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**West Bromwich Albion Football Club Ltd**

**Directors Report and Accounts  
for the year ended  
31st May 1982**



**INDEX**

Notice of Meeting and Agenda . . . . .	page 2
Chairman's Report . . . . .	page 3
Report of The Directors . . . . .	page 4
Operating Statement . . . . .	page 5
Statement of Accounting Policies . . . . .	page 6
Profit and Loss Account . . . . .	page 7
Balance Sheet . . . . .	page 8
Notes to Balance Sheet . . . . .	page 9
Statement of Funds . . . . .	page 10
Report of the Auditors . . . . .	page 11

## WEST BROMWICH ALBION FOOTBALL CLUB LIMITED

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*President* Mr J. W. Gaunt

*Vice-President* Mr F. T. D. Hall

*Life Members* Mr L. W. Welsh  
Mr A. Everiss

*Board of Directors:*

*Chairman* Mr F. A. Millichip

*Vice-Chairman* Mr J. Gordon

Mr C. I. Edwards, Mr J. S. Lucas, Mr D. B. Boundy,  
Mr A. Everiss

*Bankers* Barclays Bank Limited, 313 High Street,  
West Bromwich, West Midlands B70 8LP

*Auditors* Messrs Clement Keys & Co., Chartered Accountants,  
Nettleton House, 4/5 Calthorpe Road, Edgbaston,  
Birmingham B15 1RL

*Solicitors* Messrs Sharpe & Millichip, High Street, West Bromwich,  
West Midlands B70 8LS

*Secretary* Mr A. E. Rance

*Team Manager* Mr R. Allen

*Registered Offices and Grounds* The Hawthorns, Halfords Lane, West Bromwich,  
West Midlands B71 4LF

## WEST BROMWICH ALBION FOOTBALL CLUB LIMITED

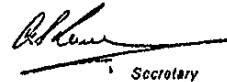
*Registered Offices:*  
The Hawthorns,  
Halfords Lane,  
West Bromwich,  
West Midlands B71 4LF  
*Thursday, 29th July, 1982*

### NOTICE OF MEETING

Dear Sir or Madam,

Notice is hereby given that the Ninety-Second Annual General Meeting of the West Bromwich Albion Football Club Limited will be held in the Gymnasium at the Spring Road Training Ground, Spring Road, Smethwick, Warley on Monday 23rd day of August 1982 at seven o'clock in the evening, for the purpose of receiving and adopting the Directors' Report and Accounts, and transacting the ordinary and special business of the Company.

By Order of the Board.

  
Secretary

### AGENDA

- 1—To confirm the minutes of the last Annual General Meeting held on the 24th day of August, 1981.
- 2—Adoption of the Directors' Report and Accounts.
- 3—Election of President and Vice-President.
- 4—Election of Directors. The retiring Directors offering themselves for re-election are Messrs D. B. Boundy and J. S. Lucas.
- 5—To authorise the Directors to fix the remuneration of the Auditors.
- 6—To re-appoint Messrs Clement Keys & Co as Auditors for the ensuing year.
- 7—To transact any other business of an Annual General Meeting.

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**NOTE:** Any member of the Company entitled to attend and vote at the Meeting may appoint another person (whether a member or not) as his proxy to attend and vote instead of him. The instrument appointing such a proxy and any document necessary to show the validity thereof, or otherwise relating to the appointment, shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time of the Meeting.

## WEST BROMWICH ALBION FOOTBALL CLUB LIMITED

### CHAIRMAN'S REPORT

We were faced with difficult problems even before the season started. The side which had taken us into Europe was unsettled by mounting pressure through players' end of contract freedom and other publicly debated moves. Players left and others had to be brought in to take their places.

By the end of the year two Cup runs had taken the team to the Semi-Final of both competitions only to suffer the disappointment of a solitary goal defeat in each.

The blow to our morale became obvious to all—and with the severe weather causing postponements as well as the Cup cancellations, we fell as many as five games behind in our list of games played. The two and three games a week run in brought us face to face with a relegation threat none of us had expected. Relegation was finally avoided, but we are aware that problems remain.

The Reserves again finished high in the table. The Central League this coming season has changed its format and will be played in two divisions giving less matches and mainly in mid-week allowing for reductions in playing staff.

