5,681        |
| Social Security costs | 589          | 527          |
| Other pension costs   | 60           | 40           |
|                       | <u>6,815</u> | <u>6,248</u> |

## 4. Net interest (payable)/receivable

|   | 1994         | 1993       |
|---|--------------|------------|
|   | £'000        | £'000      |
| Interest receivable   | 29           | 457        |
| Interest payable on bank overdrafts and other loans repayable within five years | (256)        | (226)      |
| Finance lease charges   | (25)         | (28)       |
|   | <u>(252)</u> | <u>203</u> |

## 5. Operating profit – continuing operations

This is stated after charging/(crediting) the following:

|   | 1994    | 1993    |
|---|---------|---------|
|   | £'000   | £'000   |
| Depreciation of tangible fixed assets                         | 814     | 735     |
| Release of grants – deferred credit                           | (24)    | –       |
| Amortisation of players' registrations                        | 1,758   | 1,499   |
| Profit on transfer of players' registrations                  | (1,102) | (3,322) |
| Auditors' remuneration and expenses: audit fee                | 30      | 30      |
| other services  | 55      | 58      |
| Operating lease rentals – land and buildings                  | 85      | 83      |
| – other   | 41      | 119     |
| Exceptional costs included in administrative expenses:        |         |         |
| FA fine and associated costs and settlement of other disputes | 1,791   | 550     |
| East Stand repairs  | –       | 600     |

In 1994 profit on transfer of players' registrations includes a profit of £1,367,000 in respect of Neil Ruddock and a loss of £888,000 in respect of Gordon Durie.

Profit on transfer of players' registrations in 1993 included a profit of £2,815,000 in respect of the sale of Paul Gascoigne and a profit of £419,000 in respect of the sale of Paul Stewart.

## Notes to the accounts

Year ended 31st May 1994

**6. Taxation charge on profit on ordinary activities**

|   | 1994       | 1993       |
|---|------------|------------|
|   | £'000      | £'000      |
| UK Corporation tax at 33% (1993 – 33%) on profit for the year | 288        | 995        |
| Advance corporation tax written back                          | –          | (595)      |
| Adjustments in respect of prior years:                        |            |            |
| Corporation tax   | –          | (74)       |
| Advance corporation tax                                       | –          | (21)       |
|   | <u>288</u> | <u>305</u> |

**7. Dividends**

|  | 1994      | 1993       |
|--|-----------|------------|
|  | £'000     | £'000      |
| Special interim dividend of 3p per share paid 30th November 1992 | –         | 480        |
| Final dividend of 1p per share proposed (1993 – 2p)              | 100       | 321        |
| Amount waived  | (85)      | –          |
|  | <u>75</u> | <u>801</u> |

The Directors have decided to waive their beneficial entitlement to dividends on 8,490,305 shares in 1994 amounting to £85,000.

**8. Directors' emoluments**

The emoluments of the Directors of the Company for the year were £209,336 (1993 – £442,258) of which £8,333 (1993 – £11,700) related to pension contributions.

The emoluments of the Chairman, which were paid to Amshold Limited, a company wholly owned by him were £50,000 (1993 – £20,835).

Excluding pension contributions, the emoluments of the highest paid Director were £56,286 (1993 – £357,198).

The number of Directors whose emoluments fell within the following ranges were:

|                     | 1994 | 1993 |
|---------------------|------|------|
|                     | No.  | No.  |
| 0 – £ 5,000         | 1    | 4    |
| £ 5,001 – £ 10,000  | 1    | –    |
| £ 10,001 – £ 15,000 | 1    | –    |
| £ 20,001 – £ 25,000 | –    | 1    |
| £ 25,001 – £ 30,000 | 1    | –    |
| £ 45,001 – £ 50,000 | 1    | –    |
| £ 50,001 – £ 55,000 | 1    | 1    |
| £ 55,001 – £ 60,000 | 1    | –    |
| £355,001 – £360,000 | –    | 1    |

**9. Profit for the financial year**

The profit for the financial year includes a profit of £1,033,000 (1993 – £2,224,500) dealt with in the accounts of the Company.

**10. Earnings per share**

The calculation of earnings per share is based on the earnings for the year after all exceptional items of £597,000 (1993 – £3,056,000) and on 16,019,053 ordinary shares in issue.



