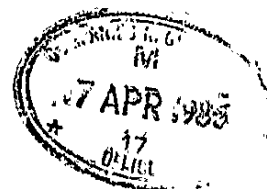


WEST HAM UNITED

FOOTBALL COMPANY LIMITED

DIRECTORS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JULY 1984



WEST MAN UNITED

FOOTBALL COMPANY LIMITED

Directors

I.C. Cearns (Chairman)
W.F. Cearns (Vice Chairman)
B.R. Cearns F.C.I.S.
J. Petchey
M.W. Cearns A.I.B.

Secretary

E. Chapman F.A.A.I.

Registered Office
Boleyn Ground
Green Street
Upton Park
London E13 9AZ

Auditors

Deloitte Haskins & Sells
London

WEST HAM UNITED

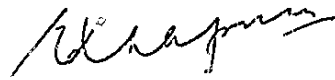
FOOTBALL COMPANY LIMITED

NOTICE OF MEETING

Notice is hereby given that the eighty fourth annual general meeting of the company will be held at the Registered Offices of the Company, Boleyn Ground, Green Street, Upton Park, London E13, on 28th March 1985 at 7.00pm for the following purposes:

1. To receive the Directors Report and Accounts for the year ended 31st July 1984.
2. To re-elect Mr. W.F. Cearns and Mr. B.R. Cearns as directors.
3. To re-appoint Deloitte Haskins & Sells as auditors and to authorise the directors to fix their remuneration.
4. To transact any other business of the company.

By order of the Board



Secretary

Boleyn Ground,
Green Street,
Upton Park,
London E13 9AZ

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him; a proxy need not also be a member.

FOOTBALL COMPANY LIMITED

DIRECTORS' REPORT

The directors present their report and the audited accounts for the year ended 31st July 1984.

Principal activities and business review

Principal activity of the company continues to be that of a professional football club as a member of the Football Association and Football League. The results for the year are as shown on page 5. Revenue profit was up from £349,189 to £431,834, but a net deficit on transfer fees of £478,113 as opposed to a profit of £265,700 in the previous year gave a loss of £46,279 compared to a profit of £634,889 in the previous year. The directors do not propose payment of a dividend.

Fixed Assets

In the opinion of the directors the market value of the freehold ground is in excess of its book value. In view of the specialised nature of these assets, it is not considered appropriate to quantify the excess over book value. The freehold house was sold during the year (see Note 5).

Directors and their interests

The interest of the directors in the capital of the company were as follows:-

	<u>Number of ordinary shares of 50p each</u>	
	<u>31st July 1984</u>	<u>1st August 1983</u>
L.C. Cearns	585	585
W.F. Cearns	284	284
B.R. Cearns	64	64
M.W. Cearns	45	45
J. Petchey	32	32

Mr. W.F. Cearns and Mr. B.R. Cearns retire by rotation and being eligible offer themselves for re-election.

Mr. L.C. Cearns and Mr. W.F. Cearns have disclosed that as directors of W.J. Cearns Ltd they had an interest in transactions amounting to £27,250 (1983 : £50,000) with the company during the year. Mr. L.C. Cearns and Mr. W.F. Cearns have notified the company that they retired from the board of directors of W.J. Cearns Ltd. in February 1984.

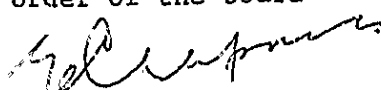
Statutory information

Charitable donations during the year amounted to £552 (1983 : £1,390).

Auditors

In accordance with section 14 of the Companies Act 1976 a resolution proposing the reappointment of Deloitte Haskins & Sells as auditors to the company will be put to the Annual General Meeting.

By order of the board



Secretary

28th February 1985

WEST HAM UNITED

FOOTBALL COMPANY LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF WEST HAM UNITED FOOTBALL COMPANY LIMITED

We have audited the financial statements on page 5 to 11 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st July 1984 and of its loss and source and application of funds for the year then ended and comply with the Companies Acts, 1948 to 1981.

Deloitte Haskin & Sells

Chartered Accountants

London

4 MAY 1985

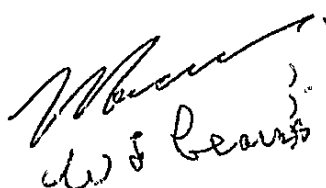
WEST HAM UNITEDFOOTBALL COMPANY LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST JULY 1984

