

ARSENE WENGER

What is he good for?

Quel est-il bon?
¿Qué es lo bueno?
Was ist er gut?
O que é bom para ele?
Što je on dobar za?
彼は何のために良いです？
Co je to dobré?
Hvad er han god til?
מה הוא טוב?
Mis ta on hea?
Mikä hän on hyvä?
ما هو انه مناسب ل؟
Je, ni nzuri kwa ajili ya yeye?
Che cosa è bene per lui?
그는 무엇을 위해 좋은인가?
Kas viņš ir labs?
Ką jis reiškia?
Wat is hij goed voor?
Co to jest, że jest dobra?
Какой же он хорош?

An objective assessment of achievement set against resources

BACKGROUND - By Nick Harris

This paper was commissioned by the Arsenal Supporters' Trust but beyond setting a remit of examining Arsene Wenger's reign from an economic point of view, the AST had no input, no editorial veto - and no influence on the conclusions.

It was when I was living in Japan in the mid 1990s that I first became acquainted with the work of Arsene Wenger, who was hired by Nagoya Grampus Eight in early 1995 after being sacked by Monaco at the end of 1994.

Wenger quickly acquired a reputation as a cerebral coach and was described locally as Wenger-sensei - 'sensei' being the Japanese word for teacher but also more widely a term of respect for any educator in the widest sense.

I wasn't familiar with his work at Monaco in detail and when he was hired at Arsenal in 1996, I was sent by *The Independent*, for whom I was then doing some freelance sports work, alongside my Japanese newspaper day job, to be among the many asking: Arsene Who?

I should point out at this stage that I am not an Arsenal fan; I am a lifelong supporter of Arsenal's feeder club, also known as Southampton. But like many football supporters who relish the beautiful part of the beautiful game, it is hard not to appreciate what Wenger has done for Arsenal, and indeed for English football.

The theme of foreign imports and what they've brought to the English game - all imports, so managers and owners as well as players - has been an interest for some time. I wrote a book about the subject in 2003, *'England, Their England'* (ETE) - which tells the story of foreign players since the Football League started in 1888. This was updated and re-released in 2006 as *'The Foreign Revolution'* (TFR). (This is not a plug to make me rich, both books are out of print, and available second-hand via Amazon from 1p each!).

Naturally Arsenal and Arsene Wenger feature in both ETE and TRF, but the extent of Arsenal's historical influence in the foreigner story is perhaps not widely known. There was, for example, a ban on foreign professional players in England between 1931 and 1978 - and it was Arsenal and their dastardly attempt to be continental and to embrace foreign talent that led to this ban.

In 1930, Arsenal's manager Herbert Chapman agreed to sign an Austrian international goalkeeper, Rudy Hiden, from Vienna. A fee was agreed between the clubs, and a possible extension to an initial short-term contract was discussed. Arsenal even went as far as finding Hiden a supplementary job as a chef. But he was refused entry to Britain because the Ministry of Labour said that allowing such people entry into the country would restrict job opportunities for British workers.

Charles Sutcliffe, a senior Football League official and columnist with the *Topical Times* newspaper wrote: 'I feel the idea of bringing foreigners to play in league football is repulsive to the clubs, offensive to British players and a terrible confession of weakness in the management of a club.'

The FA made it clear to the Ministry of Labour they were against aliens, and therefore supported the Ministry's anti-alien stance. But Arsenal, thwarted in their attempt to sign Hiden, went ahead and signed a Dutch goalkeeper instead, Gerrit 'Gerry' Keizer. He'd come to England to learn English. Arsenal circumvented the anti-foreigner diktat by ripping up the professional contract Keizer had been offered and persuading him to play as an amateur without pay.

This stirred the debate to such an extent that the following summer, in June 1931, the FA introduced a two-year residency qualification for non-British subjects to play football in England for money. In other words, you had to live in Britain for two years for non-footballing reasons before being allowed to play for money.

It was an effective ban on foreign professionals. And that's the way it stayed until 1978, when a change in European legislation forced Britain to allow foreign players in again, as professionals. Clubs across the English game then started to hire star overseas players, notably Ossie Ardiles and Ricky Villa from Argentina, and Arnold Muhren and Frans Thijssen from the Netherlands, and dozens of others.

Yet the English game remained for quite a while predominantly English - or at least British. As recently as 25 years ago, in the 1988-89 season, Arsenal did not use a single foreign player the entire season (foreign defined for this purpose as being from outside of Britain and Ireland). They were the last title winners in England not to use a single foreign player.

Wenger and Arsenal have been part of landscape transformed dramatically since the mid 1990s as the story of the global Premier League has unfolded, a story I have followed closely. I became a staff sports writer at *The Independent* in 1998, just after Wenger's first Double at Arsenal, and stayed there until 2010, then moving to the *Mail on Sunday* as an investigative sports writer.

Preceding that move, and wanting to establish a platform for other work for whoever wanted to contribute, *Sportingintelligence.com* was born. The ethos behind it was to explore subjects in greater depth - and look at ideas that were not of mainstream interest for various reasons, whether in football finance, long-form journalism, statistical analysis, or investigative work.

The name *Sporting Intelligence* comes from the sports section of Victorian newspapers. They weren't known as the sports pages. They're weren't pages. They were mostly a few columns of cricket and racing news, known as Sporting Intelligence. That was one reason for the website name; a more pragmatic was that *Sportingintelligence* was available as a website domain when multiple other variations including sport or football were not.

One subject covered regularly on the site is the relationship between sport and money, particularly the relationship between money and success. A 'launch project' when establishing the site was the compilation of a global sports salary report, trying to compare average first-team wages at diverse sports across the world on as much of a like-for-like basis as possible, and comparing with success.

This included Premier League football clubs, MLB baseball clubs, NBA basketball teams, IPL cricket sides, NFL football, NHL ice hockey, NPB Nippon Professional baseball, Serie A football, SPL football and MLS football. That first report came out in 2010. The 2011 version added the Bundesliga, Aussie Rules football, CFL Canadian gridiron and La Liga. Contemporary links to details from the reports of 2010, 2011, 2012 and 2013 are here:

<http://www.sportingintelligence.com/2010/03/28/yankees-on-top-in-global-pay-review-premier-league-in-the-shade-280301/>

<http://www.sportingintelligence.com/2011/04/20/revealed-barcelona-and-real-madrid-overtake-yankees-as-world%E2%80%99s-best-paid-sports-teams-200401/>

<http://www.sportingintelligence.com/2012/05/01/revealed-the-worlds-best-paid-teams-man-city-close-in-on-barca-and-real-madrid-010501/>

<http://www.sportingintelligence.com/2013/06/11/revealed-man-city-rise-to-top-of-global-pay-charts-dodgers-soar-to-challenge-110601/>

For a number of sports various leagues, salary information is fairly accessible, right down to the last cent per individual player in the MLS. For others, notably within European football, player-by-player salaries are not available. First-team averages are calculated on a club by club basis from club accounts, guided by benchmark data from two exclusive surveys of many hundreds of footballers in 2000 and 2006, then ratified, where possible, from club sources.

More details on the methodology, the 2000 and 2006 surveys, and how they were used in a High Court case that earned a footballer £4.3m in compensation, are here:

<http://www.sportingintelligence.com/finance-biz/sports-salaries/>

In *Sportingintelligence's* first salary report, published in 2010 but relating to the 2008-09 season for Premier League clubs, Arsenal's average first-team wage was just over £50,000 per week, or £2.6m a year, which put them No31 in the world of all the major sports teams included. The New York Yankees were top, on £4.7m a year.

In the 2011 report, for 2009-10, Arsenal were up to No22, with an average of £2.9m per year, with Barcelona on top, on £4.9m. By 2012, Arsenal were up again to No16, on £3.2m (Barca top on £5.3m). And by 2013, Arsenal had climbed another place, to No15, on £3.66m a year per first-team player, or £70,500 per week at a time when Manchester City had become the world's best paid sports team by average salary, on £100,000 per week per player (average).

The relationship between money and success differs in the very different sports - but money talks in most places.

In European football there is a very strong link between pay and performance. In American sport, particularly baseball and basketball, there is also a strong link between pay and performance in the regular season. In an NFL season where there are 32 teams yet they only 16 games per team per regular season, and where there are drafts, convoluted play-offs and much less diversity of pay between teams in the first place because of caps, results reflect the 'chaos of relative fairness'.

So what has this got to do with the Arsenal Supporters' Trust?

They wanted to know if there was some way of considering, objectively, financial events at Arsenal in the Wenger era, and so I started to look at Arsenal and the club's money, and success, to see what, if anything, I could conclude.

Arsene Wenger, what is he good for?

Arsene Wenger - what is he good for?