The Youth League—which we congratulate our youngsters in winning, is to be 'placed on ice' for the time being and this side will play in the Saturday oriented Intermediate League as last season and be more involved with the Central League.

We must congratulate the Youth team on another successful tournament in Germany where they have built for us quite a reputation.

Players were honoured at all levels and we congratulate them—at the same time we commiserate with Cyrille Regis, who in sight of a World Cup trip, was injured in the pre-tour preparations and whilst on the subject of players, you will have seen our scouting and transfer area now extends beyond our shores to the Continent. We look forward to shared success and freedom from injury next season to those players who have remained with us.

The two year programme of development on the Halfords Lane Stand is now virtually complete and the stand is in full use.

At the time of writing, the Board is seeking to restructure the Management of the Club—our primary aim must be for success on the field, but events on the economic side of football in the last season make it imperative that great care is taken to keep the club on a viable footing and attention has been closely given to this matter.

Finally as I come to my own position—as Chairman of the Football Association it is becoming increasingly obvious that I cannot satisfactorily continue as Chairman of West Bromwich Albion despite the help I have always received from my colleagues and your Board is considering this situation with me.

Thanks are due to all who have assisted us and supported us, particularly during the trying time when support was virtually more important than criticism.



Chairman

## WEST BROMWICH ALBION FOOTBALL CLUB LIMITED

### REPORT OF THE DIRECTORS TO BE PRESENTED AT THE NINETY-SECOND ANNUAL GENERAL MEETING OF THE COMPANY

Your Directors have pleasure in presenting their 92nd Annual Report together with the Audited Accounts for the year ended 31st May 1982.

#### Year's Results

The year's results, together with transfers to reserves, are set out on page 7.

The Directors do not propose to pay a dividend.

#### Directors

The Directors are set out in the front of this Report. In accordance with the Articles of Association, Messrs D. B. Boundy and J. S. Lucas retire by rotation and being eligible offer themselves for re-election with the support of the Board.

The Directors' interests in the Share Capital of the Club are set out below:

	<i>In Own Name</i>		<i>Family Interests</i>	
	<i>31.05.1982</i>	<i>31.05.1981</i>	<i>31.05.1982</i>	<i>31.05.1981</i>
D. B. Boundy . . . . .	1	1	1	1
C. I. Edwards . . . . .	1	1	1	1
A. Everiss . . . . .	21	21	1	1
J. Gordon . . . . .	1	1	1	1
J. S. Lucas . . . . .	1	1	1	1
F. A. Millichip . . . . .	6	6	3	3

#### Principal Activity

The principal activity of the Company is that of a Professional League Football Club.

#### Fixed Assets

The Directors are of the opinion that the current market value of the freehold land and buildings is in excess of their book value. In view of the specialised use of the land, the Directors are not able to give an accurate indication of the excess. Additions during the year are shown on page 9.

#### Auditors

Clement Keys & Co have indicated their willingness to continue in office as Auditors and resolutions will be proposed that they be re-elected at a fee to be fixed by the Directors.

By order of the Board  
A. E. RANCE  
Secretary

29th July 1982

**WEST BROMWICH ALBION FOOTBALL CLUB LIMITED**  
**OPERATING STATEMENT FOR THE YEAR ENDED 31st MAY 1982**

	1982		1981	
	£	£	£	£
<b>Income</b>				
Gate receipts and share of away gates		1,551,069		1,241,657
Less: Share to visiting clubs, Football League and Associations .. ..		286,805		197,153
		1,264,264		1,044,504
Other Income including Albion News, Advertising, Football League levies and promotions .. .. .		476,372		323,679
Rentals receivable under leasing agreements .. .. .		16,102		—
<b>Total Income</b> .. .. .		1,756,738		1,368,183
<b>Expenditure</b>				
Players' trainers' and groundsmen's wages bonuses and salaries .. ..	931,881		859,070	
Police, gatekeepers, car park attendants, referees and linesmen .. ..	83,273		72,126	
Travelling and hotels .. .. .	193,336		147,060	
Training, medical and outfits .. ..	22,820		37,213	
League and Association fees .. ..	40,198		28,241	
Ground maintenance and sundries ..	254,947		228,212	
Rent, rates, insurance, light and heat	81,572		66,380	
Telephones, postages, printing and stationery .. .. .	48,010		43,675	
Interest payable and professional charges .. .. .	54,586		22,833	
Depreciation .. .. .	99,147		66,833	
<b>Total Expenditure</b> .. .. .		1,809,770		1,571,643
<b>Operating Loss for the year before Transfer Fees</b> .. .. .		(53,032)		(203,460)
Transfer fees .. .. .		638,250		234,500
<b>Pre-Tax Profit for the year</b> .. ..		585,218		31,040

