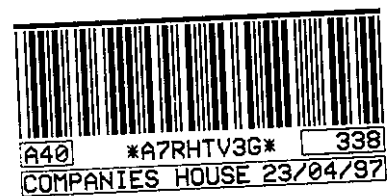


ALTONWOOD LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1996



THE FORDHAM WADDINGTON PARTNERSHIP
17 Bourne Court
Southend Road
Woodford Green
ESSEX IG8 8HD

ALTONWOOD LIMITED

DIRECTORS

R G Noades
B Coleman OBE
Mrs L N Noades
D W Waddington
D A Miller

SECRETARY

D A Miller

COMPANY NUMBER

1536806 (England and Wales)

REGISTERED OFFICE

Arodene House
41-55 Perth Road
Gants Hill
ESSEX IG2 6BX

AUDITORS

The Fordham Waddington Partnership
17 Bourne Court
Southend Road
Woodford Green
ESSEX IG8 8HD

ALTONWOOD LIMITED

INDEX TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

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3	Statement of Directors' Responsibilities
4	Auditors' Report
5	Group Profit and Loss Account
6	Group Balance Sheet
7	Company Balance Sheet
8 - 9	Group Cash Flow Statement
10 - 27	Notes to the Financial Statements

ALTONWOOD LIMITED
REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 30 June 1996.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group is that of a professional Football League Club. During the year the Club competed in the Premier League. In the 1995/96 football season the club will complete in the Endsleigh League First Division.

The principal activity of the company is that of a holding, management and investment company.

The directors are satisfied with the group's performance during the year.

DIVIDEND AND TRANSFER TO RESERVES

The results for the year are set out on page 5.

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £3,654,363 is transferred to reserves.

FIXED ASSETS

Details of movements in fixed assets during the year are set out in notes 9 and 10 to the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the company were as stated below.

		1996 Number	1995 Number
R G Noades	Ordinary shares of £1 each	29,389	29,389
B Coleman OBE	Ordinary shares of £1 each	17,248	17,248
Mrs L N Noades	Ordinary shares of £1 each	-	-
D W Waddington	Ordinary shares of £1 each	-	-
D A Miller	Ordinary shares of £1 each	-	-

DIRECTORS' INSURANCE

The company maintains insurance policies on behalf of all the directors against liability arising from negligence, breach of duty and breach of trust in relation to the company.

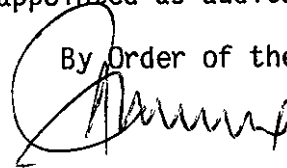
ALTONWOOD LIMITED

REPORT OF THE DIRECTORS (continued)

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that The Fordham Waddington Partnership be reappointed as auditor of the company will be put to the Annual General Meeting.

By Order of the Board

A handwritten signature in dark ink, appearing to read 'D A Miller', is written over the text 'By Order of the Board'.

D A Miller
Secretary
20 March 1997

ALTONWOOD LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 financial statements, 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 financial statements;
- prepare the financial statements 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 financial statements 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.

ALTONWOOD LIMITED
AUDITORS' REPORT
TO THE SHAREHOLDERS OF ALTONWOOD LIMITED

We have audited the financial statements on pages 5 to 27 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and 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 financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

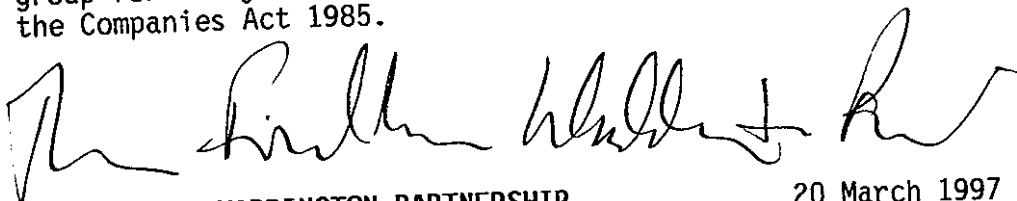
Basis of opinion

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 financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 30 June 1996 and of the profit for the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