APART from helping to transform English domestic football culture, on and off the pitch, and delivering Arsenal fans two Doubles, an Invincibles season plus multiple domestic and European finals - what has he ever done for Arsenal?

What relationship do his achievements have to the money available to him?

And what does it tell us about Arsenal's chances of becoming a winning team again - in tangible terms, silverware?

FIRST: Consistently and with the rare exceptions of two seasons out of the 17 between 1996-97 and 2012-13, Wenger has produced teams that have either out-performed expectation on the pitch given the resources available to him off it, or at least met those expectations.

SECOND: Analysis suggests that Wenger's worst ever Arsenal season, in terms of performing less well than finances should have dictated, was in 2005-06, when as well as finishing in the top four of the Premier League (again), he also took Arsenal to the final of the Champions League.

THIRD: That season, 2005-06, was the worst ever not just because Wenger had more to spend than key rivals yet finished behind them, but because Arsenal amassed the fewest points of any Wenger season (67), finished as low as any Wenger season (fourth), and had less 'team stability' than any other season of the Wenger era.

('Team stability' considers how many Premier League starts, combined, Wenger gave to his "core" XI players in that season, whoever they were. We have looked at every season of the Wenger reign and found the 2005-06 season to be the least 'stable', with only 64% of starting places going to "core" players. This is the lowest % of the Wenger years. In the Invincibles season the comparative figure was as high as 83%, similar to the 1998-99 season when Arsenal lost the title by a point to another of the era's best-ever teams, United's Treble winners. This 'woeful' 2005-06 season for Wenger, in which Arsenal took the lead in the Champions League final before losing 2-1 to Barcelona, is compounded in statistical terms by being one in which Arsenal spent more money in the financial year - £23.75m cash - on transfers than any Wenger season bar one up to that point, and also had more ins and outs for cash than any financial year before or since).

FOURTH: That perhaps Wenger is telling the truth when he speaks, often, about wanting value in the transfer market, and wanting to buy players when they are better than he already has. Because he knows, from that 2005-06 season, and from the following season and a few others, that all business is not necessarily good business. And too **much** business can have a negative impact on the team, if selection becomes too 'unstable', which we can show, in a general sense, for Arsenal and key rivals, is a bad thing.

FIFTH: Evidently there is some issue at play hindering Arsenal in recruitment. Whether this is the loss of key ally David Dein still being felt from 2007 - a view to which I still subscribe - is debatable. There are also those who argue that for all the huge cash balances of the past half dozen years, there really has not been as much money to spend as Arsenal have sometimes made out. Again this is debatable.

THE INTENTION of this exercise is to present some key basic facts and data to digest, in order to help you make up your own mind.

Do you fall into the camp that believes there are three ages of Wenger?

- The **silverware years** of 1998 to 2005.
- The 'big money' **barren years** when Chelsea and City as well as United have bought success.
- The **renaissance years**, just getting underway.

Or is Arsene Wenger a busted flush?

Let's start with a financial analysis of transfer and wage spending in the 12 years from the Millennium to summer 2012, taking into account Arsenal and their key current 'rivals', who together comprise the so-called 'Sky 6' - so that's Manchester United and Manchester City, Chelsea, Liverpool, Tottenham and Arsenal.

Why those six? Because they are relevant to now in a way that say, Newcastle United and Leeds, and to a lesser extent Aston Villa and Everton and other top-four challengers are no longer relevant. They are today's 'Big Six'.

And why 2000 to 2012? Pragmatically because the things we want to look at for six teams over 12 years fit into one big graphic; but also because these years comprise the boom years of the second Double and Invincibles season, take in the 'big money' age of Abramovich and Mansour, the Arsenal 'decline' post-2005 and the emergence of the contemporary Arsenal, with its mixture of home-grown players, 'home imports' from other British clubs and growing financial power that allowed the purchase of Mesut Ozil, and quite possibly more big-money signings to come.







So what are we looking at?

1: Net transfer spend each season between 2000-01 and 2011-12, which means the difference between what each club spent in each of those seasons and what it received. If a club spent £10m in a year and received £10m, it had net expenditure of nothing. If it spent £20m and received £10m, it had net expenditure of £10m. If it spent £10m and received £20m, it had net income of £10m. How do we know how much each club spent? For the purpose of this exercise, we are using the official cash expenditure on transfers each financial year, according to official club accounts.

2: Wage expenditure. For this exercise, we are using the total wages spend by each club on all their employees each year, according to official club accounts. The biggest single expense of any football club is player wages. They account for (very, very, very roughly) about 70 per cent of all wages at a club, although this varies. So if a club's total wage bill is £100m, then you might reasonably expect around £70m, give or take a few million, to be spent on player wages, as opposed to on managers, coaches, executives, cleaning staff, ticket office personnel, marketing people, stewards and all the rest combined.

3: This first graphic - which contains 306 separate pieces of information - also tells us where each club ranked in wage bill each season (1st, 2nd, 3rd etc) and where they finished in the league each season.

Premier League 'big six' wage bills, transfer fees and finishes, 2000 to 2012

SEASON	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	TOTAL £ (m)
 Chelsea													
Net tr. £ (m)	-14.2	-29.7	0.4	-131.0	-126.7	-85.4	-52.1	-46.2	3.0	18.2	-60.6	-45.6	570.0
Wages £ (m)	50.2	55.9	54.4	114.8	108.9	114.0	132.8	172.1	167.2	174.1	191.2	172.9	1,508.5
Wage rank	1	4	4	1	1	1	1	1	1	1	1	2	2,078.5
Finish in PL	6	6	4	2	1	1	2	2	3	1	2	6	
 Man Utd													
Net tr. £ (m)	-43.3	-12.1	-7.9	-28.8	2.7	-32.6	-10.6	-26.5	44.0	-30.4	-11.4	-49.6	206.4
Wages £ (m)	50.0	70.0	79.5	76.9	77.0	85.4	92.3	121.0	123.0	131.7	152.9	161.7	1,221.4
Wage rank	2	1	1	2	2	2	2	2	2	3	3	3	1,427.8
Finish in PL	1	3	1	3	3	2	1	1	1	2	1	2	
 Man City													
Net tr. £ (m)	-14.0	-10.9	-16.0	-10.2	1.8	11.9	-3.9	-30.1	-90.9	-122.3	-143.7	-95.2	523.4
Wages £ (m)	18.1	-	35.3	37.7	37.7	34.3	36.4	54.2	82.6	133.3	174.0	201.8	845.4
Wage rank	15	n/a	10	6	6	9	13	7	5	2	2	1	1,368.8
Finish in PL	18	n/a	9	16	8	15	14	9	10	5	3	1	
 Liverpool													
Net tr. £ (m)	-18.5	-16.7	-16.0	-3.3	-20.2	-28.2	-46.2	-28.2	-23.9	-11.9	-40.4	-14.2	267.5
Wages £ (m)	48.9	56.0	54.4	65.6	64.2	68.9	77.6	90.4	107.2	121.1	134.8	118.7	1,007.8
Wage rank	3	3	5	4	4	4	4	4	3	4	4	5	1,275.3
Finish in PL	3	2	5	4	5	3	3	4	2	7	6	8	
 Arsenal													
Net tr. £ (m)	-1.0	-3.2	-16.8	-12.2	-8.7	-11.8	-8.0	4.0	-12.3	15.9	-1.5	-1.8	57.4
Wages £ (m)	40.7	61.5	60.6	69.9	66.0	83.0	89.7	101.3	104.0	110.7	124.4	143.4	1,055.1
Wage rank	5	2	2	3	3	3	3	3	4	5	5	4	1,112.5
Finish in PL	2	1	2	1	2	4	4	3	4	3	4	3	
 Tottenham													
Net tr. £ (m)	-2.1	-6.9	-6.8	-15.1	-17.3	-3.1	-25.6	-11.2	-21.4	-27.5	-26.3	6.4	157.0
Wages £ (m)	25.1	36.6	38.0	34.6	33.1	40.7	43.8	53.3	62.6	67.2	91.3	93.5	619.8
Wage rank	9	6	7	8	8	6	7	9	10	7	6	6	776.8
Finish in PL	12	9	10	14	9	5	5	11	8	4	5	4	
NOTES:	Net tr. £ (m) is net transfer activity as disclosed in annual cash flow statement of each club's accounts. Wages = total club bill per accounts												
	Finishing position in red denotes club were WORSE ranked in the table than their wage spend ranking												
	Finishing position in blue denotes club were BETTER ranked in the table than their wage spend ranking												

We are interested in wage expenditure particularly because of the strong link between wages and performance in the Premier League.

This is a well established relationship as anyone who has read ‘Soccernomics’ will be aware. Over a period of time, clubs spending more on wages will, generally, do better in the Premier League than clubs spending less.

