

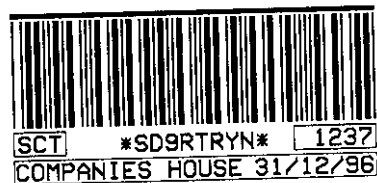
**DUNDEE FOOTBALL CLUB LIMITED  
(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**COMPANY NUMBER : 4585**

**REPORT AND ACCOUNTS**

**YEAR TO MAY 31, 1996**

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**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**REGISTRATION NUMBER : 4585**

**DIRECTORS:**

Ronald N. Dixon (Chairman)  
Malcolm Reid  
John F. Black  
Robert Hynd  
Nigel Squire  
Harry Leadingham

**SECRETARIES:**

Blackadder Reid Johnston

**REGISTERED OFFICE:**

Dens Park Stadium.  
Sandeman Street,  
Dundee,  
DD3 1JY.

**AUDITORS:**

Dand Carnegie & Co.,  
Stannergate House,  
41 Dundee Road West,  
Broughty Ferry,  
Dundee,  
DD5 1NB.

**BANKERS:**

TSB Bank PLC,  
Commercial Banking Centre,  
P. O. Box 54,  
69 Albion Street,  
Leeds,  
West Yorkshire,  
LS1 1UY.

**SOLICITORS:**

Levy & McRae,  
266 St. Vincent Street,  
Glasgow,  
G2 5RL.

**DUNDEE FOOTBALL CLUB LIMITED  
(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

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**DUNDEE FOOTBALL CLUB LIMITED  
(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**REPORT OF THE DIRECTORS**

The directors present their report and the accounts of the company for the year ended May 31, 1996.

**RESULTS AND DIVIDENDS**

The results of the company are set out on page 5. The directors do not recommend the payment of a dividend as the funds of the company are fully employed and it is proposed to transfer the retained loss to reserves.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company throughout the year continued to be the operation of a professional football club.

The results for the year and the financial position at the year end were considered acceptable by the directors, who do not anticipate a return to profitability until the terms of the Bosman ruling are adopted in the United Kingdom.

**DIRECTORS AND THEIR INTERESTS**

The directors throughout the year together with their interests in the issued share capital of the company were as follows:-

	<i>Ordinary shares of £1 each</i>	
	<i>May 31, 1996</i>	<i>May 31, 1995</i>
Ronald N. Dixon	4,230,444	4,230,444
Malcolm Reid	233,544	233,544
John F. Black	26,700	26,700
Robert Hynd	3,829	3,829
Nigel Squire	1,666	1,666
Harry Leadingham (appointed August 28, 1996)	N/A	N/A

The shares credited to Ronald N. Dixon above represent shares held by Continental Sports Corporation Limited (the holding company - 3,362,523 shares), Braemaire Industries Limited (293,750 shares), and Dundee Leisure Limited (574,171 shares).

There have been no significant changes in the above shareholdings in the period June 1, 1996 to December 5, 1996.

**SUBSTANTIAL SHAREHOLDERS**

In addition to that notified by Ronald N. Dixon and Malcolm Reid, a substantial interest in the ordinary shares of the company has been notified by Mr. Robert Prentice. At May 31, 1996 Mr. Prentice held 365,359 ordinary shares of 10p each, being 6% of the issued share capital. No other person has reported an interest of 3% or more in the ordinary shares of the company, requiring to be so recorded in the register under S.211 of the Companies Act 1985.

**DUNDEE FOOTBALL CLUB LIMITED  
(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**REPORT OF THE DIRECTORS  
(continued)**

**FIXED ASSETS**

The movement in fixed assets are set out in note 8.


**PLAYING STAFF**

As a result of the recent Bosman ruling, whereby football clubs are no longer entitled to demand a fee on the transfer of the registration of a player who has completed a contract of employment, the directors consider that it is no longer appropriate to carry the value of the playing staff as an asset. Details of the write-off of this asset are set out in note 9.

**AUDITORS**

Dand Carnegie & Co. have indicated their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

**By Order of the Board,**



**BLACKADDER REID JOHNSTON**  
Secretaries.

December 5, 1996.