THE FORDHAM WADDINGTON PARTNERSHIP
Chartered Accountants and Registered Auditor

20 March 1997

17 Bourne Court
Southend Road
Woodford Green
ESSEX IG8 8HD

ALTONWOOD LIMITED

GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 1996

	Notes	1996 £	1995 £
TURNOVER	2	6,426,051	10,197,527
COST OF SALES		(6,081,075)	(6,146,697)
GROSS PROFIT		344,976	4,050,830
ADMINISTRATIVE EXPENSES		(1,679,942)	(1,610,516)
PROFIT BEFORE TRANSFER FEES AND INTEREST		1,334,966	2,440,314
OTHER OPERATING INCOME	3	6,311,883	(1,229,808)
OPERATING PROFIT	4	4,976,917	1,210,506
Other interest receivable and similar income	5	15,685	1,924
Amount written off investments	6	(57,000)	-
Interest payable and similar charges	7	(655,920)	(462,958)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,279,682	749,472
Tax on profit on ordinary activities	8	(14,483)	(3,551)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		4,265,199	745,921
Minority interests	17	(610,836)	(64,858)
RETAINED PROFIT FOR THE FINANCIAL YEAR	21	3,654,363	681,063

There are no recognised gains and losses other than those passing through the profit and loss account.

ALTONWOOD LIMITED
GROUP BALANCE SHEET AT 30 JUNE 1996

	Notes	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible assets	9		14,100,596		10,618,586
CURRENT ASSETS					
Stocks	11	158,638		156,896	
Debtors	12	2,502,090		756,102	
Cash at bank and in hand		582,631		780,180	
			<u>3,243,359</u>	<u>1,693,178</u>	
CREDITORS: amounts falling due within one year	13	(9,604,623)		(9,432,202)	
NET CURRENT LIABILITIES			<u>(6,361,264)</u>	<u>(7,739,024)</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			7,739,332		2,879,562
CREDITORS: amounts falling due after more than one year	14		(3,607,611)		(3,013,040)
PROVISION FOR LIABILITIES AND CHARGES	15		(3,750)		(3,750)
			<u>4,127,971</u>	<u>(137,228)</u>	
CAPITAL AND RESERVES					
Called up share capital	18		54,300		54,300
Share premium account			6,750		6,750
Revaluation reserve	19		11,250		11,250
Other reserves	20		371,493		224,744
Profit and loss account	21		3,213,678		(440,685)
SHAREHOLDERS' FUNDS	22		3,657,471		(143,641)
Minority interests	17		470,500		6,413
			<u>4,127,971</u>	<u>(137,228)</u>	

The financial statements were approved by the Board on 20 March 1997 and signed on its behalf by

..... R G Noades

Director

ALTONWOOD LIMITED
COMPANY BALANCE SHEET AT 30 JUNE 1996

	Notes	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible assets			1,632,946		1,746,578
Investments	10		<u>2,466,702</u>		<u>2,465,702</u>
					4,212,280
CURRENT ASSETS					
Debtors	12	1,782,045		705,849	
Cash at bank and in hand		24		<u>90,604</u>	
		<u>1,782,069</u>		796,453	
CREDITORS: amounts falling due within one year	13	<u>(1,559,966)</u>		<u>(1,157,615)</u>	
NET CURRENT LIABILITIES			<u>222,103</u>		<u>(361,164)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,321,751		3,851,116
CREDITORS: amounts falling due after more than one year	14		(636,751)		(508,863)
PROVISION FOR LIABILITIES AND CHARGES	15		<u>(553,280)</u>		<u>(553,280)</u>
			<u>3,131,720</u>		<u>2,788,973</u>
CAPITAL AND RESERVES					
Called up share capital	18		54,300		54,300
Share premium account			6,750		6,750
Revaluation reserve	19		1,089,387		1,089,387
Other reserves	20		4,900		4,900
Profit and loss account	21		<u>1,976,383</u>		<u>1,633,636</u>
SHAREHOLDERS' FUNDS	22		<u>3,131,720</u>		<u>2,788,973</u>