Sportingintelligence also contributed to a study in association with the Wall Street Journal, in 2010, that found the relationship between wages and success to be around 85% - ie: wage spending is 85 per cent responsible for finishing position. In the NFL, the same study showed it was 14%.
<http://online.wsj.com/news/articles/SB10001424052748704407804575425523276093124>

Anyone interested in a more detailed look at wages and success in the Premier League, or with insomnia, can see further articles on the same subject here:
<http://www.sportingintelligence.com/2012/05/14/its-the-economy-stupid-how-wages-aid-success-in-the-premier-league-140502/>

... and here, in an article that focused on an exception that proved the rule, QPR last season:
<http://www.sportingintelligence.com/2012/12/11/qprs-relegation-battle-is-the-latest-predictable-case-of-the-economics-of-failure-111201/>

To massively simplify the theory, it goes as follows: when you spend loads of money on wages, it's because you're getting great players, who will do better than less good players on less money. It is very much an ‘all other things being equal’ theory.

So that first graphic (last page) shows: transfers, wages, wage rank and performance over 12 years for six teams. Elsewhere in this document, you can see most of the individual permanent transfer deals by Arsenal in the period; loans not included.

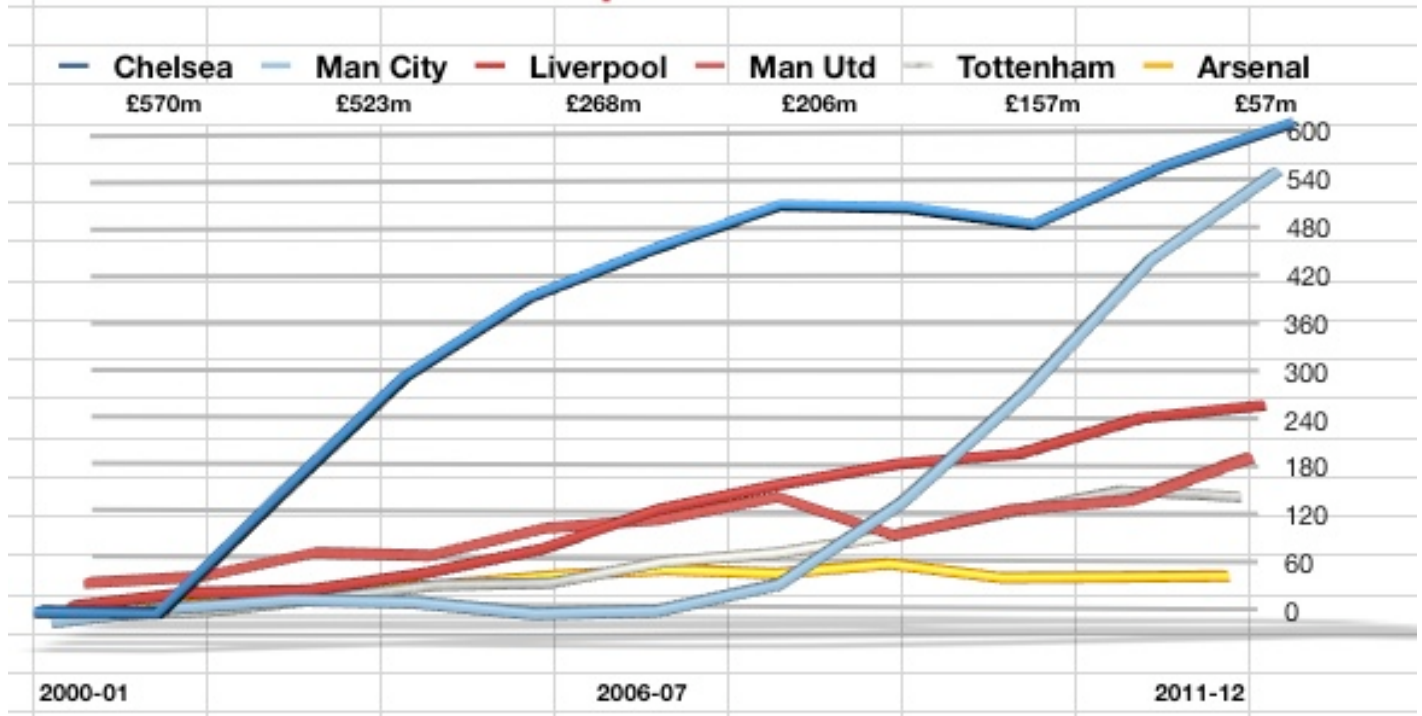
The big six against each other

THE graphic ranks the six in order of their total net spending on transfers plus wages combined over the 12 years in question.

Chelsea spent most, with £2.078 billion, then Man Utd on £1.43bn, then City with £1.4bn, then Liverpool with £1.3bn then Arsenal with £1.1bn and Spurs on £777 million.

The year-by-year spending on transfers and wages is self-evident and these next two graphics, on the next page, depict that spending visually. Arsenal's net transfer spending is 1/10th of Chelsea's, or £57m v £570m.

Cumulative net cash spend on transfers 2000 to 2012



Cumulative net spend on wages 2000 to 2012



So how do the 'Big 6' compare when measuring resources versus achievement?

In the 12 years in question:

Chelsea did not do better than their resources in any year, under-performing against their wage bill eight times and doing only as well as expected four times.

United did better seven times, worse three times and as well as expected twice.

City have performed better once: when finishing ninth in 2002-03 when wages said they should have finished 10th. They have otherwise under-performed apart from the title-winning season when they did as well as expected.

Liverpool have done better than expected four times in the period, worse four times and as expected four times.

ARSENAL out-performed their wage spending seven times, did as well as expected three times, and under-performed in 2005-06 and 2006-07. We'll come back to that - but it's better than any rival.

Tottenham have done better than their wage bill six times - and worse six times, in the period under review.

This presentation comes with a season by season Arsenal breakdown of income, spending, performance and financial background (below), and also comes with a spreadsheet for those of you who want to play with numbers.

That record shows Wenger:

- 1: Took Arsenal to third place, second but for goal difference, in his first (incomplete) season.
- 2: Did the Double in 1998.
- 3: PL Runners-up by a point in 1999.
- 4: PL Runners-up in 2000, when also runners-up in Uefa Cup
- 5: PL Runners-up in 2001, and FA Cup final
- 6: Double in 2002
- 7: PL runners-up in 2003 and FA Cup winners
- 8: Invincible PL winners in 2003-04 and two Cup semi-finals
- 9: PL runners-up and FA Cup winners in 2005

Vieira left in summer 2005, Arsenal moved to the Emirates in 2006 and David Dein left in 2007 in the wake of Stan Kroenke, who he introduced to the club, arriving as an shareholder.

The post-2005 'down' period:

4th in **2006** and Champions League finalists; 4th in **2007** and LC finalists; 3rd in **2008**; 4th in **2009**; 3rd in **2010**; 4th in **2011**, LC r-up and R16 loss to eventual CL winners Barca; 3rd in **2012**; 4th in **2013** and CL loss to eventual winners Bayern.

Before we look at why Wenger may have been influenced not to spend a lot of money after 2006, because of what happened in 2005-06, let's look in more detail at transfer spending, reports versus reality. Graphic next page, explanation afterwards.

Arsenal transfers in the Wenger era: reports v documented reality

Less media guesswork than you think?

Season (& financial year)	* Reported spent £m	** Actual spent £m	* Reported receipts £m	** Actual receipts £m	* Reported net spend £m	** Actual net spend £m	** Amort. £m	** Imp. £m	** Profit player sales £m	** Loan fees £m	** Player trading £m
1996-97	6.0	9.6	6.0	5.3	0.0	4.3	-	-	-	-	-
1997-98	14.8	12.2	5.4	9.4	9.4	2.8	6.7	-	-	-	-
1998-99	15.9	8.1	1.8	2.9	14.1	5.3	7.3	-	2.1	-	-5.2
1999-00	22.9	19.4	31.0	11.9	-8.2	7.5	10.2	-	22.2	-	12.0
2000-01	27.0	34.1	32.7	33.1	-5.7	1.0	15.1	-	25.1	-	10.0
2001-02	26.8	19.8	4.3	16.6	22.5	3.2	17.7	-	2.9	-	-14.8
2002-03	6.6	20.6	5.7	3.8	0.9	16.8	18.8	-	1.4	-	-17.4
2003-04	18.0	16.1	1.9	3.9	16.1	12.2	20.1	6.3	2.3	0.5	-23.6
2004-05	3.5	14.6	2.6	5.9	0.9	8.7	15.0	-	2.9	-	-12.1
2005-06	37.4	23.8	17.4	12.0	20.1	11.8	15.4	-	19.2	0.1	3.9
2006-07	6.4	21.9	14.8	13.9	-8.4	8.0	18.8	-	18.5	0.5	0.2
2007-08	15.7	28.0	33.6	32.0	-17.9	-4.0	21.8	-	26.5	0.5	5.2
2008-09	36.6	35.4	15.8	23.1	20.8	12.3	23.9	-	23.2	3.6	2.9
2009-10	10.0	29.9	41.0	45.8	-31.0	-15.9	25.0	-	38.1	0.5	13.6
2010-11	13.7	28.6	6.8	27.0	6.9	1.5	21.7	-	6.3	0.7	-14.7
2011-12	51.4	57.4	68.9	55.6	-17.5	1.8	36.8	5.5	65.5	2.9	26.0
2012-13	47.5	65.0	47.0	39.1	0.5	25.9	41.3	5.7	47.0	1.6	1.6
TOTAL	360.1	444.5	336.7	341.3	23.4	103.2	315.5		302.9		
Notes:											
1: THE actual spend in the Wenger era to May 2013 amounts to £84.4m more than the 'reported' spend. The most likely reason for this difference is reports do not take into account agents' fees and other costs. There will also be add-ons not counted in reports (i.e. in media reports) but paid later.											
2: REPORTED receipts (media) and actual receipts are almost identical over the whole period.											
3: AS GRAPHS above show, reported receipts closely mirror profit from sales over the whole period.											