**DUNDEE FOOTBALL CLUB LIMITED  
(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES  
IN RESPECT OF THE ACCOUNTS**

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

**REPORT OF THE AUDITORS TO THE  
SHAREHOLDERS OF DUNDEE FOOTBALL CLUB LIMITED  
(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

We have audited the accounts on pages 5 to 17 which have been prepared in accordance with the accounting policies set out on pages 10 and 11.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 3, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

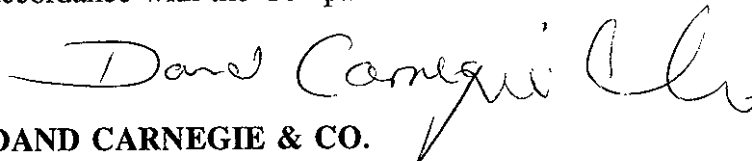
**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**OPINION**

In our opinion the accounts give a true and fair view of the state of the company's affairs at May 31, 1996 and of its results for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



**DAND CARNEGIE & CO.**

Chartered Accountants  
and Registered Auditors,  
Dundee.

December 5, 1996.

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**PROFIT AND LOSS ACCOUNT**  
**for the year ended May 31, 1996**

	<i>Notes</i>	1996 £	1995 £
<b>TURNOVER - Continuing operations</b>	2	<u>1,032,168</u>	<u>977,920</u>
Staff costs	3	828,558	718,397
Depreciation		46,271	23,476
Other operating costs		<u>276,354</u>	<u>275,343</u>
		<u>1,151,183</u>	<u>1,017,216</u>
<b>OPERATING (LOSS)</b>			
- continuing operations	4	(119,015)	(39,296)
Gain on sale of fixed assets		3,738	6,113
Interest payable	5	<u>(3,879)</u>	<u>(23,534)</u>
<b>(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(119,156)	(56,717)
Taxation	6	<u>-</u>	<u>-</u>
<b>(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION BUT BEFORE EXTRAORDINARY ITEM</b>		(119,156)	(56,717)
Extraordinary item	7	<u>(53,800)</u>	<u>-</u>
<b>(LOSS) FOR THE FINANCIAL YEAR, RETAINED</b>		<u>£ (172,956)</u>	<u>£ (56,717)</u>



**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**for the year ended May 31, 1996**

	1996 £	1995 £
(Loss) for the financial year attributable to the shareholders	(172,956)	(56,717)
Unrealised loss on revaluation of playing staff (note 9)	(3,526,000)	-
Release of playing staff reserve (note 15)	<u>3,800,750</u>	<u>-</u>
Total gains and (losses) recognised since the last annual report	<u>£ 101,794</u>	<u>£ (56,717)</u>

**STATEMENT OF RECONCILIATION OF SHAREHOLDERS' FUNDS**  
**for the year ended May 31, 1996**

	1996 £	1995 £
(Loss) for the financial year	(172,956)	(56,717)
Other recognised gains and losses	274,750	-
Release of playing staff reserve	(3,800,750)	-
New share capital subscribed:		
At par	388	4,040
Share premium	<u>1,939</u>	<u>20,201</u>
Net (deductions) to shareholders' funds	(3,696,629)	(32,476)
Opening shareholders' funds	<u>7,746,407</u>	<u>7,778,883</u>
Closing shareholders' funds	<u>£ 4,049,778</u>	<u>£ 7,746,407</u>

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**BALANCE SHEET**  
**at May 31, 1996.**

