

**Registered number 03013967**

**ARSENAL LADIES LIMITED**

**Financial Statements**

**31 May 2011**

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## **ARSENAL LADIES LIMITED**

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**ARSENAL LADIES LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2011  
OFFICERS AND PROFESSIONAL ADVISORS**

**DIRECTORS**

I E Gazidis  
D Miles

**SECRETARY**

D Miles

**REGISTERED OFFICE**

Highbury House  
75 Drayton Park  
London  
N5 1BU

**AUDITOR**

Deloitte LLP  
Chartered Accountants  
London

## **ARSENAL LADIES LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and the financial statements for the year ended 31 May 2011. The Directors' Report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

#### **Business review and results**

The company was previously incorporated as Filepack Nominees Limited which was a dormant company. The company ceased to be dormant from 17 June 2010 when it started to operate the Arsenal Ladies women's football team and was renamed Arsenal Ladies Limited. The company is a wholly owned subsidiary of Arsenal Football Club plc.

The activities of the company are that of a women's football club, i.e. competing in football competitions, both domestically and in Europe. Domestically, Arsenal Ladies were crowned winners of the Women's FA Cup in May 2011. In March 2011, Arsenal Ladies was admitted, as a founding member, to the new FA Women's Super League. The team went on to clinch the inaugural FA Women's Super League title in August 2011. In September 2011, the team secured a historic treble by lifting the inaugural FA WSL Continental Cup. In Europe, Arsenal Ladies 2010/11 UEFA Champions League campaign ended at the semi-final stage in April 2011.

The audited financial statements for the year ended 31 May 2011 are set out on pages 5 to 10. The profit for the year was £29,082.

There are a number of potential risks and uncertainties which could have a material impact on the company's long term performance and these risks and uncertainties are monitored by the Board on a regular basis. In particular, the company's income is affected by the performance of the football team because significant sources of revenue are derived from strong team performances in the various competitions it competes in. The level of income will vary dependent upon the team's participation and performance in these competitions. The company monitors its compliance with all applicable rules and regulations on a continuous basis and also monitors and considers the impact of any potential changes.

The level of activity is not expected to change in the foreseeable future. Arsenal Football Club plc has confirmed that it will continue to provide the company with financial support for the foreseeable future and, accordingly, the accounts have been prepared on a going concern basis.

#### **Directors**

The directors who served throughout the year, except as noted, were as follows:

K J Friar (resigned 29 June 2010)

I E Gazidis

D Miles

#### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,

## **ARSENAL LADIES LIMITED**

### **DIRECTORS' REPORT (continued)**

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to auditor**

In the case of each of the persons who is a director of the company at the date when this report was approved

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditor is unaware, and
- each of the directors has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information (as defined) and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

#### **Auditor**

Deloitte LLP were appointed as auditor and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

  
D. Miles  
Secretary

#### **Registered office:-**

Highbury House  
75 Drayton Park  
London  
N5 1BU

10 May 2012

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARSENAL LADIES LIMITED**

We have audited the financial statements of Arsenal Ladies Limited for the year ended 31 May 2011 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 May 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

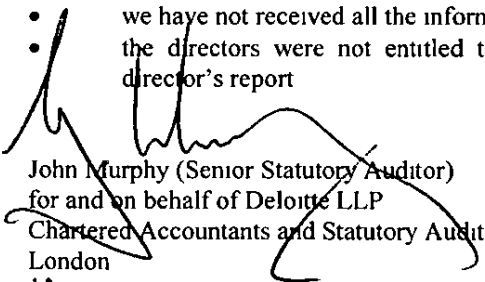
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the director's report.



John Murphy (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London  
10 May 2012

## **ARSENAL LADIES LIMITED**

### **PROFIT AND LOSS ACCOUNT**

**Year ended 31 May 2011**

	Note	2011 £000's	2010 £000's
<b>Turnover</b>	2	276	-
Operating expenses	3	(247)	-
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		29	-
Taxation	5	-	-
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation retained for the financial year</b>	9	29	-
		<hr/>	<hr/>

All activities are classed as continuing

There were no recognised gains or losses in the current or preceding year other than those recorded in the profit and loss account and therefore no statement total of recognised gains and losses is presented

# ARSENAL LADIES LIMITED

## BALANCE SHEET

31 May 2011

	Note	2011 £000's	2010 £000's
<b>Current assets</b>			
Prepayments and accrued income		42	-
Cash and short term deposits		128	-
		<u>170</u>	<u>-</u>
<b>Creditors amounts falling due within one year</b>	6	(25)	-
		<u>145</u>	<u>-</u>
<b>Net current assets</b>			
<b>Creditors: amounts falling due after more than one year</b>	7	(116)	-
		<u>29</u>	<u>-</u>
<b>Net assets</b>		<u>29</u>	<u>-</u>
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Profit and loss account	9	29	-
		<u>29</u>	<u>-</u>
<b>Total shareholders' funds</b>	10	<u>29</u>	<u>-</u>

These financial statements of Arsenal Ladies Limited (registered number 03013967) on pages 5 to 10 were approved and authorised for issue by the Board on 10 May 2012

Signed on behalf of the Board of Directors



D Miles  
Director



# **ARSENAL LADIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 May 2011**

### **1. Accounting policies**

The financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice, under the historical cost accounting rules and on the going concern basis. The principal accounting policies are summarised below and have been applied consistently throughout the current and preceding year.