Reported AFC income from player sales each year, 1998-2012



Actual AFC profits from player sales each year, 1998-2012



TRANSFER spending is a contentious issue at Arsenal precisely because there has been so much attention on whether Wenger has been free to spend.

The graphic on the previous page contrasts reported spend by season (detailed by deal in the season pages later) with the money going in and out of the club in cash on transfers each season as documented by the accounts.

The accounts show that cash spending on transfers in the Wenger era from 1996-97 to 2012-13 inclusive was £444.5m.

That was actual cash, out, detailed season by season in the graphic. It is also £84.5m MORE than the transfer spend that most people reading 'respectable' reports will expect to have been spent. As the detailed deals show, Arsenal have *reportedly* (according to the media) spent only £360.1m in that time.

When it comes to selling players, the real amount received according to the accounts, in cash, has been £341.3m, which is very close to the reported amount of £336.7m.

The reported net spend over the period is a tiny £23.4m, while the actual net spend is £103.2m - and the difference almost certainly lies primarily in unreported parts of deals when buying players, namely agents fees, and then subsequent payments in add-ons later, not initially reported.

Why do we think this? Because of the amortisation figures: £315.5m for the Wenger era.

Amortisation is a 'book' figure that spreads the total cost of buying a player across the term of that player's contract. So that's the transfer fee plus any agent's fees, plus signing-on or other costs. If a player joins for £10m on a four-year deal, and let's add £2m more in agent fees and signing-on costs for £12m total, it will be 'amortised' through the books at £3m a year over four years. When players renegotiate their contracts to extend them, the amortisation cost is 're-set'. So if the player, after two years, signs a two-year extension, the club will have only £6m of his original fee left to amortise, also over four years (the original two remaining plus the new two), and the charge for him will reduce from £3m a year to £1.5m a year. In this way, the amortisation charges up to any one point will not wholly reflect the money spent - there will be tens of millions pounds remaining unamortised; effectively if not exactly the difference between actual cash spent and the amortisation figure.

Our second 'check' that reported figures are generally accurate comes when we compare those numbers to profits on player sales as detailed in the club accounts. The two columns 'reported receipts' and 'profit on player sales' on the graphic on the previous page, depicted in the graphs on the right-hand side, closely if not exactly mirror each other. The profit on player sales is slightly less over 17 years combined (£302.9m) than the reported receipts but this simply means that not all the receipts have been profit - just most of them. This of course demonstrates that Arsene Wenger has, over a long period of time, kept his net spending on players (fees aside) down to a minimum.

Whether or not he should have to done so, of course, is an entirely different matter.

Before we consider that question, we'll quickly have a detour to why, when everything is taken into account, that 2005-06 season was Wenger's worst.

On each of the season-by-season pages, there is a team of players started most often that season in the Premier League by Wenger.

Why the League? Because it is the bread and butter competition, the first priority, the staple of the season. Why starts? Because over the whole season it will reflect the most important players.

The teams as laid out are therefore NOT meant to suggest, always, that Wenger played that formation or those exact players in that place on the pitch, and certainly not that the 11 main players in each formation were played together in that formation every week, although in many weeks they may have been.

The layouts simply show a 'core' XI who started the most league games. The only times these 11 players were not THE 11 most used is when, for example, a key role would have gone uncovered by using that 11. In 2001-02 for example, none of Arsenal's goalkeepers reached 20 league starts, but 11 outfielders did. But David Seaman - with 17 starts (Wright making 12, Taylor 9) gets into that season's most-used XI.

The 'stability' number for each season is calculated by working out how many starts the core XI players made each season, and working out what percentage of the 'perfect' 418 (or 38 games times 11 starting places) they added up to.

The season-by-season pages show you stability number for every Arsenal season, and also the stability number for the champions each season when that wasn't Arsenal. The title winners are at around 70% in most seasons, if not all, and often a lot higher.



This next graphic, next page, illustrates contrasting Arsenal seasons, Invincible versus In Transition.

The stability in the Invincible season was 83%, and in 2005-06 it was 64%.

That equates to each of the core XI playing an average of 32 league games each (of 38) in the Invincible season, but 24 each in the 2005-06 season.

Small margins matter in elite sport, and that is some gap.

I'm sure you'll be wondering what these season's stability number is sitting at. Up to an including Saturday's thrashing of Norwich, it's at 82%.

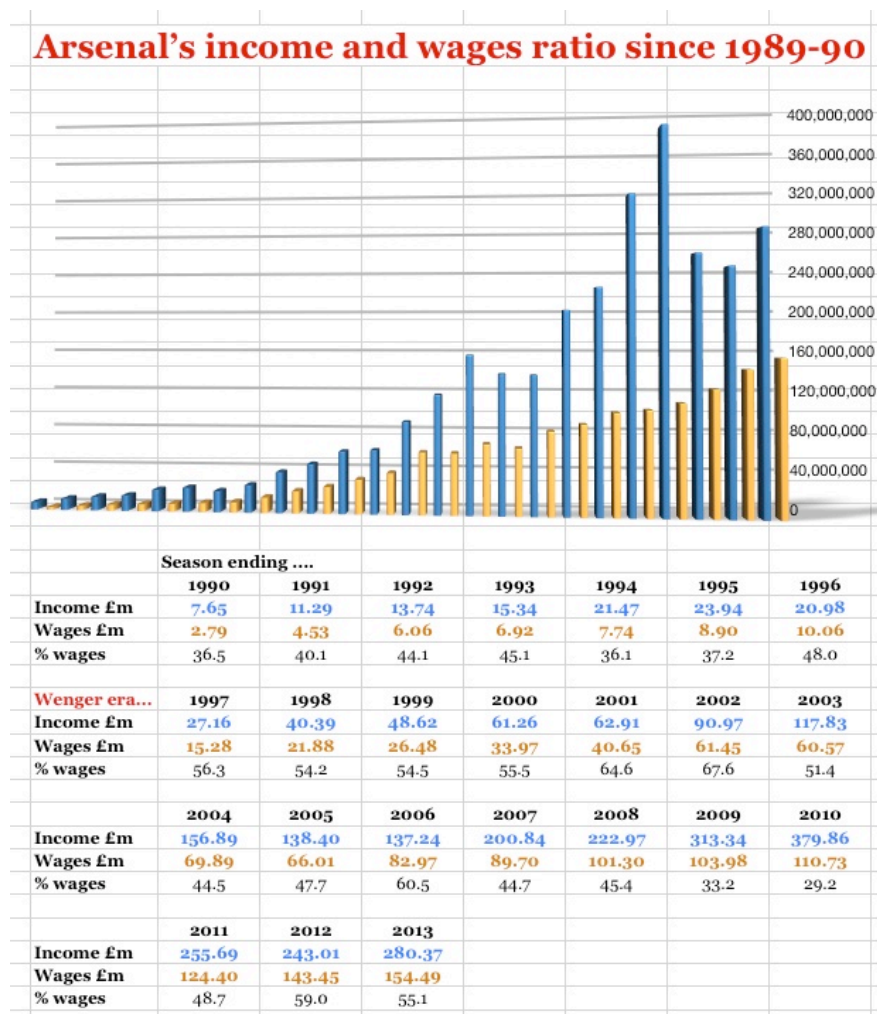
2003-04: Invincible		2005-06: In transition	
Player	PL starts	Player	PL starts
Lehmann	38	Lehmann	38
Henry	37		
Toure	36		
Campbell	35		
Pires	33	Gilberto, Toure	33
Cole	32		
Lauren	30	Fabregas, Henry	30
Gilberto, Vieira	29		
Ljungberg	27		
		Pires	23
		Lauren, Reyes	22
		Ljungberg	21
Bergkamp	21	Campbell	20
Main XI above, and bar chart		Flamini	19
		Main XI above, and bar chart	
		Hleb	17
Parlour	16		
Edu	13		
Cygan	10		
No others in double figures		RVP	13
		Adebayor	12
		Cygan, Eboue	11
		No others in double figures	
			
Starts by main XI:	Avg each:	Starts by main XI:	Avg each:
347	32	269	24
% all starts by main XI:		% all starts by main XI:	
83%		64%	

SO where has Wenger gone **wrong**? Arguably that 2005-06 season indicates signing too many players - and having too many players moving in and out in one season - was a bad idea. Whether this is also his own private assessment, only he will know. Of course there have been misses on transfers along with many hits, and it doesn't require a non-Arsenal fan to list some of those.