	Notes	1996 £	1995 £
<b>FIXED ASSETS</b>			
Tangible assets	8	5,217,280	5,093,151
Playing staff	9	-	3,985,000
		<u>5,217,280</u>	<u>9,078,151</u>
<b>CURRENT ASSETS</b>			
Stocks		6,000	6,000
Debtors	10	45,003	765,611
Cash in hand		88	11,725
		<u>51,091</u>	<u>783,336</u>
<b>CREDITORS: amounts falling due within one year</b>	11	<u>(771,037)</u>	<u>(761,469)</u>
<b>NET CURRENT ASSETS</b>		<u>(719,946)</u>	<u>21,867</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,497,334	9,100,018
<b>CREDITORS: amounts falling due after more than one year</b>	12	<u>(447,556)</u>	<u>(1,353,611)</u>
<b>NET ASSETS</b>		<u>£ 4,049,778</u>	<u>£ 7,746,407</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	576,619	576,231
Share premium reserve	15	1,383,101	1,381,162
Freehold property revaluation reserve	15	3,154,362	3,154,362
Playing staff revaluation reserve	15	-	3,800,750
Profit and loss account	15	<u>(1,064,304)</u>	<u>(1,166,098)</u>
<b>SHAREHOLDERS' FUNDS (all equity)</b>		<u>£ 4,049,778</u>	<u>£ 7,746,407</u>

These accounts were approved by the Board on December 5, 1996.

M. REID,  
 Director.

N. R. SQUIRE,  
 Director.

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**CASH FLOW STATEMENT**  
**for the year ended May 31, 1996**

	<i>Notes</i>	£	1996 £	1995 £
<b>Net cash inflow from operating activities</b>	1		653,066	<u>524,895</u>
<b>Servicing of finance</b>				
Interest paid		<u>(3,879)</u>		<u>(23,534)</u>
<b>Net cash (outflow) from servicing of finance</b>			(3,879)	<u>(23,534)</u>
<b>Extraordinary item</b>				
Penalty paid to H. M. Customs and Excise		<u>(53,800)</u>		<u>-</u>
			(53,800)	<u>-</u>
<b>Investing activities</b>				
Payment to acquire:				
Tangible fixed assets less capital grants received		242,707		321,562
Playing staff		<u>158,000</u>		<u>242,000</u>
		<u>(400,707)</u>		<u>(563,562)</u>
Receipts from sales of:				
Tangible fixed assets		76,045		14,073
Playing staff		<u>617,000</u>		<u>206,183</u>
		<u>693,045</u>		<u>220,256</u>
<b>Net cash inflow/(outflow) from investing activities</b>			292,338	<u>(343,306)</u>
<b>Net cash inflow before financing</b>			887,725	<u>158,055</u>
<b>Financing</b>				
Issue of ordinary share capital	4	2,327		24,241
Loan monies (repaid)	4	(912,420)		(172,285)
New hire purchase contracts net of capital repaid in year	4	<u>10,731</u>		<u>-</u>
			<u>(899,362)</u>	<u>(148,044)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>	3		<u>£ (11,637)</u>	<u>£ 10,011</u>

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE CASH FLOW STATEMENT**  
**for the year ended May 31, 1996**

1.	<b>Reconciliation of operating (loss) to net cash inflow from operating activities</b>	<b>1996</b> £	<b>1995</b> £		
	Operating (loss) before interest payable	(119,015)	(39,296)		
	Investment written off	-	100		
	Depreciation charge	46,271	23,476		
	Decrease in debtors	720,608	149,154		
	Increase in creditors	<u>5,202</u>	<u>391,461</u>		
	Net cash inflow from operating activities	<u>£ 653,066</u>	<u>£ 524,895</u>		
2.	<b>Analysis of changes in cash and cash equivalents during the year</b>	<b>1996</b> £	<b>1995</b> £		
	Balance at June 1, 1995	11,725	1,714		
	Change in year	<u>(11,637)</u>	<u>10,011</u>		
	Balance at May 31, 1996	<u>£ 88</u>	<u>£ 11,725</u>		
3.	<b>Analysis of the balances of cash and cash equivalents as shown in the balance sheet</b>	<b>1996</b> £	<b>1995</b> £	<i>Change in year</i> £	
	Cash at bank and in hand	<u>£ 88</u>	<u>£ 11,725</u>	<u>£ (11,637)</u>	
4.	<b>Analysis of changes in financing during the year</b>	<i>Share Premium</i> £	<i>Share Capital</i> £	<i>Loans</i> £	<i>Hire Purchase</i> £
	Balance at June 1, 1995	1,381,162	576,231	1,353,611	-
	Cash inflow/(outflow) from financing	<u>1,939</u>	<u>388</u>	<u>(912,420)</u>	<u>10,731</u>
	Balance at May 31, 1996	£ 1,383,101	£ 576,619	£ 441,191	£ 10,731

**DUNDEE FOOTBALL CLUB LIMITED  
(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE ACCOUNTS  
at May 31, 1996**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

*Accounting convention*

The financial statements are prepared under the historical cost convention, modified to include the revaluation of certain freehold land and buildings.