## Notes to the accounts

Year ended 31st May 1994

## 11. Intangible Fixed Assets

## Group

|                  | Cost of players' registrations<br>£'000 |
|------------------|---|
| Cost             |   |
| At 1st June 1993 | 13,610                                  |
| Additions        | 4,673                                   |
| Disposals        | (5,161)                                 |
| At 31st May 1994 | <u>13,122</u>                           |
| Amortisation     |   |
| At 1st June 1993 | 2,801                                   |
| Charged in year  | 1,758                                   |
| Disposals        | (2,338)                                 |
| At 31st May 1994 | <u>2,221</u>                            |
| Net book value   |   |
| At 31st May 1994 | <u>10,901</u>                           |
| At 31st May 1993 | <u>10,809</u>                           |

The above represents the amortised cost as at 31st May 1994 of 19 players (1993 - 18 players).

## 12. Tangible Fixed Assets

| Group                            | Land and buildings<br>Freehold<br>£'000 | Short<br>leasehold<br>£'000 | Motor<br>vehicles<br>£'000 | General<br>plant and<br>equipment<br>£'000 | Total<br>£'000 |
|----------------------------------|---|-----------------------------|----------------------------|--|----------------|
| Cost or valuation                |   |                             |                            |  |                |
| At 1st June 1993                 | 21,255                                  | 1                           | 359                        | 2,748                                      | 24,363         |
| Additions                        | 2,425                                   | -                           | 255                        | 412  | 3,092          |
| Disposals                        | -                                       | -                           | (125)                      | -  | (125)          |
| Revaluation adjustment (note 14) | (164)                                   | -                           | -                          | -  | (164)          |
| Transfer to current assets       | (256)                                   | -                           | -                          | -  | (256)          |
| At 31st May 1994                 | <u>23,260</u>                           | <u>1</u>                    | <u>489</u>                 | <u>3,160</u>                               | <u>26,910</u>  |
| Depreciation                     |   |                             |                            |  |                |
| At 1st June 1993                 | -                                       | -                           | 142                        | 1,789                                      | 1,931          |
| Charged in the year              | 394                                     | -                           | 93                         | 327  | 814            |
| Disposals                        | -                                       | -                           | (53)                       | -  | (53)           |
| Transfer to current assets       | (31)                                    | -                           | -                          | -  | (31)           |
| At 31st May 1994                 | <u>363</u>                              | <u>-</u>                    | <u>182</u>                 | <u>2,116</u>                               | <u>2,661</u>   |
| Net book value                   |   |                             |                            |  |                |
| At 31st May 1994                 | <u>22,897</u>                           | <u>1</u>                    | <u>307</u>                 | <u>1,044</u>                               | <u>24,249</u>  |
| At 31st May 1993                 | <u>21,255</u>                           | <u>1</u>                    | <u>217</u>                 | <u>959</u>                                 | <u>22,432</u>  |
| Cost or valuation comprises:     |   |                             |                            |  |                |
| At cost                          | 4,654                                   | -                           | 489                        | 3,160                                      | 8,303          |
| At 1993 valuation                | 18,606                                  | 1                           | -                          | -  | 18,607         |
| At 31st May 1994                 | <u>23,260</u>                           | <u>1</u>                    | <u>489</u>                 | <u>3,160</u>                               | <u>26,910</u>  |