The trophy-less years have also coincided, of course, with the advent of the 'big money' from Chelsea and Man City. Abramovich's first season of ownership in 2003-04 was transitional for them but by 2004-05 and 2005-06 they had spent massive sums on new players and wages; and Manchester United in turn responded to that before Sheikh Mansour arrived at Man City in 2008 and started his own spending.

The last time Arsenal's wage spending was even as high as third in the Premier League was 2007-08, and they finished third. Since then it's been fourth or fifth and Arsenal have performed as well or better each season. Wage inflation has been enormous across the league, of course, as this shows in detail for Arsenal. Look at the wage bill in 1989-90 (£2.79m or 36.5% of income), and then look at 2012-13: £154.49m or 55.1% of income.

NOTE: 'Freaky' high income in a few seasons of stadium development, years ending 2009 and 2010 especially, from property sales income, does not reflect football income alone those years. The continuing ascent of the wage bill, from £2.79m to £154.49m, or up by more than 5,400% between 1990 and 2013, **does** reflect football inflation of the Premier League years.



As a blast from the past, a snapshot of a bygone and more transparent era, here is a more detailed breakdown of Arsenal's wage bill from 1989-90 as listed in the accounts. It was the last time they provided such detail.

ARSENAL FOOTBALL CLUB LIMITED

NOTES ON FINANCIAL STATEMENTS – 31st MAY 1990 (continued)

(c) During the year the following number of employees, other than directors, received remuneration, excluding pension contributions, in excess of £30,000						1990	1989
£30,001 – £35,000	...	...	...	...	...	4	1
£35,001 – £40,000	...	...	...	...	...	1	3
£45,001 – £50,000	...	...	...	...	...	1	3
£50,001 – £55,000	...	...	...	...	...	1	1
£55,001 – £60,000	...	...	...	...	...	1	3
£60,001 – £65,000	...	...	...	...	...	1	3
£65,001 – £70,000	...	...	...	...	...	5	
£70,001 – £75,000	...	...	...	...	...	2	3
£75,001 – £80,000	...	...	...	...	...	1	2
£80,001 – £85,000	...	...	...	...	...	1	
£95,001 – £100,000	...	...	...	...	...	1	1
£120,001 – £125,000	...	...	...	...	...	2	
£140,001 – £145,000	...	...	...	...	...	1	
£150,001 – £155,000	...	...	...	...	...	1	
£200,001 – £205,000	...	...	...	...	...	1	1
£240,001 – £245,000	...	...	...	...	...	1	

Back to the current Arsenal, and the search for a first trophy since 2005, Arsenal insist that they are now ready to combat the 'big money' of their main rivals with their own big money. Ivan Gazidis has been saying this with some fervour for some months now; and the summer deal for Ozil did demonstrate that the cash was in fact there to be spent. And I'm sure there is more, certainly tens of millions more for January, if the right players are available.

These 'interim years', the post-Vieira, post-Dein, new stadium and new owner years have, for those and other reasons, contributed to the lack of spending since then.

Finding the right replacements, doing the right deals, staying within comfortable financial limits and coping with the in-fighting of the boardroom have all undoubtedly contributed to lack of 'significant' activity before Ozil.

Not getting Suarez or Rooney or Higuain or Lars Bender or whoever was not lack of money but lack of pre-planning or availability, I would argue.

What about cash? It's been there for some years.

The cash pile at the end of 2012-13 was **£153.5m**; 11-12 was higher, **£153.6m**; 10-11 was **£160.2m**; 09-10 was **£127.6m**; 08-09 was **£99.6m**; 07-08 was **£93.3m**; and 06-07 was **£73.9m** with **£35.6m** and **£71.6m** the two years before.

How much is there to spend?

Tens of millions.

Not all of the £153.5m that was there in May, because around £30m needs to be kept in the debt service reserve account. A chunk of the rest is season ticket income, and I know the AST have put this as high as £65m a year ago, calculating therefore a 'usable' balance of £46m a year ago.

I think Arsenal could safely spend a few tens of millions in January, and as much again and more next summer, even if you err on the side of caution.

But Wenger is cautious; we know that.

The wage bill can soon balloon when you decide to pay £200,000 per week, or £10.4m a year plus national insurance and pension and other costs.

A squad of players, even only 25 of them, costing £11m each per year, is an utterly unfeasible £275m.

That's without dozens of other young pros, a manager, coaching staff and all other employees.

Ridiculous? Don't think there won't be pressures for pay rises once a player or a few are way ahead of the rest.

Until now, Wenger has also been good for equality in the dressing room. I'm sure he still is.

It's been one of the many reasons Arsenal should be thankful for him. Debatably.

Arsenal 1996-97

Most started league XI (and significant others)

TEAM

Bergkamp (Hartson) **Wright**

Merson

Vieira (Parlour)

Platt

Winterburn

Bould

Adams

Keown

Dixon

Seaman

Cost of XI when bought: **£19,390,000**

11 players in bold: **321 PL starts (77% of max)**
Title winners: 319, 76% of max (29 starts each)

RESULTS

**Premier League
top four**

1 MUFC
2 NUFC
3 AFC
4 LFC

75 pts
68 pts
68 pts
68 pts

FA Cup **4R**
League Cup **4R**
Europe - Uefa Cup **1R**

FINANCE

AFC income: **£27,158,007**
Wages: **£15,278,711**
Wage % of income **56.26%**

Wage rise in year: **£5,216,648**
Wage rise % in year: **51.84%**

‘Background noise’

(Quote from annual report)

‘The Bosman ruling has thrown the transfer market into turmoil and indeed has had a dramatic effect on the spiraling players’ wage bill ... the need for the club to continue to produce its own players is ever more essential.’

TRANSFERS

Financial year, between 1 June 1996 and 31 May 1997

PLAYERS IN: £6,000,000
Accounts say: £9,576,000 cash spent*

Vieira £3,500,000
Anelka £500,000
Upson £2,000,000
Garde free

OUT: £5,995,000
Accounts say: £5,257,000 cash in

Dickov £1,000,000
McGoldrick £300,000
Hillier £250,000
Read £35,000
Linighan £110,000
Hartson £3,300,000
Rose £500,000
Morrow £500,000

* Discrepancies: media reports not counting agents fees, previous years add-ons (and imperfect information)

Arsenal 1997-98

Most started league XI (and significant others)

TEAM

	Wright (Anelka)	Bergkamp	
	Overmars (Platt)	Petit	Vieira
			Parlour
Winterburn	Bould (Keown)	Adams	Dixon
	Seaman		

Cost of XI when bought: **£25,440,000**

11 players in bold: **327 PL starts (78% of max)**
(30 starts each on average of 38)

RESULTS

Premier League top four	1 AFC 78 pts 2 MUFC 77 pts 3 LFC 65 pts 4 CFC 63 pts	FA Cup League Cup Europe - Uefa Cup	Winners SF 1R
--------------------------------	--	---	--

FINANCE

AFC income: **£40,391,000**
Wages: **£21,883,000**
Wage % of income **54.18%**

Wage rise in year: **£6,604,289**
Wage rise % in year: **43.23%**

‘Background noise’

(Quote from annual report)

‘[Highbury’s] current 38,500 spectator capacity does not remotely meet demand and to do so we would need a stadium with a capacity of at least 50,000. We are looking at a range of options including ... albeit with reluctance, possibly relocating to another site.’