*Turnover*

Turnover represents admission money received and income from other activities connected with the promotion of professional football, net of Value Added Tax.

*Tangible fixed assets*

Following on from a revaluation in May, 1990, further additions and improvements to the company's freehold land and buildings are capitalised in the balance sheet at cost, less any grants received.

Having previously revalued the company's freehold land and buildings (see note 8), it is the directors' policy to maintain the company's freehold land and buildings in such condition that its value is not diminished by the passage of time, the relevant expenditure being charged to the profit and loss account in the year in which it is incurred. Therefore, contrary to Statement of Standard Accounting Practice No. 12, no provision is required for depreciation as it is considered to be so slight as to be immaterial.

For other fixed assets, depreciation is provided to write off the cost of the assets over their expected useful lives at the following rates:

Motor vehicles	- 25% reducing balance method
Equipment & fittings	- 10% straight line method.

*Playing staff*

Playing staff were capitalised as a fixed asset in the balance sheet on May 31, 1993, at the directors' valuation.

Each year the amount of transfer fees paid net of transfer fees received is added to the playing staff fixed asset. The resulting amount of the playing staff asset is then adjusted at each year-end date (see note 9), to a valuation made by an independent panel of experienced sports writers, and the amount of this adjustment is shown as a movement in the playing staff revaluation reserve (see note 15).

**DUNDEE FOOTBALL CLUB LIMITED  
(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE ACCOUNTS  
at May 31, 1996**

**1. ACCOUNTING POLICIES (continued)**

*Playing staff (continued)*

As a result of the recent Bosman ruling whereby football clubs are no longer entitled to demand a fee on the transfer of the registration of a player who has completed his contract of employment, the directors consider that it is no longer appropriate to carry the value of the playing staff as an asset. Accordingly, the asset has been written off and similarly, the playing staff revaluation reserve has been released (see notes 9 and 15).

*Deferred taxation*

Deferred taxation is provided, using the liability method, on all timing differences, between the profit computed for taxation purposes and the profit stated in the financial statements to the extent that it is probable the liability will crystallise.

No provision has been made in the financial statements for the tax charge that would arise if the company's heritable property was sold at, or near, the valuation incorporated in the financial statements. As the directors have no intention of disposing of any part of the heritable property, they consider it unlikely that such a charge will arise.

*Leasing and hire purchase commitments*

Assets obtained under hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to profit and loss account evenly over the period of the contract.

Rentals under operating leases are charged against profit on a straight line basis over the lease term.

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE ACCOUNTS**  
**at May 31, 1996**

<b>2. TURNOVER</b>	<b>1996</b>	<b>1995</b>
	£	£
Analysis by area of activity:		
Gate receipts	684,015	398,172
Commercial income	121,282	413,530
Scottish Football Association and Scottish Football League income	154,639	131,354
Other income	<u>72,232</u>	<u>34,864</u>
	<u>£ 1,032,168</u>	<u>£ 977,920</u>
<b>3. STAFF COSTS</b>	<b>1996</b>	<b>1995</b>
	£	£
Wages and salaries	759,007	661,079
Social security costs	<u>69,551</u>	<u>57,318</u>
	<u>£ 828,558</u>	<u>£ 718,397</u>
The average weekly number of employees during the year was:	<i>No.</i>	<i>No.</i>
Full time players, staff and directors	44	37
Part time players and staff	75	75
	----	----
	119	112
	===	===
<b>4. OPERATING (LOSS)</b>		
The operating loss is stated after charging:	<b>1996</b>	<b>1995</b>
	£	£
Directors' remuneration	12,500	-
Auditors' remuneration - audit services	5,000	7,000
- other services	5,800	-
Depreciation		
Owned assets	41,003	23,476
Assets held under hire purchase contracts	<u>5,268</u>	<u>-</u>

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE ACCOUNTS**  
**at May 31, 1996**

<b>5. INTEREST PAYABLE</b>	<b>1996</b>	<b>1995</b>
	£	£
Bank overdraft	52	-
Hire purchase charges	1,383	-
Other interest	2,444	23,534
	<u>£ 3,879</u>	<u>£ 23,534</u>

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

Due to trading losses incurred to date, no provision for corporation tax is required.

