

Company Registration No. 05659810

ARSENAL SECURITIES LIMITED

Annual Report and Financial Statements

Year ended 31 May 2023



ARSENAL SECURITIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2023
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DIRECTORS

Lord Harris of Peckham
T. J. Lewis

COMPANY SECRETARY

S W Wisely

REGISTERED OFFICE

Highbury House
75 Drayton Park
London
N5 1BU

AUDITOR

Deloitte LLP
Statutory Auditor
London
United Kingdom

ARSENAL SECURITIES LIMITED

DIRECTORS' REPORT

The Directors present their annual report on the affairs of the company and the audited financial statements for the year ended 31 May 2023. The Directors' Report has been prepared in accordance with the provisions relating to small companies under s415A of the Companies Act 2006. The exemption available for the requirement to prepare a Strategic Report has been taken in accordance with s414B of the Companies Act 2006.

Results and dividends

The company re-registered as a private limited company on 18 April 2023. The audited financial statements for the year ended 31 May 2023 are set out on pages 8 to 11. The company did not trade during the year and, accordingly, the profit for the year was £Nil (2022 – profit of £96,000). The directors did not pay or declare a dividend for the year (2022 – £Nil).

The company is now non-trading.

Going concern

The Company is a member of the Arsenal Holdings Limited group which has received confirmation from its ultimate parent undertaking, KSE UK Inc., that sufficient funds will be provided to finance the business for a period of at least 12 months from the date of signing of this report. The directors have therefore adopted the going concern basis in preparing these financial statements.

Directors and directors' interests

The directors, who served throughout the year unless otherwise stated, are as follows:

Lord Harris of Peckham
T. J. Lewis

None of the directors has any beneficial interest in the ordinary share capital of the company. None of the directors had any interest either during or at the end of the year in any material contract or arrangement with the company.

Third Party Indemnities

Arsenal Group has made qualifying third party indemnity provisions for the benefit of Lord Harris of Peckham and Mr T. J. Lewis. Where applicable, these indemnity provisions remain in force at the date of this report.

Directors' responsibilities statement

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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 accounting estimates that are reasonable and prudent;
- 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.

ARSENAL SECURITIES LIMITED

DIRECTORS' REPORT

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.

Auditor

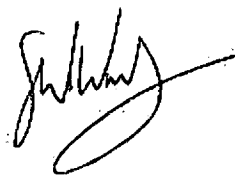
In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information 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 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.

The auditor, Deloitte LLP, is deemed to be reappointed pursuant to Section 487 of the Companies Act 2006.

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



S W Wisely
Company Secretary
23 February 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARSENAL SECURITIES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Arsenal Securities Limited (the "company"):

- give a true and fair view of the state of the company's affairs as at 31 May 2023 and its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

ARSENAL SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARSENAL SECURITIES LIMITED (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the Criminal Finance Act 2017.

ARSENAL SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARSENAL SECURITIES LIMITED (continued)

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management & external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.


We have nothing to report in respect of these matters.

ARSENAL SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARSENAL SECURITIES LIMITED (continued)

Use of our report

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.



Paul Schofield FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

23 February 2024

ARSENAL SECURITIES LIMITED
PROFIT AND LOSS ACCOUNT
Year ended 31 May 2023

	Note	2023 £000's	2022 £000's
Operating expenses		-	(9)
Operating (loss)	2	-	(9)
Net finance income	4	-	105
Profit for the financial year		-	96

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 May 2023

	2023 £000's	2022 £000's
Profit for the financial year	-	96
Total comprehensive income	-	96

STATEMENT OF CHANGES IN EQUITY
Year ended 31 May 2023

	Share Capital £000's	Profit and Loss £000's	Total £000's
As at 1 June 2021	50	(52,651)	(52,601)
Total comprehensive income for the year ended 31 May 2022	-	96	96
As at 1 June 2022	50	(52,555)	(52,505)
Total comprehensive income for the year ended 31 May 2023	-	-	-
As at 31 May 2023	50	(52,555)	(52,505)

ARSENAL SECURITIES LIMITED
BALANCE SHEET
As at 31 May 2023

	Note	2023 £000's	2022 £000's
Current assets			
Debtors - amounts receivable within one year	5	113,071	113,071
Cash at bank and in hand		3	3
		<u>113,074</u>	<u>113,074</u>
Creditors: amounts falling due within one year	6	(165,679)	(165,579)
Net current liabilities		<u>(52,505)</u>	<u>(52,505)</u>
Net liabilities		<u>(52,505)</u>	<u>(52,505)</u>
Capital and reserves			
Called up share capital	7	50	50
Profit and loss account		<u>(52,555)</u>	<u>(52,555)</u>
Shareholder's deficit		<u>(52,505)</u>	<u>(52,505)</u>

These financial statements of Arsenal Securities Limited (registered number 5659810) were approved and authorised for issue by the Board of Directors on 23 February 2024.

Signed on behalf of the Board of Directors



Lord Harris of Peckham
Director

ARSENAL SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 May 2023

1. Accounting policies

The principal accounting policies adopted are described below. They have all been applied consistently throughout the current year and prior year.

General Information and Basis of Accounting

Arsenal Securities Limited is a private limited company, incorporated in the UK, limited by shares and registered in England and Wales under the Companies Act. The address of the registered office is given on page 1. The Company is now dormant.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and on a going concern basis as described in the Directors' Report. Given that the company is dormant there are no critical accounting policies or sources of estimation uncertainty. It is anticipated that the company will remain dormant for the foreseeable future and the financial statements have been prepared on a going concern basis.

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 under FRS 102 Section 1 Paragraph 12 (b).

Finance costs

Finance costs of long-term debt, in the form of fixed and floating rate bonds, (including the costs directly attributable to obtaining the loan finance) were recognised in the profit and loss account over the term of the debt at a constant rate on the carrying amount.

Financial liabilities/debt

Financial assets/ liabilities

Inter-company balances (non interest bearing) are classified as receivable/payable on demand within current assets and current liabilities as applicable.

2. Operating result

The operating (loss) is stated after charging:

	2023 £000's	2022 £000's
Auditor's remuneration - audit of the company's financial statements	-	6

The cost of the audit has been borne by the Company's immediate parent entity.

3. Directors' remuneration and staff costs

The directors did not receive any remuneration for their services during the year (2022 - £Nil). The company employed no staff throughout the current and prior year.

4. Net finance income

	2023 £000's	2022 £000's
Interest payable and similar charges:-		
Costs of raising long-term finance	-	105
	-	105

ARSENAL SECURITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 May 2023

5. Debtors

	2023 £000's	2022 £000's
Amounts recoverable within one year:-		
Amount due from group undertaking	113,071	113,071

6. Creditors: amounts falling due within one year

	2023 £000's	2022 £000's
Amount due to group undertaking	165,579	165,573
Accruals and deferred income	-	6
	<u>165,579</u>	<u>165,579</u>

7. Called-up share capital

	2023 £000's	2022 £000's
Called-up, allotted and fully paid:		
50,000 ordinary shares of £1 each	50	50

8. Related party transactions

As a wholly owned subsidiary of Arsenal Holdings Limited, a company which publishes consolidated accounts, the company is exempt from disclosing details of transactions with members of the Arsenal Holdings group, under FRS 102 Section 33 – “Related Party Disclosures”.

9. Ultimate parent company and controlling party

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

The ultimate parent undertaking and controlling party is KSE UK Inc., which owns 100% of the share capital of Arsenal Holdings Limited. KSE UK Inc. is incorporated in the State of Delaware, USA, and is wholly-owned and controlled by Mr E.S. Kroenke.