TRANSFERS

Financial year, between 1 June 1997 and 31 May 1998

PLAYERS IN: £14,800,000
Accounts say: £12,224,000 cash spent

Manninger £500,000
Petit £2,500,000
Grimandi £2,500,000
Boa Morte £1,750,000
Overmars £7,000,000
Wreh £300,000
Mendez £250,000

OUT: £5,375,000
Accounts say: £9,414,000

Merson £4,500,000
Harper £125,000
Shaw £250,000
Selley £500,000
Helder free

Arsenal 1998-99

Most started league XI (and significant others)

TEAM

	Anelka	Bergkamp		
	Overmars	Petit	Vieira	Parlour (Ljungberg)
Winterburn (Vivas)	Keown (Bould)	Adams	Dixon	
	Seaman			

Cost of XI when bought: **£23,050,000**

11 players in bold: **352 PL starts (84% of max)**
 Title winners: 314, 75% of max. (29 starts each)

RESULTS

Premier League top four	1 MUFC 79 pts 2 AFC 78 pts 3 CFC 75 pts 4 LUFC 67 pts	FA Cup League Cup Europe - CL	SF 4R Group stage, 3rd
-------------------------	--	-------------------------------------	------------------------------

FINANCE

AFC income: **£48,623,000**
 Wages: **£26,478,000**
 Wage % of income **54.46%**

Wage rise in year: **£4,595,000**
 Wage rise % in year: **21%**

‘Background noise’

(Key points from annual report)

- Champions League sellouts, Wembley 98-99, confirms the view new stadium needed asap.
- In April, Sega replaced JVC (18-yr sponsor).
- Wages spiral ‘continues to give concern’.
- ‘Again we’ve been able to limit price rises’.

TRANSFERS

Financial year, between 1 June 1998 and 31 May 1999

PLAYERS IN: £15,900,000
Accounts say: £8,142,000 cash spent

Grondin £500,000
Ljungberg £3,000,000
Pennant £2,000,000
Kanu £4,500,000
Diawara £2,500,000
Luzhny £1,800,000
Vivas £1,600,000

OUT: £1,820,000
Accounts say: £2,853,000

Wright £500,000
Rankin £1,300,00
Day £20,000

Arsenal 1999-2000

Most started league XI (and significant others)

TEAM

Henry Kanu (Bergkamp)
Overmars Petit Vieira Parlour (Ljungberg)
(Grimandi)
Sylvinho (Winterburn) Keown Adams Dixon
Seaman

Cost of XI when bought: **£33,700,000**

11 players in bold: **277 PL starts (66% of max)**

Title winners: 303, 72% of max. (28 starts each)

RESULTS

**Premier League
top four**

1 MUFC **91 pts**
2 AFC 73 pts
3 LUFC **69 pts**
4 LFC **67 pts**

FA Cup

4R

League Cup

4R

Europe - CL

Group

- Uefa Cup

Runners-Up

FINANCE

AFC income: **£61,260,000**
Wages: **£33,970,000**
Wage % of income **55.45%**

Wage rise in year: **£7,492,000**
Wage rise % in year: **28.3%**

‘Background noise’

(Key points from annual report)

- Ashburton Grove identified as possible site for 60,000-seat stadium.
- Win FA Youth Cup and U17 Premier Academy title; optimism over A Cole and other products.
- Cash balances down for second season.

TRANSFERS

Financial year, between 1 June 1999 and 31 May 2000

PLAYERS IN: £22,850,000
Accounts say: £19,440,000 cash spent

Malz £650,000
Sylvinho £4,000,000
Suker £500,000
Henry £10,500,000
Lauren £7,200,000

OUT: £31,030,000
Accounts say: £11,932,000

Diawara £3,000,000
Bould £500,000
Crowe £1,000,000
Anelka £23,000,000
Livermore £30,000
Boa Morte £500,00
Hughes £3,000,000

Arsenal 2000-01

Most started league XI (and significant others)

TEAM	Henry	Wiltord (Bergkamp)		
	Pires	Vieira (Grimandi)	Parlour	Ljungberg
	Sylvinho (Cole)	Keown	Adams	Dixon
		Seaman		

Cost of XI when bought: **£41,700,000**

11 players in bold: **284 PL starts (68% of max)**
Title winners: 292, 70% of max. (27 starts each)

RESULTS

Premier League top four	1 MUFC 80 pts 2 AFC 70 pts 3 LFC 69 pts 4 LUFC 68 pts	FA Cup League Cup Europe - CL (*Away goals. Valencia lost final on pens)	Runners-up 3R QF loss* to Valencia
--------------------------------	--	---	---

FINANCE

AFC income: **£62,911,000**
Wages: **£40,651,000**
Wage % of income **64.62%**

Wage rise in year: **£6,681,000**
Wage rise % in year: **19.67%**

‘Background noise’

(Key points from annual report)

In September 2000, AFC signed a ‘strategic partnership with Granada, who invested £47m for 5% of enlarged share capital & 50% of Arsenal Broadband, and agree to buy 4.99% for £30m, conditional on stadium

TRANSFERS

Financial year, between 1 June 2000 and 31 May 2001

PLAYERS IN: £27,000,000
Accounts say: £34,103,000 cash spent

Pires £6,000,000
Wiltord £13,000,000
Stepanovs £1,000,000
Danilevicius £1,000,000
Edu £6,000,000

OUT: £32,700,000
Accounts say: £33,130,000

Gray £500,000
Black £500,000
Bothroyd £1,000,000
Overmars £25,000,000
Petit £5,000,000
McGovern £50,000
Weston £300,000
Vernazza £350,000

Arsenal 2001-02

Most started league XI (and significant others)

TEAM	Henry	Wiltord (Bergkamp)	
	Pires	Vieira	Parlour Ljungberg
	Cole	Keown (Adams)	Campbell Lauren
		Seaman	

Cost of XI when bought: **£44,500,000**

11 players in bold: **288 PL starts (69% of max)**
(26 starts each on average)

RESULTS

Premier League top four	1 AFC 87 pts 2 LFC 80 pts 3 MUFC 77 pts 4 NUFC 71 pts	FA Cup League Cup Europe - CL	Winners 5R Second group stage
--------------------------------	--	-------------------------------------	--

FINANCE

AFC income: **£90,967,000**
Wages: **£61,453,000**
Wage % of income **67.56%**

Wage rise in year: **£20,453,000**
Wage rise % in year: **51.17%**

‘Background noise’

(Wage leap, driven by Double bonuses)

Wages & Salaries **£54m up from £36m**
Social security **£5.5m up from £3.6m**
Other pension cost **£1.7m up from £855k**
TOTAL **£61.453 up from £41m**

TRANSFERS

Financial year, between 1 June 2001 and 31 May 2002

PLAYERS IN: £26,750,000
Accounts say: £19,751,000 cash spent

Jeffers £8,000,000
V. Bronckhorst £8,500,000
Campbell £0
Wright £6,000,000
Tavlaridis £600,000
K Toure £150,000
Inamoto £3,500,000

OUT: £4,274,000
Accounts say: £16,587,000

Malz £580,000
Demel £194,000
Sylvinho £3,500,000

Arsenal 2002-03

Most started league XI (and significant others)

TEAM	Henry	Wiltord (Bergkamp)
Pires	Vieira	Gilberto Ljungberg
Cole	Keown	Campbell Lauren
	Seaman	

Cost of XI when bought: **£49,000,000**

11 players in bold: **299 PL starts (72% of max)**
Title winners: 312, 75% of max. (28 starts each)

RESULTS

Premier League top four	1 MUFC 83 pts 2 AFC 78 pts 3 NUFC 69 pts 4 CFC 67 pts	FA Cup League Cup Europe - CL	Winners 3R Second group stage
--------------------------------	--	-------------------------------------	--

FINANCE

AFC income: **£117,831,000**
Wages: **£60,569,000**
Wage % of income **51.4%**

Wage rise in year: **£-884,000**
Wage rise % in year: **-1.44%**

‘Background noise’

(Key points from annual report)

- First operating profit (of £0.7m) for football business since need to amortise transfers.
- Debt to £44.3m via new stadium project.
- New Nike deal finalised August 2003 to start 1.7.2004 and run until 30.6.2011.