<b>7. EXTRAORDINARY ITEM</b>	<b>1996</b>	<b>1995</b>
	£	£
Penalty levied by H. M. Customs and Excise	£ 53,800	£ -

**8. TANGIBLE FIXED ASSETS**

	<i>Freehold land and buildings</i>	<i>Vehicles, equipment &amp; fittings</i>	<i>Total</i>
	£	£	£
Cost or valuation:			
At June 1, 1995	4,979,255	234,763	5,214,018
Additions	40,000	202,707	242,707
Disposals	(72,307)	-	(72,307)
At May 31, 1996	<u>4,946,948</u>	<u>437,470</u>	<u>5,384,418</u>
At valuation	4,100,000	-	4,100,000
At cost	<u>846,948</u>	<u>437,470</u>	<u>1,284,418</u>
	<u>4,946,948</u>	<u>437,470</u>	<u>5,384,418</u>
Depreciation:			
At June 1, 1995	-	120,867	120,867
Disposals	-	-	-
Charge for the year	-	46,271	46,271
At May 31, 1996	<u>-</u>	<u>167,138</u>	<u>167,138</u>
Net book value:			
At May 31, 1996	<u>£ 4,946,948</u>	<u>£ 270,332</u>	<u>£ 5,217,280</u>
At May 31, 1995	<u>£ 4,979,255</u>	<u>£ 113,896</u>	<u>£ 5,093,151</u>



**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE ACCOUNTS**  
**at May 31, 1996**

**8. TANGIBLE FIXED ASSETS (continued)**

The net book value of Vehicles, equipment and fittings above of £270,332 includes £15,837 (1995 - £Nil) in respect of assets held under hire purchase contracts.

Comparable amounts determined according to the historical cost convention:

	<i>Freehold land and buildings</i> £
Cost at May 31, 1990	945,638
Net additions at cost since May 31, 1990	<u>846,948</u>
Net book value: At May 31, 1996	<u>£ 1,792,586</u>
At May 31, 1995	<u>£ 1,824,893</u>

Included in the freehold land and buildings at May 31, 1996 are land and buildings at Dens Park Stadium. The stadium was independently surveyed and valued by O'Neill East Limited, Chartered Surveyors on May 31, 1990. Their valuation of the stadium on a depreciated replacement cost basis but subject to the directors of the company being satisfied as to the adequacy of the company's potential profitability was £4,100,000.

<b>9. PLAYING STAFF</b>	<b>1996</b> £	<b>1995</b> £
Valuation at May 31, 1995	3,985,000	2,980,000
Additions at cost	158,000	242,000
Disposals proceeds	(617,000)	(206,183)
Revaluation surplus arising on independent valuation	-	969,183
Revaluation deficit arising on write off of playing staff in line with Bosman ruling	<u>(3,526,000)</u>	<u>-</u>
Valuation at May 31, 1996	<u>£ -</u>	<u>£ 3,985,000</u>

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE ACCOUNTS**  
**at May 31, 1996**

<b>10. DEBTORS</b>	<b>1996</b>	<b>1995</b>
	£	£
Amounts falling due within one year:		
Trade debtors	16,050	111,630
Other debtors	-	300,000
Prepayments and accrued income	28,953	12,631
Due from holding company	-	289,300
Due from associated company (Dundee Leisure Limited)	-	52,050
	<u>£ 45,003</u>	<u>£ 765,611</u>
<b>11. CREDITORS: amounts falling due within one year</b>	<b>1996</b>	<b>1995</b>
	£	£
Trade creditors	90,526	234,872
Other taxes and social security costs	269,217	202,806
Accruals and deferred income	141,620	101,103
Other creditors	141,172	222,688
Due to associated company (Dundee Leisure Limited)	124,136	-
Hire purchase (note 13)	4,366	-
	<u>£ 771,037</u>	<u>£ 761,469</u>
<b>12. CREDITORS: amounts falling due after more than one year</b>	<b>1996</b>	<b>1995</b>
	£	£
Loan from Continental Commercial Systems Corporation (see below)	441,191	1,353,611
Hire purchase (note 13)	6,365	-
	<u>£ 447,556</u>	<u>£ 1,353,611</u>