## Notes to the accounts

Year ended 31st May 1994

### 12. Tangible Fixed Assets continued

| Company                          | Land and buildings |                 | Motor vehicles | General plant and equipment | Total  |
|----------------------------------|--------------------|-----------------|----------------|-----------------------------|--------|
|                                  | Freehold           | Short leasehold |                |                             |        |
|                                  | £'000              | £'000           | £'000          | £'000                       | £'000  |
| Cost or valuation                |                    |                 |                |                             |        |
| At 1st June 1993                 | 21,255             | 1               | 61             | 2,735                       | 24,052 |
| Additions                        | 2,425              | -               | 24             | 412                         | 2,861  |
| Group transfers                  | -                  | -               | (11)           | -                           | (11)   |
| Disposals                        | -                  | -               | (11)           | -                           | (11)   |
| Revaluation adjustment (note 14) | (164)              | -               | -              | -                           | (164)  |
| Transfer to current assets       | (256)              | -               | -              | -                           | (256)  |
| At 31st May 1994                 | 23,260             | 1               | 63             | 3,147                       | 26,471 |
| Depreciation                     |                    |                 |                |                             |        |
| At 1st June 1993                 | -                  | -               | 19             | 1,790                       | 1,809  |
| Charged in the year              | 394                | -               | 18             | 327                         | 739    |
| Group transfers                  | -                  | -               | (11)           | -                           | (11)   |
| Disposals                        | -                  | -               | (11)           | -                           | (11)   |
| Transfer to current assets       | (31)               | -               | -              | -                           | (31)   |
| At 31st May 1994                 | 363                | -               | 15             | 2,117                       | 2,495  |
| Net book value                   |                    |                 |                |                             |        |
| At 31st May 1994                 | 22,897             | 1               | 48             | 1,030                       | 23,976 |
| At 31st May 1993                 | 21,255             | 1               | 42             | 945                         | 22,243 |
| Cost or valuation comprises:     |                    |                 |                |                             |        |
| At cost                          | 4,654              | -               | 63             | 3,147                       | 7,864  |
| At 1993 valuation                | 18,606             | 1               | -              | -                           | 18,607 |
| At 31st May 1994                 | 23,260             | 1               | 63             | 3,147                       | 26,471 |

The properties were valued on 31st May 1993 by Drivers Jonas, chartered surveyors, on the basis of depreciated replacement cost in the case of the stadium and of open market value for their existing use in the case of properties occupied primarily by the Group and the remainder on the basis of open market value.

Freehold land totalling £3,213,000 has not been depreciated.

The impact of grants on the depreciation charge during the year was not material. By the time a full year's impact is seen of the development currently under way, the total amortisation of grants will reduce the charge by approximately £40,000 per annum.

The amount of land and buildings (included above at cost or valuation) determined according to the historical cost accounting rules is as follows:

|              | Group   |         | Company |         |
|--------------|---------|---------|---------|---------|
|              | 1994    | 1993    | 1994    | 1993    |
|              | £'000   | £'000   | £'000   | £'000   |
| Cost         | 22,771  | 20,602  | 22,849  | 20,680  |
| Depreciation | (2,842) | (2,535) | (2,580) | (2,273) |
|              | 19,929  | 18,067  | 20,269  | 18,407  |

## Notes to the accounts

Year ended 31st May 1994

### 12. Tangible Fixed Assets continued

Included in fixed assets are assets which are held under finance leases as follows:

|                              | Group          |                             | Company        |                             |
|------------------------------|----------------|-----------------------------|----------------|-----------------------------|
|                              | Motor vehicles | General plant and equipment | Motor vehicles | General plant and equipment |
|                              | £'000          | £'000                       | £'000          | £'000                       |
| Net book value               | 37             | 159                         | -              | 159                         |
| Depreciation charged in year | 18             | 27                          | 2              | 27                          |

### 13. Investments held as fixed assets

Investments held as fixed assets by the Company represent the investments in subsidiary undertakings which may be analysed as follows:

|                                    | Shares<br>£'000 |
|------------------------------------|-----------------|
| Cost                               |                 |
| At 1st June 1993 and 31st May 1994 | 4,304           |
| Provision                          |                 |
| At 1st June 1993 and 31st May 1994 | 2,959           |
| Net book value                     |                 |
| At 1st June 1993 and 31st May 1994 | 1,345           |

At 31st May 1994 the Company had the following principal subsidiary undertaking which is registered and operates in England and Wales:

|   | Share Class | Holding |
|---|-------------|---------|
| The Tottenham Hotspur Football & Athletic Company Limited<br>- professional football club | Ordinary    | 100%    |

The cumulative amount of goodwill previously written off following acquisition of certain of the Company's subsidiary undertakings amounts to £2,735,200.

### 14. Properties for resale

The properties for resale have all been sold since the balance sheet date. A revaluation adjustment of £164,000 has been made to reduce the values of these properties to the lower of cost and net realisable value.