The financial statements were approved
by the Board on 20 March 1997 and
signed on its behalf by

..... R G Noades

ALTONWOOD LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 1996

	1996	1995
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	1,391,735	4,291,008
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	15,685	1,924
Interest paid	(655,920)	(428,929)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(640,235)	(427,005)
INVESTING ACTIVITIES		
Payments to acquire tangible assets	(4,066,866)	(4,687,181)
Receipts from sales of tangible assets	426,385	304,481
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(3,640,481)	(4,382,700)
NET CASH INFLOW BEFORE FINANCING	(2,888,981)	(518,697)
FINANCING		
New long term bank loan	989,272	1,819,604
Other new long term loans	-	420,110
Other new short term loans	3,090,596	462,502
Repurchase of debenture loan	-	(15,564)
Repayment of long term bank loan	(427,693)	(73,150)
Repayment of other long term loans	(116,486)	(118,586)
Repayment of other short term loans	(59,719)	(11,772)
Capital element of hire purchase contracts	(192,889)	(123,051)
NET CASH OUTFLOW FROM FINANCING	3,283,081	2,360,093
INCREASE IN CASH AND CASH EQUIVALENTS	394,100	1,841,396

ALTONWOOD LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 1996

1	RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	1996 £	1995 £	
	Operating profit	4,976,917	1,210,506	
	Depreciation of tangible assets	401,080	307,790	
	Loss on disposal of tangible assets	55,311	48,676	
	Increase in stocks	(1,742)	(14,700)	
	Increase in debtors	(1,745,988)	85,170	
	Decrease in creditors due within one year	(2,293,843)	2,653,566	
	NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>1,391,735</u>	<u>4,291,008</u>	
2	ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR	1996 £	1995 £	
	Balance at 1 July 1995	(772,299)	(2,613,695)	
	Net cash inflow	<u>394,100</u>	<u>1,841,396</u>	
	Balance at 30 June 1996	<u>(378,199)</u>	<u>(772,299)</u>	
3	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET	1996 £	1995 £	Change in year £
	Cash at bank and in hand	582,631	780,180	(197,549)
	Bank overdrafts	<u>(960,830)</u>	<u>(1,552,479)</u>	<u>591,649</u>
		<u>(378,199)</u>	<u>(772,299)</u>	<u>394,100</u>
4	ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR		Share capital £	Loans and finance lease obligations £
	Balance at 1 July 1995		61,050	4,076,165
	Cash outflow from financing		-	3,283,081
	Inception of finance lease contracts		-	354,920
	Balance at 30 June 1996		<u>61,050</u>	<u>7,714,166</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

1. ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and include the results of the group's operations as indicated in the directors' report, all of which are continuing.

1.2 COMPLIANCE WITH ACCOUNTING STANDARDS

The financial statements have been prepared in accordance with applicable accounting standards.

1.3 TURNOVER

Turnover represents amounts receivable for goods and services provided in the UK net of VAT and trade discounts.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over fifty or one hundred years
Long leaseholds	-	Straight line over fifty years
Plant and machinery	-	15% Reducing balance
Fixtures, fittings and equipment	-	15% Reducing balance
Motor vehicles	-	25% Reducing balance

Freehold and leasehold properties held as investments are included in fixed assets at their latest valuation. Net surpluses are credited to revaluation reserves. Deficits that are expected to be permanent are written off to the profit and loss account whilst surpluses and non-permanent deficits are shown in the statement of total recognised gains and losses.

1.5 LEASING AND HIRE PURCHASE COMMITMENTS

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated in accordance with the policy stated above. Obligations under such agreements are included in creditors net of finance charges allocated to future periods. The finance element of the rental payments is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

1.6 STOCK

Stock is valued at the lower of cost and net realisable value.

1.7 PENSIONS

The pension costs charged in the financial statements represent the contributions payable by the group during the year.