TRANSFERS

Financial year, between 1 June 2002 and 31 May 2003

PLAYERS IN: £6,600,000
Accounts say: £20,552,000 cash spent

Cygan £2,100,000
G Silva £4,500,000

OUT: £5,710,000
Accounts say: £3,790,000

Manninger £960,000
Wright £3,500,000
Sidwell £250,000
Upson £1,000,000

Arsenal 2003-04

Most started league XI (and significant others)

TEAM	Henry	Bergkamp
Pires	Vieira	Gilberto Ljungberg
Cole	Toure	Campbell Lauren
	Lehmann	

Cost of XI when bought: **£44,350,000**

11 players in bold: **347 PL starts (83% of max)**
Those XI started **average** 32 PL games each

RESULTS

Premier League top four	1 AFC 90 pts 2 CFC 79 pts 3 MUFC 75 pts 4 LFC 60 pts	FA Cup League Cup Europe - CL	SF SF QF loss to Chelsea
--------------------------------	--	-------------------------------------	---

FINANCE

AFC income: **£156,887,000**
Wages: **£69,889,000**
Wage % of income **44.55%**

Wage rise in year: **£9,320,000**
Wage rise % in year: **15.39%**

‘Background noise’

(Key points from annual report)

- Conclusion of funding arrangements for new stadium include £260m of senior debt and other facilities with RBS / Barclays etc
- Naming rights search: ‘strong interest’ from telecoms, energy, soft drinks, electronics

TRANSFERS

Financial year, between 1 June 2003 and 31 May 2004

PLAYERS IN: £18,000,000
Accounts say: £16,063,000 cash spent

Senderos £2,500,000
Fabregas £0
Lehmann £2,000,000
Reyes £10,500,000
RVP £2,750,000
Clichy £250,000

OUT: £1,900,000
Accounts say: £3,875,000

Volz £500,000
Thomas £100,000
V. Bronckhorst £1,300,000

Arsenal 2004-05

Most started league XI (and significant others)

TEAM	Henry	Bergkamp (RVP)
Pires	Vieira	Fabregas Reyes (Ljungberg)
Cole	Toure	Campbell Lauren
	Lehmann	

Cost of XI when bought: **£47,350,000**

11 players in bold: **312 PL starts (75% of max)**
Title winners: 322, 77% of max. (29 starts each)

RESULTS

Premier League top four	1 CFC 95 pts 2 AFC 83 pts 3 MUFC 77 pts 4 EFC 61 pts	FA Cup League Cup Europe - CL	Winners QF R16 loss to Bayern
--------------------------------	---	-------------------------------------	--

FINANCE

AFC income: **£138,395,000**
Wages: **£66,012,000**
Wage % of income **47.7%**

Wage rise in year: **£-3,877,000**
Wage rise % in year: **-5.55%**

‘Background noise’

(Key points from annual report)

- Cover photo of Wenger holding aloft FA Cup.
- ‘Our strategy of keeping the financing of the stadium project separate from the funding of the football club has allowed the Club to finish year with available cash of more than £63m’. *
- *This fell to £36m in 2005-06, loans, interest.

TRANSFERS

Financial year, between 1 June 2004 and 31 May 2005

PLAYERS IN: £3,500,000
Accounts say: £14,598,000 cash spent

Almunia £2,500,000
Flamini £0
Eboue £1,000,000

OUT: £2,600,000
Accounts say: £5,862,000

Jeffers £2,600,000
Keown £0
Parlour £0
Kanu £0
Wiltord £0

Arsenal 2005-06

Most started league XI (and significant others)

TEAM

Henry (RVP)			
Reyes (Hleb)			
Pires	Fabregas (Flamini)	Gilberto	Ljungberg
Cygan (Cole)	Toure	Campbell (Senderos)	Lauren (Eboue)
Lehmann			

Cost of XI when bought: **£45,950,000**

11 players in bold: **269 PL starts (64% of max)**
 Title winners: 308, 74% of max. (28 starts each)

RESULTS

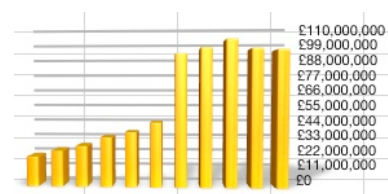
Premier League top four	1 CFC 91 pts 2 MUFC 83 pts 3 LFC 82 pts 4 AFC 67 pts	FA Cup League Cup Europe - CL	4R SF Runners-up to Barca
-------------------------	---	-------------------------------------	--

FINANCE

Match-day income, 5 years pre-and post- Emirates

AFC income: **£137,237,000**
 Wages: **£82,965,000**
 Wage % of income **60.45%**

Wage rise in year: **£16,953,000**
 Wage rise % in year: **25.68%**



TRANSFERS

Financial year, between 1 June 2005 and 31 May 2006

PLAYERS IN: £37,400,000
Accounts say: 23,754,000 cash spent

OUT: £17,350,000
Accounts say: £11,961,000

Bendtner £200,000
Mannone £350,000
Traore £250,000
Hleb £11,200,000
Vela £500,000
Diaby £2,000,000
Adebayor £7,000,000
Walcott £9,100,000
Poom £0
Rosicky £6,800,000

Pennant £500,000
Vieira £13,700,000
Bentley £1,400,000
Quincy O-A £1,500,000
Taylor £250,000

NB: In Arsenal's 2004-05 report, it is detail Hleb deal could rise to €15m; and Vieira sold for €20m

Arsenal 2006-07

Most started league XI (and significant others)

TEAM	RVP (Henry)	Adebayor	
Rosicky (Flamini)	Gilberto	Fabregas	Hleb (Ljungberg)
Clichy	Gallas (Djourou)	Toure	Eboue (Hoyte)
Lehmann			

Cost of XI when bought: **£36,650,000**

11 players in bold: **296 PL starts (71% of max)**
Title winners: 301, 72% of max. (27 starts each)

RESULTS

Premier League top four	1 MUFC 89 pts 2 CFC 83 pts 3 LFC 68 pts 4 AFC 68 pts	FA Cup League Cup Europe - CL	5R Runners-up to CFC R16 loss to PSV
--------------------------------	---	-------------------------------------	---

FINANCE

AFC income: **£200,843,000**
Wages: **£89,703,000**
Wage % of income **44.66%**

Wage rise in year: **£6,738,000**
Wage rise % in year: **8.12%**

‘Background noise’

(Quote from annual report)

‘Significant funds were available to the manager during the summer transfer window as evidenced by the cash balance at the end of May of £73.9m but in fact we were able to secure all main targets for ... below [budget]’

‘We have two new major shareholders. Their arrival has unfortunately brought some degree of speculation about the future of the club.’

TRANSFERS

Financial year, between 1 June 2006 and 31 May 2007

PLAYERS IN: £6,400,000
Accounts say: £21,878,000 cash spent

Song £1,000,000
Fabianski £2,000,000
Denilson £3,400,000

OUT: £14,800,000
Accounts say: £13,869,000

Smith £300,000
Stack £0
Cygan £2,000,000
Cole £5,000,000
Stokes £2,000,000
Lauren £500,000
Larsson £1,000,000
Muamba £4,000,000

Arsenal 2007-08

Most started league XI (and significant others)

TEAM	Eduardo (RVP)	Adebayor	
Rosicky	Flamini	Fabregas	Hleb (Eboue)
Clichy	Gallas (Senderos)	Toure	Sagna
	Almunia		

Cost of XI when bought: **£41,400,000**

11 players in bold: **306 PL starts (73% of max)**
 Title winners: 322, 77% of max. (29 starts each)

RESULTS

Premier League top four	1 MUFC 87 pts 2 CFC 85 pts 3 AFC 83 pts 4 LFC 76 pts	FA Cup League Cup Europe - CL	5R SF QF loss to Liverpool
--------------------------------	---	-------------------------------------	---

FINANCE

AFC income:	£222,970,000
Wages:	£101,302,000
Wage % of income	45.43%
Wage rise in year:	£11,599,000
Wage rise % in year:	12.93%

‘Background noise’

(Quote from annual report)

‘At the end of May music legend Bruce Springsteen played to two nights of sellout audiences immediately establishing a reputation for Emirates Stadium as a non-football entertainment venue.’

[Then much further down]

‘I am delighted to confirm that E Stanley

Kroenke has accepted the Board’s invitation to become a non-exec director of Arsenal.’

TRANSFERS

Financial year, between 1 June 2007 and 31 May 2008

PLAYERS IN: £15,700,000
Accounts say: £28,027,000 cash spent

Eduardo £7,500,000
Sagna £6,000,000
L Diarra £2,000,000
Freeman £200,000

OUT: £33,600,000
Accounts say: £32,037,000

Aliadiere £2,000,000
Henry £16,100,000
Ljungberg £3,000,000
Reyes £6,000,000
Connolly £1,000,000
Diarra £5,500,000

Arsenal 2008-09

Most started league XI (and significant others)

TEAM	RVP (Bendtner)	Adebayor
Nasri	Denilson	Fabregas (Diaby) Eboue (Walcott / Song)
Clichy	Gallas	Toure Sagna
Almunia		

Cost of XI when bought: **£38,850,000**

11 players in bold: **293 PL starts (70% of max)**

Title winners: 278, 67% of max. (25 starts each)

RESULTS

Premier League top four	1 MUFC 90 pts 2 LFC 86 pts 3 CFC 83 pts 4 AFC 72 pts	FA Cup League Cup Europe - CL	SF QF SF loss to Man Utd
--------------------------------	---	-------------------------------------	--------------------------------

FINANCE

AFC income: **£313,339,000**
Wages: **£103,978,000**
Wage % of income **33.18%**

Wage rise in year: **£2,676,000**
Wage rise % in year: **2.64%**

‘Background noise’

(Quote from annual report)

‘During the year there were a number of changes in the major shareholdings in the Group with both KSE and R&W taking their stakes beyond the 25% level.