# WEST BROMWICH ALBION FOOTBALL CLUB LIMITED

## STATEMENT OF ACCOUNTING POLICIES

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### Deferred Taxation

Deferred taxation is provided at the current rate on the excess of the book value of those fixed assets qualifying for taxation allowances over their written down value for taxation purposes, less unutilised trading losses.

### Depreciation of Fixed Assets

Depreciation is calculated on the reducing balance basis, with the exception of Executive Boxes, the Halfords Lane Stand and plant and equipment leased to third parties which are on a straight line basis:

Freehold Properties	Rate of Depreciation
Land .. .. .	Nil
Properties .. .. .	5%
<b>Stands and Buildings "The Hawthorns"</b>	
Executive Boxes .. .. .	15%
Stands and Buildings .. .. .	5%
<b>Halfords Lane Stand .. .. .</b>	<b>2%</b>
<b>Equipment and Vehicles .. .. .</b>	<b>10% to 20% as appropriate</b>
<b>Plant and Equipment leased to third parties .. .. .</b>	<b>Over the Term of each Agreement</b>

### Safety of Sports Ground Act 1975

Expenditure arising out of the provisions of the Safety of Sports Grounds Act 1975 is written off in the year in which it is incurred.

Grants made from the Capital Fund of the Football Grounds Improvement Trust are brought into the Accounts only when received and, in accordance with the agreement between the Football League Limited and the Inland Revenue, are credited to a special account in the Balance Sheet designated 'Safety of Grounds Reserve'.

### Stock in Club Shop

Stock is valued at the lower of first in first out cost or market value.

### Transfer Fees

Amounts receivable or payable are respectively included as income or written off as and when due in accordance with the terms of each contract.

### Rentals receivable under Leasing Agreements

Rentals are credited to Profit and Loss Account on a time apportionment basis over the period of each agreement.



**WEST BROMWICH ALBION FOOTBALL CLUB LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MAY 1982**

	1982	1981 Restated	1981
	£	£	£
<b>PROFIT/(LOSS) FOR THE YEAR (NOTE 1) . . . .</b>	585,218	(60,960)	31,040
<b>LESS: TAXATION (NOTE 3) . . . . .</b>	<u>256,000</u>	<u>68,000</u>	<u>68,000</u>
<b>BALANCE TRANSFERRED TO/(FROM) RESERVES . .</b>	<u>329,218</u>	<u>(128,960)</u>	<u>(36,960)</u>

**NOTES TO THE PROFIT AND LOSS ACCOUNT**

	1982	1981
	£	£
<b>1 - THE PROFIT/(LOSS) for the year is stated after the following expenditure:</b>		
Directors' emoluments . . . . .	Nil	Nil
Auditors' remuneration . . . . .	1,200	900
Bank interest payable . . . . .	22,400	11,764
Interest payable on loans over 5 years . . . . .	1,770	1,862
Depreciation . . . . .	99,147	66,833
Expenditure in connection with the Safety of Sports Grounds Act 1975 . . . . .	<u>48,040</u>	<u>69,202</u>
And after the following income:		
Income from unquoted investments . . . . .	<u>16,502</u>	<u>37,772</u>

The accounting policy in respect of Transfer Fees has been changed and the revised policy is stated on page 6. Previously Transfer Fees were included in the Accounts at the total amount irrespective of any deferred payment terms. The effect of this change has been a reduction in the Pre-Tax Profit in 1982 of £1,129,750. The 1981 figures have been restated to show the effect of this change.