#### **Going concern**

The company is reliant on its immediate parent undertaking, Arsenal Football Club plc, for its continued financial support. The company has received confirmation from its immediate parent undertaking that sufficient funds will be provided to finance the operations of the company for the foreseeable future and the Directors have considered the ability of the parent undertaking to be able to provide this support.

#### **Cash flow statement**

As a wholly owned subsidiary of a parent company which publishes a consolidated cash flow statement, the company is exempt from the requirement to present a cash flow statement as per FRS1 (revised 1996).

#### **Turnover and income recognition**

Turnover represents income receivable, net of VAT, from football and related commercial activities. The company has one class of business which is the principal activity of operating a women's football club. Match day revenue and distributions from competitions, both domestic and European, are recognised over the period as games are played. Prize money is recognised when earned.

#### **Taxation**

Current tax, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

A deferred tax asset is recognised only when, on the basis of available evidence, it can be regarded as more likely than not that the reversal of underlying timing differences will result in a reduction in future tax payments.

# ARSENAL LADIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 May 2011

2.	Turnover	2011 £000's	2010 £000's
	Distributions from competitions	147	-
	Gate receipts	8	-
	Grants	67	-
	Other income	54	-
		<u>276</u>	<u>-</u>

3.	Operating expenses	2011 £000's	2010 £000's
	Operating expenses are stated after charging -		
	Auditor's remuneration - audit of the financial statements	4	-
		<u>4</u>	<u>-</u>

The operating costs accounted for by the company amounted to £247,000 (2010 - £Nil). Additional operating costs, also relating to Arsenal Ladies football activities, of £532,000 (2010 - £Nil) were borne by the company's immediate parent company. The immediate parent company has waived any right of reimbursement in respect of these additional costs and, accordingly, they have not been recorded in the company's accounts.

### 4. Directors and employees

The directors did not receive any remuneration for their services in the current or prior year. All of the company's staff were employed and paid by the immediate parent company in both years.

5.	Tax on profit on ordinary activities	2011 £000's	2010 £000's
	Group relief at 0%	-	-
	<b>Total current tax on profit on ordinary activities</b>	<u>-</u>	<u>-</u>

From 1 April 2011 the rate of UK corporation tax was reduced from 28% to 26%.

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2011 £000's	2010 £000's
<b>Profit on ordinary activities before tax</b>	<u>29</u>	<u>-</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 27.67%	8	-
Group relief and intra-group adjustments	(8)	-
	<u>-</u>	<u>-</u>

The 2012 budget resolution, which provides for a reduction in the main rate of corporation tax from 26% to 24% effective from 1 April 2012, was substantively enacted on 26 March 2012. As this legislation was not substantively enacted at the balance sheet date, the rate reduction is not reflected in these financial statements.

# ARSENAL LADIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 May 2011

<b>6.</b>	<b>Creditors: amounts falling due within one year</b>	<b>2011 £000's</b>	<b>2010 £000's</b>
	Accruals and deferred income	21	-
	Other tax and social security	4	-
		<u>25</u>	<u>-</u>
<b>7.</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2011 £000's</b>	<b>2010 £000's</b>
	Amounts due to immediate parent company	116	-
<b>8.</b>	<b>Called up share capital</b>	<b>2011 £</b>	<b>2010 £</b>
	Authorised		
	10,000 Ordinary shares of £1 each	10,000	10,000
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	2	2
<b>9.</b>	<b>Profit and loss account</b>	<b>£000's</b>	
	Balance at 1 June 2010	-	
	Profit for the year	29	
	Balance at 31 May 2011	<u>29</u>	
<b>10.</b>	<b>Reconciliation of shareholders' funds</b>	<b>2011 £000's</b>	<b>2010 £000's</b>
	Opening shareholders' funds	-	-
	Profit for the year	29	-
	Closing shareholders' funds	<u>29</u>	<u>-</u>

## **ARSENAL LADIES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 May 2011**

#### **11. Related party transactions**

As a wholly owned subsidiary of Arsenal Holdings plc, a company which publishes consolidated accounts, the company is exempt from disclosing details of transactions with members of the Arsenal Holdings group, under Financial Reporting Standard 8 - Related Party Transactions

#### **12. Parent company**

The company is a wholly owned subsidiary of Arsenal Football Club plc, a company incorporated in Great Britain. The largest and smallest group in which the company's results are included is the consolidated accounts of the ultimate parent company, Arsenal Holdings plc, a company incorporated in Great Britain. The consolidated accounts of Arsenal Holdings plc are available to the public and may be obtained from Arsenal Holdings plc, Highbury House, 75 Drayton Park, London N5 1BU.

The ultimate parent undertaking and controlling party is KSE UK Inc, which owns 66.8% of the share capital of Arsenal Holdings plc. KSE UK Inc is incorporated in the State of Delaware, USA, and is wholly-owned and controlled by Mr E S Kroenke.