‘The board continues to have a regular dialogue with each of the Group’s major shareholders and in recent months [up to Sep 2009] this dialogue has prompted an analysis around the question of fundraising through a rights issue ... it distills down to a decision about whether it is appropriate to raise money from shareholders to purchase registrations ... This is not something Arsenal have done in its history and it would be at odds with out ethos of ... self-sustaining ... Although transfer activity [in summer 2009] was limited I can assure fans this reflected [Wenger’s wishes] rather than any necessity or financial constraint.’

TRANSFERS

Financial year, between 1 June 2008 and 31 May 2009

PLAYERS IN: £36,550,000
Accounts say: £35,398,000 cash spent

Ramsey £5,000,000
Nasri £15,800,000
Silvestre £750,000
Arshavin £15,000,000

OUT: £15,800,000
Accounts say: £23,063,000

Flamini £0
Hleb £11,800,000
G Silva £1,000,000
Hoyte £3,000,000

Arsenal 2009-10

Most started league XI (and significant others)

TEAM	Nasri (Walcott)	Eduardo (Bendtner / RVP)
	Arshavin	
	Diaby (Denilson)	Fabregas
		Song
Clichy	Vermaelen	Gallas
		Sagna (Eboue)
	Almunia	

Cost of XI when bought: **£60,050,000**

11 players in bold: **279 PL starts (67% of max)**
 Title winners: 314, 75% of max. (29 starts each)

RESULTS

Premier League top four	1 CFC 86 pts 2 MUFC 85 pts 3 AFC 75 pts 4 THFC 70 pts	FA Cup League Cup Europe - CL	4R 5R QF loss to Barca
--------------------------------	--	-------------------------------------	---

FINANCE

AFC income: **£379,856,000**
 Wages: **£110.733,000**
 Wage % of income **29.15%**

Wage rise in year: **£6,755,000**
 Wage rise % in year: **6.5%**

‘Background noise’

(Quote from annual report)

‘Not only does Arsene analyse and work within his player budget, but he understands when to extract value - witness these 2009/10 accounts where profits were boosted by some £38m from the sales of players who were no longer central to his future plans.’

TRANSFERS

Financial year, between 1 June 2009 and 31 May 2010

PLAYERS IN: £10,000,000
Accounts say: £29,940,000 cash spent

Vermaelen £10,000,000
Campbell £0
Chamakh £0

OUT: £41,000,000
Accounts say: £45,843,000

Adebayor £25,000,000
K Toure £16,000,000

Arsenal 2010-11

Most started league XI (and significant others)

TEAM

RVP (Chamakh)	
Nasri	Fabregas
Arshavin (Walcott)	
Wilshere	Song
Clichy	Koscielny (Djourou) Squillaci Sagna
Szczesny (Fabianski)	

Cost of XI when bought: **£54,500,000**

11 players in bold: **286 PL starts (68% of max)**
Title winners: 285, 68% of max. (26 starts each)

RESULTS

Premier League top four	1 MUFC 80 pts 2 CFC 71 pts 3 MCFC 71 pts 4 AFC 68 pts	FA Cup League Cup Europe - CL	6R R-up to Birmingham R16 loss to Barca
--------------------------------	--	-------------------------------------	--

FINANCE

AFC income:	£255,692,000
Wages:	£124,401,000
Wage % of income	48.65%
Wage rise in year:	£13,668,000
Wage rise % in year:	12.34%

‘Background noise’

(Quote from annual report)

‘[After KSE owns 66.8%] We have all grown to know Stan well during his three years as a fellow board member and we are confident he is the appropriate custodian to support the club through the next stage of its evolution.’

TRANSFERS

Financial year, between 1 June 2010 and 31 May 2011

PLAYERS IN: £13,700,000
Accounts say: £28,561,000 cash spent

Koscielny £9,700,000
Squillaci £4,000,000

OUT: £6,800,000
Accounts say: £27,033,000

Eduardo £6,000,000
Nortveit £800,000

Arsenal 2011-12

Most started league XI (and significant others)

TEAM

RVP (Gervinho)

Rosicky

Arteta

Ramsey

Walcott

Song

Gibbs

Vermaelen (Mertesacker)

Koscielny **Sagna**

Szczesny

Cost of XI when bought: **£60,350,000**

11 players in bold: **312 PL starts (75% of max)**
Title winners: 320, 77% of max. (29 starts each)

RESULTS

**Premier League
top four**

1 MCFC **89 pts**
2 MUFC **89 pts**
3 AFC 70 pts
4 THFC **69 pts**

FA Cup
League Cup
Europe - CL

5R
QF
R16 loss to Milan

FINANCE

AFC income: **£243,013,000**
Wages: **£143,448,000**
Wage % of income **59.03%**

Wage rise in year: **£19,047,000**
Wage rise % in year: **15.31%**

‘Background noise’

(Quote from annual report)

‘Everyone on the Board is firmly committed to our self-financing approach and it is one we will continue to pursue. We remain convinced it is in the best interests of Arsenal in both the short and long term.’

TRANSFERS

Financial year, between 1 June 2011 and 31 May 2012

PLAYERS IN: £51,420,000
Accounts say: £57,406,000 cash spent

Jenkinson £1,000,000
Gervinho £10,500,000
AOC £12,000,000
J Campbell £900,000
Park £1,800,000*
Arteta £10,000,000
Santos £6,800,000
Mertesacker £8,000,000
Eisfeld £420,000

OUT: £68,900,000
Accounts say: £55,621,000

Clichy £7,000,000
JET £1,100,000
Fabregas £30,000,000
Eboue £3,000,000
Nasri £25,000,000
Traore £1,500,000
Sunu £1,300,000

**an impairment write-down later suggested
Park cost as much as £5.5m*

Arsenal 2012-13

Most started league XI (and significant others)

TEAM

Podolski (Giroud)
Cazorla Wilshere Walcott
Ramsey Arteta
Gibbs Vermaelen Mertesacker (Koscielny) Sagna
Szczesny

Cost of XI when bought: **£74,100,000**

11 players in bold: **292 PL starts (70% of max)**
Title winners: 287, 69% of max. (26 starts each)

RESULTS

Premier League top four	1 MUFC 89 pts 2 MCFC 78 pts 3 CFC 75 pts 4 AFC 73 pts	FA Cup League Cup Europe - CL	5R QF R16 loss to Bayern
-------------------------	--	-------------------------------------	---

FINANCE

AFC income: **£280,374,000**
Wages: **£154,490,000**
Wage % of income **55.10%**
Wage rise in year: **£11,042,000**
Wage rise % in year: **7.7%**

‘Background noise’

(Quote from annual report)

‘I know the Ozil signing has given everyone who loves Arsenal a big lift but it should not be forgotten that we already have a young and talented squad. It is also appropriate to reiterate that the money (cont. below...)

TRANSFERS

Financial year, between 1 June 2012 and 31 May 2013

PLAYERS IN: £47,500,000
Accounts say: £65,041,000 cash spent

OUT: £47,000,000
Accounts say: £39,126,000

Giroud £13,000,000
Podolski £11,000,000
Cazorla £15,000,000
Monreal £8,500,000

Bartley £1,000,000
Vela £5,000,000
RVP £25,000,000
Song £15,000,000
Lansbury £1,000,000

Arsenal 2013-14

Most started league XI (and significant others)

TEAM

Giroud

Wilshere **Ozil** **Walcott** (Cazorla)

Ramsey **Flamini**

Gibbs **Koscielny** **Mertesacker** **Sagna** (Jenkinson)

Szczesny

Cost of XI when bought: **£93,300,000**

11 players in bold: **72 PL starts (82% of max)**

RESULTS (up to and including Saturday 19 October 2013)

Premier League top four	1 AFC 19 pts 2 CFC 17 pts 3 LFC 17 pts 4 MCFC 16 pts	FA Cup League Cup Europe - CL	TBC 4R at least TBC
--------------------------------	--	-------------------------------------	--

FINANCE

AFC income: **TBC**
Wages: **TBC**
Wage % of income **TBC**

Wage rise in year: **TBC**
Wage rise % in year: **TBC**

‘Background noise’

(Continued quote from 2012-13 report)

‘... we generate across the business is always available to our manager, Arsene Wenger, and that he quite properly makes the decisions regarding how to invest those funds based on his extensive football knowledge, experience and judgement.’
Sir Chips Keswick, 23 September 2013

TRANSFERS

Financial year, between 1 June 2013 and 31 May 2014

PLAYERS IN: £42,500,000

OUT: £10,500,000

Accounts say: Post balance sheet events, ie: since 1 June 2013 have included the sale and purchase of several players with the net payment for them being £34.3m.

Sanogo Free
Flamini Free
Ozil £42,500,000

Gervinho £8,000,000
Chamakh £1,000,000
Mannone £1,500,000
Santos Nominal
Denlison, Arshavin Free (released)