### 15. Debtors

|                                     | Group         |               | Company       |               |
|-------------------------------------|---------------|---------------|---------------|---------------|
|                                     | 1994<br>£'000 | 1993<br>£'000 | 1994<br>£'000 | 1993<br>£'000 |
| Trade debtors                       | 1,037         | 595           | 66            | 87            |
| Amounts owed by Group undertakings  | -             | -             | 7             | 6             |
| Other debtors                       | 218           | 834           | 1             | 681           |
| Prepayments and accrued income      | 610           | 407           | 38            | 20            |
| Advance corporation tax recoverable | 19            | 93            | 19            | 93            |
|                                     | <u>1,884</u>  | <u>1,929</u>  | <u>131</u>    | <u>887</u>    |

Trade debtors above include £806,000 (1993 - £311,000) in respect of players' registrations.

The Advance corporation tax recoverable and £90,000 (1993 - £100,000) included in other debtors are receivable in more than one year.

# Notes to the accounts

Year ended 31st May 1994

## 16. Creditors – amounts falling due within one year

|                                    | Group         |               | Company       |               |
|------------------------------------|---------------|---------------|---------------|---------------|
|                                    | 1994          | 1993          | 1994          | 1993          |
|                                    | £'000         | £'000         | £'000         | £'000         |
| Bank overdraft                     | 1,837         | 3,422         | 2,591         | 3,040         |
| Bank loan                          | 750           | –             | 750           | –             |
| Payments received in advance       | 1,847         | 1,455         | –             | –             |
| Trade creditors                    | 1,124         | 2,957         | 240           | 1,879         |
| Amounts owed to Group undertakings | –             | –             | 6,026         | 7,085         |
| Other creditors                    | 522           | 934           | 75            | 565           |
| Corporation tax                    | 400           | 260           | 38            | 22            |
| Advance corporation tax            | 19            | 93            | 19            | 93            |
| Other tax and social security      | 305           | 248           | 305           | 86            |
| Accruals and deferred income       | 4,196         | 2,772         | 2,267         | 1,919         |
| Dividend payable                   | 75            | 321           | 75            | 321           |
| Obligations under finance leases   | 168           | 139           | 54            | 68            |
|                                    | <u>11,243</u> | <u>12,601</u> | <u>12,440</u> | <u>15,078</u> |

Trade creditors above include £405,000 (1993 – £408,000) in respect of transfers of players' registrations.

The bank overdraft, which is repayable on demand and the bank loan are secured by fixed and floating charges over the assets of the Group.

Obligations under finance leases are secured by related leased assets.

## 17. Creditors – amounts falling due after more than one year

|                                  | Group        |            | Company      |           |
|----------------------------------|--------------|------------|--------------|-----------|
|                                  | 1994         | 1993       | 1994         | 1993      |
|                                  | £'000        | £'000      | £'000        | £'000     |
| Grants – deferred credits        | 1,320        | –          | 1,320        | –         |
| Bank loan                        | 1,850        | –          | 1,850        | –         |
| Payments received in advance     | 124          | 122        | –            | –         |
| Obligations under finance leases | 99           | 90         | 10           | 42        |
|                                  | <u>3,393</u> | <u>212</u> | <u>3,180</u> | <u>42</u> |

The bank loan, which is wholly repayable within five years is secured by a fixed and floating charge over the assets of the Group.

Obligations under finance leases which are all repayable within five years are secured by related leased assets.

Repayment terms of the bank loan are as follows:

|                            | Group        |          | Company      |          |
|----------------------------|--------------|----------|--------------|----------|
|                            | 1994         | 1993     | 1994         | 1993     |
|                            | £'000        | £'000    | £'000        | £'000    |
| Between one and two years  | 1,000        | –        | 1,000        | –        |
| Between two and five years | 850          | –        | 850          | –        |
|                            | <u>1,850</u> | <u>–</u> | <u>1,850</u> | <u>–</u> |