**2 - EMPLOYEES' REMUNERATION**

Given below are the number of employees whose emoluments (excluding pension contributions) paid during the year were within the ranges stated:

	Number of Employees	
	1982	1981
£20,001 - £25,000 . . . . .	5	4
£25,001 - £30,000 . . . . .	5	4
£30,001 - £35,000 . . . . .	—	1
£35,001 - £40,000 . . . . .	—	1

**3 - TAXATION**

	1982	1981
	£	£
Corporation tax relief against 1980 profits . . . .	—	(108,000)
Movement on deferred taxation: Current year . .	256,000	142,000
Prior year . . . .	—	34,000
	<u>256,000</u>	<u>68,000</u>

**4 - TURNOVER**

Turnover being gate receipts and share of away gates amounted to £1,551,069 (1981 £1,241,657).

WEST BROMWICH ALBION FOOTBALL CLUB LIMITED

BALANCE SHEET AS AT 31st MAY 1982

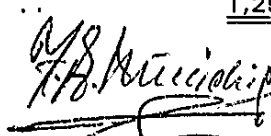
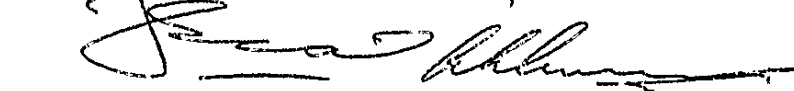
	1982		1981 (Restated)	
	£	£	£	£
<b>Fixed Assets</b>				
(Note 1) .. .. .		2,984,273		1,880,627
<b>Current Assets</b>				
Building Society deposits .. .. .		—		15,000
Stock in Club Shop .. .. .	18,496			22,595
Debtors and prepayments .. .. .	363,852			138,097
Cash in hand .. .. .	1,510			321
	<u>383,858</u>			<u>176,013</u>
<b>Current Liabilities</b>				
Bank balances overdrawn (secured)	830,881			7,958
Creditors and accruals .. .. .	642,545			807,710
Unclaimed dividends .. .. .	60			60
	<u>1,473,486</u>			<u>815,728</u>
<b>Net Current Liabilities</b> .. .. .		(1,089,628)		(639,715)
<b>Deferred Liabilities</b> (Note 3) .. .. .		<u>(643,515)</u>		<u>(775,000)</u>
<b>Net Assets</b> .. .. .		<u>1,251,130</u>		<u>465,912</u>

Representing:

<b>Capital</b>				
Ordinary shares of £1 each—Authorised	<u>1,500</u>		<u>1,500</u>	
Issued and fully paid .. .. .		495		495
Reserves (Note 2) .. .. .		818,635		289,417
Deferred taxation (Note 3) .. .. .		<u>432,000</u>		<u>176,000</u>
<b>Capital Employed</b> .. .. .		<u>1,251,130</u>		<u>465,912</u>