The loan from Continental Commercial Systems Corporation, a company registered in Canada with R. N. Dixon as its appointed nominee, is secured by a standard security over the freehold land and buildings of Dens Park Stadium, and by a bond and floating charge for all sums and monies due over the whole property and undertaking of the company. The loan is non-interest bearing and without a fixed repayment date, and the directors are treating this amount as not falling due within one year.

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE ACCOUNTS**  
**at May 31, 1996**

<b>13.</b>	<b>OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS</b>	<b>1996</b> £	<b>1995</b> £
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The maturity of these amounts is as follows:

Amounts payable:

within on year	6,333	-
within two to five years	8,234	-
	14,567	-

Less: Finance charges allocated to  
future periods

3,836	-
£ 10,731	£ -

Hire purchase obligations are analysed as follows:

Current obligations	4,366	-
Non-current obligations	6,365	-
	£ 10,731	£ -

<b>14.</b>	<b>SHARE CAPITAL</b>	<b>1996</b> £	<b>1995</b> £
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Authorised:

10,000,000 ordinary shares of 10p each	1,000,000	1,000,000
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Allotted, called up and fully paid:

5,766,190 ordinary shares of 10p each	576,619	576,231
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During the year 3,874 new ordinary shares were subscribed for and issued at 60p per share and the premium of 50p per each new share issued has been credited to a share premium account. These shares were issued under the prospectus dated March 4, 1992 and the reporting accountants were Messrs. Kidsons Impey, Chartered Accountants.

**DUNDEE FOOTBALL CLUB LIMITED**  
**(FORMERLY DUNDEE FOOTBALL CLUB PLC)**

**NOTES TO THE ACCOUNTS**  
**at May 31, 1996**

<b>15. RESERVES</b>	<i>Share premium account £</i>	<i>Freehold property revaluation reserve £</i>	<i>Playing staff revaluation reserve £</i>	<i>Profit and loss account £</i>
At June 1, 1995	1,381,162	3,154,362	3,800,750	(1,166,098)
On new shares allotted	1,939	-	-	-
Release of playing staff revaluation reserve	-	-	(3,800,750)	3,800,750
Write off of playing staff asset	-	-	-	(3,526,000)
(Loss) for year	-	-	-	(172,956)
At May 31, 1996	<u>£ 1,383,101</u>	<u>£ 3,154,362</u>	<u>£ -</u>	<u>£ (1,064,304)</u>

**16. CAPITAL COMMITMENTS**

There were no capital commitments at May 31, 1996 (1995 - £Nil).

**17. CONTINGENT LIABILITIES**

Actions have been raised against the company by the company's previous marketing consultant. There is ongoing litigation in this case and the directors consider that no provision is required for any contingent liabilities.

There is also a dispute between the company and Messrs. Drummond Robbie & Gibson. The board of directors do not acknowledge that the company has a liability to that firm in respect of fees and outlays or otherwise, and therefore no provision has been made.

The company has raised an action in the Court of Session against BBC Radio Scotland and others. The directors have not provided for the legal costs to date on the basis that they expect these will be recovered in full.

**18. ULTIMATE HOLDING COMPANY**

Continental Sports Corporation Limited, a company registered in Scotland, owned 58.3% of the Company's issued share capital as at May 31, 1996 (1995 - 58.4%). Continental Sports Corporation Limited is a wholly owned subsidiary of Continental Sports Corporation Limited, a company registered in Guernsey.

**19. NUMBER OF SHAREHOLDERS**

The number of shareholders in the company at May 31, 1996 was 867 (1995 - 833).