## Notes to the accounts

Year ended 31st May 1994

## 18. Deferred taxation

No provision for deferred taxation is considered necessary. The full potential amount of deferred taxation is set out below:

|  | Group        |              | Company  |              |
|--|--------------|--------------|----------|--------------|
|  | 1994         | 1993         | 1994     | 1993         |
|  | £'000        | £'000        | £'000    | £'000        |
| Accelerated capital allowances           | 835          | 407          | 840      | 413          |
| Losses                                   | (740)        | (694)        | (740)    | (694)        |
| Advance corporation tax recoverable      | (44)         | (49)         | (44)     | (49)         |
| Short term timing differences            | (75)         | (461)        | (52)     | (263)        |
| Capitalisation of players' registrations | 3,597        | 3,567        | -        | -            |
|  | <u>3,569</u> | <u>2,770</u> | <u>4</u> | <u>(593)</u> |

The above figures exclude taxation payable:

- (a) on disposal of revalued properties, since no material liability is anticipated.
- (b) on the chargeable gain which arose on the disposal of the Cheshunt training ground in June 1986, since rollover relief applies.

## 19. Called up share capital

|                                       | 1994              |              | 1993              |              |
|---------------------------------------|-------------------|--------------|-------------------|--------------|
|                                       | Number            | £'000        | Number            | £'000        |
| Ordinary shares of 25 pence each      |                   |              |                   |              |
| Authorised: at 31st May 1993 and 1994 | <u>21,600,000</u> | <u>5,400</u> | <u>21,600,000</u> | <u>5,400</u> |
| Allotted and fully paid:              | <u>16,019,053</u> | <u>4,005</u> | <u>16,019,053</u> | <u>4,005</u> |

Options to subscribe for 320,000 ordinary shares at a price of 82p were granted during the year to thirteen employees in accordance with the rules of the Executive Share Option Scheme. These options may be exercised between 14th March 1997 and 14th March 2004.

Options to subscribe for 350,000 shares at a price of 115p were in existence at 31st May 1993. These options lapsed on 14th June 1993.

## 20. Reserves

|                                  | Group                   |                     |                       | Company                 |                     |                       |
|----------------------------------|-------------------------|---------------------|-----------------------|-------------------------|---------------------|-----------------------|
|                                  | Profit and loss account | Revaluation reserve | Share premium account | Profit and loss account | Revaluation reserve | Share premium account |
|                                  | £'000                   | £'000               | £'000                 | £'000                   | £'000               | £'000                 |
| Balance at 1st June 1993         | 14,142                  | 3,189               | 1,192                 | 1,480                   | 2,849               | 1,192                 |
| Profit for the financial year    | 597                     | -                   | -                     | 1,033                   | -                   | -                     |
| Dividends (note 7)               | (75)                    | -                   | -                     | (75)                    | -                   | -                     |
| Revaluation adjustment (note 14) | -                       | (164)               | -                     | -                       | (164)               | -                     |
| Other movement                   | 56                      | (56)                | -                     | 56                      | (56)                | -                     |
| Balance at 31st May 1994         | <u>14,720</u>           | <u>2,969</u>        | <u>1,192</u>          | <u>2,494</u>            | <u>2,629</u>        | <u>1,192</u>          |

The revaluation adjustment relates to the sale of properties which took place since the balance sheet date.

The other movement represents the transfer from revaluation reserve of depreciation on the revaluation surplus.

## Notes to the accounts

Year ended 31st May 1994

## 21. Reconciliation of movements in shareholders' funds

|  | 1994          | 1993          |
|--|---------------|---------------|
|  | £'000         | £'000         |
| Profit for the financial year  | 597           | 3,056         |
| Dividends (note 7)   | (75)          | (801)         |
|  | <u>522</u>    | <u>2,255</u>  |
| Unrealised deficit on revaluation of freehold land and buildings (note 14) | (164)         | (1,747)       |
| Net addition to shareholders' funds  | 358           | 508           |
| Opening shareholders' funds  | 22,528        | 22,020        |
| Closing shareholders' funds  | <u>22,886</u> | <u>22,528</u> |