Accounts approved 26th July 1982

Page Eight

F. A. MILLICHIP  
J. GORDON } Directors

# WEST BROMWICH ALBION FOOTBALL CLUB LIMITED

## NOTES TO BALANCE SHEET

	<i>Total</i>	<i>Freehold Properties</i>	<i>Stands and Buildings The Hawthorns</i>	<i>New Stand Halfords Lane</i>	<i>Equipment as Vehicles</i>	<i>Plant and Equipment Leased to Third Parties</i>
<b>1—FIXED ASSETS</b>						
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cost at 1.06.81 .. ..	2,261,437	192,954	426,991	1,466,123	175,369	—
Additions .. .. .	1,203,797	—	—	637,420	61,141	505,236
Disposals .. .. .	(4,039)	—	—	—	(4,039)	—
Cost at 31.05.82 .. ..	<u>3,461,195</u>	<u>192,954</u>	<u>426,991</u>	<u>2,103,543</u>	<u>232,471</u>	<u>505,236</u>
<b>Accumulated Depreciation</b>						
Balance at 1.06.81 ..	380,810	32,592	266,471	8,958	72,789	—
Charge for year .. ..	99,147	7,154	30,334	23,954	24,578	13,127
Adjustment for disposals	(3,035)	—	—	—	(3,035)	—
Balance at 31.05.82 ..	<u>476,922</u>	<u>39,746</u>	<u>296,805</u>	<u>32,912</u>	<u>94,332</u>	<u>13,127</u>
<b>Net Book Value</b>						
At 31.05.82 .. .. .	<u>2,984,273</u>	<u>153,208</u>	<u>130,186</u>	<u>2,070,631</u>	<u>138,139</u>	<u>492,109</u>
At 31.05.81 .. .. .	<u>1,880,627</u>	<u>160,362</u>	<u>160,520</u>	<u>1,457,165</u>	<u>102,580</u>	<u>—</u>
<b>2—RESERVES</b>						
Balances at 1.06.81 ..	389,417	217	145,993	108,310	134,897	
Adjustment re change in Accounting Policy for Transfer Fees .. .. .	(100,000)	—	—	—	(100,000)	
Restated Balance at 01.06.81 .. .. .	289,417	217	145,993	108,310	34,897	
Transfers for year ..	529,218	—	—	200,000	329,218	
Balance at 31.05.82 ..	<u>818,635</u>	<u>217</u>	<u>145,993</u>	<u>308,310</u>	<u>364,115</u>	
<b>3—DEFERRED LIABILITIES</b>						
1—Secured loan with interest at 5% per annum repayable by equal annual instalments of £1,000 .. .. .					1982	1981
2—Unsecured loan with interest at 5% per annum repayable by equal instalments over seven years from 1984 .. .. .					£	£
3—Unsecured loan-interest free repayable by mutual consent of the Directors and the Lender .. .. .					—	37,000
					—	200,000
					643,515	538,000
					<u>643,515</u>	<u>775,000</u>
<b>4—FUTURE CAPITAL EXPENDITURE</b>						
Contracts for Capital Expenditure not provided for in these accounts amount to approximately .. .. .					1982	1981
In addition Expenditure authorised by the Directors on which orders had not been placed amounted to .. .. .					£	£
					NIL	650,000
					NIL	NIL
<b>5—DEFERRED TAXATION</b>						
Excess of book value of Fixed Assets over Tax written down value ..					1982	1981
Less: Unutilised Trading Losses .. .. .					£	£
					550,000	239,000
					<u>118,000</u>	<u>63,000</u>
					<u>432,000</u>	<u>176,000</u>

WEST BROMWICH ALBION FOOTBALL CLUB LIMITED

**STATEMENT OF FUNDS**

	<b>Year Ended 31st May 1982 £</b>	<b>Year Ended 31st May 1981 £</b>
<b>SOURCE OF FUNDS</b>		
Profit before taxation . . . . .	585,218	31,040
Depreciation . . . . .	99,147	66,833
Unsecured loans . . . . .	105,515	738,000
Disposal of fixed assets . . . . .	1,004	3,650
Grant from Football Ground Improvement Trust . . . . .	—	11,922
<b>Total Generated from Operations . . . . .</b>	<u><u>790,884</u></u>	<u><u>851,445</u></u>
 <b>APPLICATION OF FUNDS</b>		
Working Capital (Decrease)/Increase:		
Stock in Club Shop . . . . .	(4,099)	(3,933)
Debtors . . . . .	225,755	118,222
Creditors . . . . .	165,165	(199,092)
	<u>386,821</u>	<u>(84,803)</u>
Capital Expenditure . . . . .	1,203,797	1,329,557
Loan repayment . . . . .	37,000	1,000
	<u><u>1,627,613</u></u>	<u><u>1,245,754</u></u>
 <b>NET CASH OUTFLOW</b>		
Decrease in cash, bank balances and short term deposits	<u><u>(836,734)</u></u>	<u><u>(394,309)</u></u>

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**REPORT OF THE AUDITORS TO THE MEMBERS OF  
WEST BROMWICH ALBION FOOTBALL CLUB LIMITED**

We have examined the accounts set out on pages six to ten, which have been prepared on the historical cost basis of accounting. Our audit has been carried out in accordance with approved auditing standards.

In our opinion, the accounts give, under the basis stated above, a true and fair view of the state of affairs at 31st May 1982 and of the profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

CLEMENT KEYS & CO  
*Chartered Accountants*

Nettleton House  
Edgbaston  
Birmingham B15 1RL

29th July 1982