	<u>Notes</u>	<u>1984</u>	<u>1983</u>
		£	£
INCOME			
Turnover	1(b)	2,239,338	2,071,675
Change in stocks of goods for resale		-	19,278
Other operating income		162,019	709,130
Interest receivable		36,920	27,317
		<u>2,438,277</u>	<u>2,842,400</u>
EXPENDITURE			
Staff costs	3	1,215,373	1,075,086
Depreciation	1(c)	14,153	14,776
Other operating charges		1,247,498	1,117,649
Change in stocks of goods for resale		7,532	-
		<u>2,484,556</u>	<u>2,207,511</u>
Profit/(loss) on ordinary activities before taxation	2	(46,279)	634,889
Taxation	4	-	-
Profit/(loss) on ordinary activities after taxation		(46,279)	634,889
Extraordinary charges		-	(524)
Profit/(Loss) for the financial year		(46,279)	634,365
Accumulated deficit at 1st August 1983		(206,424)	(840,789)
Accumulated deficit at 31st July 1984		<u>£(252,703)</u>	<u>£(206,424)</u>
		=====	=====

WEST HAM UNITEDFOOTBALL COMPANY LIMITEDBALANCE SHEET AT 31ST JULY 1984

	<u>Notes</u>	<u>1984</u> <u>£</u>	<u>1983</u> <u>£</u>
FIXED ASSETS			
Tangible assets	5	109,400	164,204
CURRENT ASSETS			
Stocks	1(d)	36,119	28,587
Debtors	7	260,969	449,926
Cash at bank and in hand		524,185	390,962
		821,273	869,475
CURRENT LIABILITIES			
Creditors due within one year	8	517,996	417,692
Season tickets 1984/5 season		662,630	811,641
		1,180,626	1,229,333
NET CURRENT LIABILITIES		(359,353)	(359,858)
TOTAL ASSETS LESS CURRENT LIABILITIES		(249,953)	(195,654)
CREDITORS DUE AFTER MORE THAN ONE YEAR	8	750	8,770
		£(250,703)	£(204,424)
CAPITAL AND RESERVES			
Called up share capital	9	2,000	2,000
Profit and loss account		(252,703)	(206,424)
		£(250,703)	£(204,424)

The financial statements on pages 5 to 11 were approved by the board of directors on 28th February 1985 and are signed on its behalf by:

 Directors

FIRST HALF 1984/85

FOOTBALL COMPANY LIMITED

STATEMENT OF SOURCE AND APPLICATION OF
FUNDS FOR THE YEAR ENDED 31ST JULY 1984

	<u>1984</u>	<u>1983</u>
	£	£
SOURCE OF FUNDS		
Profit/(Loss) on ordinary activities before taxation	(46,279)	634,889
Adjustments for items not involving the movement of funds:		
Depreciation	14,153	14,776
Profit on sale of fixed assets	(8,216)	(2,378)
TOTAL FUNDS GENERATED FROM OPERATIONS	(40,342)	647,287
FUNDS FROM OTHER SOURCES		
Proceeds on sale of fixed assets	57,477	3,751
TOTAL SOURCES OF FUNDS	17,135	651,038
APPLICATION OF FUNDS		
Purchase of fixed assets	(8,610)	(32,142)
Decrease in long term creditors	(8,020)	(31,996)
Net increase/(decrease) in funds	£ 505	£586,900
	=====	=====
INCREASE/(DECREASE) IN WORKING CAPITAL		
Stocks	7,532	(10,278)
Debtors	(188,957)	354,464
Creditors	(100,304)	320,747
Season ticket creditors	149,011	116,763
Movement in net liquid assets:		
Bank and cash	133,223	(194,796)
Net increase in working capital	£ 505	£586,900
	=====	=====

WEST HAM UNITED

FOOTBALL COMPANY LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The company prepares its financial statements on the historical cost basis of accounting.

(b) Turnover

Turnover represents all income arising from the football matches played.

(c) Depreciation

Boleyn Ground and Chadwell Heath - major improvements including related furniture and equipment are written off in the year of purchase.

Freehold house - 2% straight line

Fixtures, fittings, equipment

and floodlighting installations - 15% straight line

Motor vehicles - 25% straight line

(d) Stock

Stock is valued at the lower of cost and net realisable value. Cost is the net invoice value of goods purchased for re-sale. Provision is made to reduce cost to net realisable value having regard to the age, condition, and saleability of stock.

(e) Transfer fees

Transfer fees payable and receivable are charged or credited to the Profit and Loss Account on an accruals basis effective from the date of the registration of the player's transfer.

(f) Grants

Expenditure required under the Safety of Sports Grounds Act 1975 is charged to the Profit and Loss Account. Grants from the Football Ground Improvement Trust based on this expenditure are also dealt with in the Profit and Loss Account as and when received. Capital grants are credited against the cost of construction.

(g) Deferred taxation

Provision is made for deferred taxation using the liability method where it is considered that such tax may become payable within the foreseeable future.