## 22. Reconciliation of operating profit to net cash inflow from operating activities

|  | 1994         | 1993         |
|--|--------------|--------------|
|  | £'000        | £'000        |
| Operating profit   | 1,137        | 3,158        |
| Exceptional items  | 1,791        | 1,150        |
| Depreciation charge  | 814          | 735          |
| Amortisation of players' registrations                             | 1,758        | 1,499        |
| Profit on sale of intangible fixed assets                          | (1,102)      | (3,322)      |
| Loss on sale of tangible fixed assets                              | 8            | 9            |
| (Increase)/decrease in stocks                                      | (92)         | 287          |
| Decrease/(increase) in debtors                                     | 447          | (258)        |
| Increase/(decrease) in creditors                                   | 294          | (807)        |
| Net cash inflow from operating activities before exceptional items | <u>5,055</u> | <u>2,451</u> |
| Cash outflow in respect of exceptional items                       | (844)        | -            |
| Net cash inflow from operating activities                          | <u>4,211</u> | <u>2,451</u> |

## 23. Analysis of cash and cash equivalents during the year

|                               | 1994           | 1993           |
|-------------------------------|----------------|----------------|
|                               | £'000          | £'000          |
| Overdraft balance at 1st June | (3,422)        | (4,288)        |
| Net cash inflow               | 1,585          | 866            |
| Overdraft balance at 31st May | <u>(1,837)</u> | <u>(3,422)</u> |

## 24. Analysis of changes in financing during the year

|                                | Share capital | Share premium account | Finance lease obligations | Bank Loan    |
|--------------------------------|---------------|-----------------------|---------------------------|--------------|
|                                | £'000         | £'000                 | £'000                     | £'000        |
| Balance at 1st June 1993       | 4,005         | 1,192                 | 229                       | -            |
| Net cash inflow from financing | -             | -                     | 38                        | 2,600        |
| Balance at 31st May 1994       | <u>4,005</u>  | <u>1,192</u>          | <u>267</u>                | <u>2,600</u> |

Note that the bank loan includes £750,000 repayable within one year of the balance sheet date.

## Notes to the accounts

Year ended 31st May 1994

### 25. Commitments

The annual commitments under non-cancellable operating leases are:

|                                      | Group         |               | Company       |               |
|--------------------------------------|---------------|---------------|---------------|---------------|
|                                      | 1994<br>£'000 | 1993<br>£'000 | 1994<br>£'000 | 1993<br>£'000 |
| Land and buildings:                  |               |               |               |               |
| Leases expiring within 2 to 5 years  | 33            | —             | 33            | —             |
| Leases expiring in more than 5 years | —             | 33            | —             | 33            |
|                                      | 65            | 65            | 65            | 65            |
|                                      | <u>98</u>     | <u>98</u>     | <u>98</u>     | <u>98</u>     |
| Other:                               |               |               |               |               |
| Leases expiring within 1 year        | 13            | 25            | 4             | —             |
| Leases expiring within 2 to 5 years  | 17            | 20            | —             | —             |
|                                      | <u>30</u>     | <u>45</u>     | <u>4</u>      | <u>—</u>      |
| Capital commitments were as follows: |               |               |               |               |
| contracted                           | —             | 1,000         | —             | 1,000         |
| authorised but not contracted        | 8,454         | 100           | 8,454         | 100           |

### 26. Pensions

Certain staff of the Group are members of the Football League Limited Pension and Life Assurance Scheme. Others are members of a self-administered Group money purchase scheme.

The assets of these schemes are held separately from those of the Group, being invested with insurance companies. The pension cost charged during the year amounted to £60,000 (1993 – £40,000).

### 27. Contingent liabilities

The Company, together with its subsidiaries, has given a multilateral undertaking to its bankers to guarantee the overdrafts of the Group Companies.

Under the terms of certain contracts for the purchase of players' registrations future payments may be due, dependent on the success of the team and/or individual players. Similar terms exist in contracts for sales of players' registrations. In practice not all of these contingent liabilities will crystallise and the Directors consider that it is unlikely that there will be a net material charge to the Group in any year in respect of the above.

As noted in last year's annual report a claim has been lodged against the Company by T. F. Venables, a former Director and against its principal subsidiary undertaking by Edennote Limited, his wholly owned company. The claim calls for compensation for alleged breach of contract and has still not been resolved at the date of this report. As noted last year the action is being strongly resisted and no provision for compensation has been included in these accounts. It is not possible, however, to determine with any certainty the ultimate cost of resolution which may become payable.

## Notes to the accounts

Year ended 31st May 1994

### 28. Post balance sheet events

Sales of players' registrations with gross proceeds totalling £3,262,000 have taken place since the year end. The players concerned were V. Samways and S. Sedgley.

Purchases of players' registrations totalling £4,936,000 have also taken place since the year end in respect of I. Dumitrescu and J. Klinsmann.

### 29. Ultimate Parent Company

The Company's ultimate parent company is Amshold Limited, a company incorporated in Jersey. Copies of the annual report and accounts of Amshold Limited can be obtained from Brentwood House, 169 Kings Road, Brentwood, Essex, CM14 4EF.



## Five year review

|   | 1994           | 1993            | 1992<br>(restated) | 1991<br>(restated) | 1990            |
|---|----------------|-----------------|--------------------|--------------------|-----------------|
|   | £'000          | £'000           | £'000              | £'000              | £'000           |
| <b>Turnover</b>   | <u>22,326</u>  | <u>25,265</u>   | <u>19,308</u>      | <u>18,173</u>      | <u>28,018</u>   |
| <b>Profit on ordinary activities before interest</b>        | <u>1,137</u>   | <u>3,158</u>    | <u>4,234</u>       | <u>512</u>         | <u>1,335</u>    |
| Net interest (payable)/receivable                           | <u>(252)</u>   | <u>203</u>      | <u>(1,177)</u>     | <u>(2,293)</u>     | <u>(2,341)</u>  |
| <b>Profit/(loss) on ordinary activities before taxation</b> | <u>885</u>     | <u>3,361</u>    | <u>3,057</u>       | <u>(1,781)</u>     | <u>(1,006)</u>  |
| Taxation  | <u>(288)</u>   | <u>(305)</u>    | <u>(100)</u>       | <u>21</u>          | <u>(271)</u>    |
| <b>Profit/(loss) on ordinary activities after taxation</b>  | <u>597</u>     | <u>3,056</u>    | <u>2,957</u>       | <u>(1,760)</u>     | <u>(1,277)</u>  |
| Extraordinary items (see note below)                        | <u>-</u>       | <u>-</u>        | <u>-</u>           | <u>(1,355)</u>     | <u>(1,320)</u>  |
| <b>Profit/(loss) for the financial year</b>                 | <u>597</u>     | <u>3,056</u>    | <u>2,957</u>       | <u>(3,115)</u>     | <u>(2,597)</u>  |
| Dividends   | <u>(75)</u>    | <u>(801)</u>    | <u>-</u>           | <u>-</u>           | <u>(102)</u>    |
| <b>Retained profit/(loss)</b>                               | <u>522</u>     | <u>2,255</u>    | <u>2,957</u>       | <u>(3,115)</u>     | <u>(2,699)</u>  |
| <b>Net assets</b>   |                |                 |                    |                    |                 |
| Intangible fixed assets                                     | 10,901         | 10,809          | 9,803              | 8,697              | 9,407           |
| Tangible fixed assets                                       | 24,249         | 22,432          | 22,519             | 23,218             | 24,028          |
| Net current liabilities                                     | <u>(8,871)</u> | <u>(10,501)</u> | <u>(9,902)</u>     | <u>(18,695)</u>    | <u>(17,995)</u> |
| <b>Total assets less current liabilities</b>                | <u>26,279</u>  | <u>22,740</u>   | <u>22,420</u>      | <u>13,220</u>      | <u>15,440</u>   |
| Creditors - amounts falling due after more than one year    | <u>(3,393)</u> | <u>(212)</u>    | <u>(400)</u>       | <u>(1,152)</u>     | <u>(437)</u>    |
| <b>Net assets</b>   | <u>22,886</u>  | <u>22,528</u>   | <u>22,020</u>      | <u>12,068</u>      | <u>15,003</u>   |
| <b>Earnings/(loss) per share</b>                            | <u>3.7p</u>    | <u>19.1p</u>    | <u>23.4p</u>       | <u>(17.3p)</u>     | <u>(12.5p)</u>  |
| <b>Dividends per share</b>                                  | <u>1.0p</u>    | <u>5.0p</u>     | <u>-</u>           | <u>-</u>           | <u>1.0p</u>     |

The extraordinary items in 1991 have been restated to reflect the write-off of the goodwill on acquisition of Synchro Systems Limited in accordance with UITF Consensus 3. The amount involved (£180,000) was previously written off directly to reserves. The profit on ordinary activities before interest figure and earnings per share figure for 1992 has been restated to reflect the basis of calculation recommended in FRS3 "Reporting Financial Performance" i.e. based on earnings/(loss) after the reclassification of extraordinary items as exceptional items. The profit, earnings/(loss) per share, and extraordinary items figures for the years 1990 and 1991 have not been restated since this is not required by FRS3 and therefore they are not strictly comparable with the same figures for 1992 to 1994.

## Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the eleventh Annual General Meeting of Tottenham Hotspur plc ("the Company") will be held at Whites Restaurant and Club, Paxton Road, Tottenham, London N17 0AP on 13th October 1994 at 2.30 pm for the purposes of considering the following business:

### AS ORDINARY BUSINESS

1. To receive the Directors' Report and Consolidated Financial Statements of the Company for the year ended 31st May 1994.
2. To declare a final dividend.
3. To re-elect Mr. A. G. Berry as a Director, who retires by rotation and, being eligible, offers himself for re-election.
4. To re-appoint Touche Ross & Co. as auditors to the Company and to authorise the Directors to fix their remuneration.

AS SPECIAL BUSINESS: to consider and, if thought fit, pass resolutions 5 and 6 below as an ordinary and a special resolution respectively.

### ORDINARY RESOLUTION

5. THAT, the Directors of the Company be and are hereby generally and unconditionally authorised for the purposes of Section 80 of the Companies Act 1985 to exercise the powers of the Company to allot relevant securities (within the meaning of the said Section 80) up to an aggregate nominal amount of £1,414,921 provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the date falling 15 months from the date on which this resolution is passed, whichever is the earlier, and provided further that the Company may before such expiry make an offer or agreement which would or might require relevant securities of the Company to be allotted after such expiry and the Directors may allot such relevant securities pursuant to such offer or agreement as if the authority conferred hereby had not expired. This authority shall replace the similar authority granted to the Directors at the Company's Annual General Meeting on 3rd December 1993, which is hereby revoked with immediate effect.

### SPECIAL RESOLUTION

6. THAT, subject to the passing of resolution 5, set out in the Notice convening an Annual General Meeting of the Company for 13th October 1994, the Directors of the Company be and are hereby empowered pursuant to Section 95 of the Companies Act 1985 ("the Act") to allot equity securities (within the meaning of Section 94 of the Act) for cash pursuant to the general authority conferred on the Directors by such resolution as if Section 89(1) of the Act did not apply to any such allotment provided that:
  - (i) this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the date falling 15 months from the date on which this resolution is passed, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to such offer or agreement as if the power conferred hereby had not expired;

## Notice of Annual General Meeting

continued

(ii) this power shall be limited to:

(A) the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders, (notwithstanding that by reason of such exclusions as the Directors may deem necessary to deal with problems arising in any overseas territory, in connection with fractional entitlements or otherwise howsoever, the equity securities to be issued are not offered to all such shareholders in proportion to the number of ordinary shares held by each of them); and

(B) the allotment (otherwise than pursuant to paragraph (A) above) for cash to any person or persons of equity securities up to an aggregate maximum nominal amount of £200,238.

(iii) this authority shall replace the similar authority granted to the Directors at the Company's Annual General Meeting on 3rd December 1993, which is hereby revoked with immediate effect.

Dated 19th September 1994

By Order of the Board,

  
J. Ireland LL.B  
Secretary

Registered Office:  
748 High Road,  
Tottenham,  
London N17 0AP

### NOTES

1. A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and, on a poll, to vote in his/her place. A proxy need not be a member of the Company.
2. To be valid a duly executed instrument of proxy and any letter of authority or power of attorney (or a duly certified copy thereof) pursuant to which it has been executed must (failing previous registration with the Company) be lodged with the Company's Registrars, Independent Registrars Group Limited, Broseley House, Newlands Drive, Witham, Essex CM8 2UL at least 48 hours before the time appointed for holding the meeting.
3. The register of Directors' interests in the shares of the Company will be available for inspection at the place of and during the continuance of the Annual General Meeting to any person attending the meeting.