WEST HAM UNITEDFOOTBALL COMPANY LIMITEDNOTES TO THE ACCOUNTS

(Continued)

	<u>1984</u> £	<u>1983</u> £
2 Profit (loss) on ordinary activities before taxation is stated after crediting:		
Transfer fees received	12,500	623,000
Rent receivable	-	790
	<hr/>	<hr/>
after charging:		
Auditors' remuneration	5,000	3,000
Transfer fees paid	490,613	359,300
	<hr/>	<hr/>
	<u>1984</u> £	<u>1983</u> £
3. STAFF COSTS		
Wages and salaries	1,132,513	997,843
Social security costs	65,731	62,720
Other pension costs	17,129	14,523
	<hr/>	<hr/>
	£1,215,373	£1,075,086
	=====	=====

The average number of persons employed by the company was

	<u>1984</u> Number	<u>1983</u> Number
Full time employees	75	75
Part time employees	28	30
	<hr/>	<hr/>
	103	105
	=====	=====

PARTICULARS OF DIRECTORS' AND EMPLOYEES REMUNERATION

The directors received no remuneration. Details of employees remuneration in accordance with Section 8 of the Companies Act 1967 are:

	<u>Number of employees</u>	
	<u>1984</u>	<u>1983</u>
£30,001 - £35,000	2	3
£35,001 - £40,000	4	-
£40,001 - £45,000	1	1
£45,001 - £50,000	1	2
£50,001 - £55,000	2	3
£55,001 - £60,000	2	-
£60,001 - £65,000	1	-
£65,001 - £70,000	-	-
£70,001 - £75,000	-	-

WEST HAM UNITEDFOOTBALL COMPANY LIMITEDNOTES TO THE ACCOUNTS (Continued)

4. TAXATION

No tax liability arises on the year's result. There are tax losses amounting to approximately £400,000 (1983 : £350,000) available to reduce future tax liabilities. There is no potential liability to deferred taxation due to timing differences (1983 : Nil)

5. TANGIBLE FIXED ASSETS

	<u>LAND AND BUILDINGS</u>			Fixtures, Fittings, Equipment and F'Lighting	Motor Vehicles	<u>Total</u>
	<u>Freehold Boleyn Ground</u>	<u>Houses</u>	<u>Short Leasehold (Chad. Hth.)</u>			
	£	£	£	£	£	£
Cost:						
Balance 1983	862,235	53,837	144,119	225,230	43,001	1,328,422
Additions	-	-	-	8,610	-	8,610
Disposals	-	(53,837)	-	-	-	(53,837)
Balance 1984	862,235	-	144,119	233,840	43,001	1,283,195
Depreciation:						
Balance 1983	787,235	4,307	144,119	207,617	20,940	1,164,218
Disposals	-	(4,576)	-	-	-	(4,576)
Charge for the year	-	269	-	5,306	8,578	14,153
Balance 1984	787,235	-	144,119	212,923	29,518	1,173,795
Book value: 1984	£75,000	£ -	£ -	£ 20,917	£13,483	£ 109,400
	=====	=====	=====	=====	=====	=====
1983	£75,000	£49,530	£ -	£ 17,613	£22,061	£ 154,204
	=====	=====	=====	=====	=====	=====

The original cost of the Boleyn Ground stands and buildings have been written off. The balance of £75,000 represents the cost of land.

6. CAPITAL COMMITMENTS

	<u>1984</u>	<u>1983</u>
	£	£
Capital expenditure contracted for but not provided	18,000	Nil
Capital expenditure authorised but not contracted for	Nil	Nil

JUST H&M UNITEDFOOTBALL COMPANY LIMITEDNOTES TO THE ACCOUNTS (Continued)

7. DEBTORS

	<u>1984</u> £	<u>1983</u> £
Due within one year:		
Trade debtors	148,620	342,053
Other debtors	34,432	11,061
Prepayments and accrued income	42,989	43,742
Staff loans	8,124	4,614
	<u>234,165</u>	<u>401,470</u>
Due in over one year:		
Trade debtors	-	35,000
Staff loans	26,804	13,456
	<u>26,804</u>	<u>48,456</u>
Total debtors	<u>£260,969</u> =====	<u>£449,926</u> =====

<u>1984</u> £	<u>1983</u> £
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8. CREDITORS

Due within one year:		
Trade creditors	306,851	251,933
Taxation and social security	109,921	121,296
Other creditors	536	2,209
Accruals and deferred income	100,688	42,254
	<u>£517,996</u> =====	<u>£417,692</u> =====

Due after more than one year:

Trade creditors	<u>£ 750</u> =====	<u>£8,770</u> =====
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9. CALLED UP SHARE CAPITAL

	<u>1984</u> £	<u>1983</u> £
Allotted, called up and fully paid 4,000 ordinary shares of 50p each	<u>£2,000</u> =====	<u>£2,000</u> =====

10. CONTINGENT LIABILITY

There is a contingent liability in respect of a guarantee limited to £21,000, given in connection with a loan to a player by his banker. The amount of the loan outstanding at 31st July 1984 amounted to £1,122 (1983 : £7,171).