1.8 DEFERRED TAXATION

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

1.9 FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.10 GOVERNMENT AND OTHER GRANTS

Grants received from The Football Trust in respect of operating costs of the Group are dealt with in the profit and loss account in the period in which the related expenditure is incurred.

Grants received from The Football Trust for ground improvements are credited against the relevant capital expenditure.

1.11 TRANSFER FEES

Transfer fees are charged to the profit and loss account of the group as they are incurred and credited as they are receivable. The directors do not consider it appropriate to adopt any alternative accounting policy, which would capitalise transfer fees payable, as they do not believe it to be practicable to assess the period over which such capitalised costs should be amortised. As a result no value is attributed in the Group Balance Sheet to the squad of players.

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

2. **TURNOVER AND PROFIT ON ORDINARY ACTIVITIES
BEFORE TAXATION**

Class of business	Turnover		Profit	
	1996 £	1995 £	1996 £	1995 £
Footballing activities	5,909,850	9,772,874	4,201,797	446,808
Rental and similar income	516,201	424,653	77,885	302,664
	<u>6,426,051</u>	<u>10,197,527</u>	<u>4,279,682</u>	<u>749,472</u>

3. **OTHER OPERATING INCOME**

	1996 £	1995 £
Transfer fees receivable	14,000,250	492,292
Transfer fees payable	(7,688,367)	(1,722,100)
	<u>6,311,883</u>	<u>(1,229,808)</u>

4. **OPERATING PROFIT**

	1996 £	1995 £
Operating profit is stated after charging:		
Depreciation of tangible assets	401,080	307,790
Operating lease rentals	-	7,935
- Land and buildings	25,405	25,000
Auditor's remuneration	18,753	17,941
Remuneration of auditors for non-audit work	<u>18,753</u>	<u>17,941</u>

5. **OTHER INTEREST RECEIVABLE AND SIMILAR INCOME**

	1996 £	1995 £
Bank interest receivable	<u>15,685</u>	<u>1,924</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

6.	AMOUNTS WRITTEN OFF INVESTMENTS	1996 £	1995 £
	Amounts written off fixed asset investments:		
	- permanent diminution in value	<u>57,000</u>	<u>-</u>
7.	INTEREST PAYABLE	1996 £	1995 £
	On bank loans and overdrafts	570,264	400,138
	On other loans wholly repayable within 5 years	44,714	34,029
	On loans repayable after 5 years	15,746	19,243
	Hire purchase interest	24,985	9,363
	On overdue tax	211	185
		<u>655,920</u>	<u>462,958</u>
	Debenture loan interest for the year has been waived (1995 - £Nil).		
8.	TAXATION	1996 £	1995 £
	U.K. Current year taxation		
	U.K. Corporation tax at 25% (1995 - 25%)	<u>14,483</u>	<u>3,551</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

9. TANGIBLE ASSETS
The Group

	Land and buildings Freehold	Land and buildings Leasehold (long)	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 July 1995	10,367,404	-	298,409	493,832	463,094	11,622,739
Additions	3,459,275	255,340	371,735	28,388	307,048	4,421,786
Revaluation	(57,000)	-	-	-	-	(57,000)
Disposals	(279,502)	-	-	-	(318,210)	(597,712)
At 30 June 1996	13,490,177	255,340	670,144	522,220	451,932	15,389,813
Depreciation						
At 1 July 1995	439,821	-	140,170	267,141	157,021	1,004,153
On disposals	(6,380)	-	-	-	(109,636)	(116,016)
Charge for year	191,782	5,440	79,500	38,262	86,096	401,080
At 30 June 1996	625,223	5,440	219,670	305,403	133,481	1,289,217
Net book values						
At 30 June 1996	12,864,954	249,900	450,474	216,817	318,451	14,100,596
At 30 June 1995	9,927,583	-	158,239	226,691	306,073	10,618,586

Freehold properties were revalued at 30 June 1996 on the basis of an open market valuation for existing use by the directors.

Included above are assets held under finance leases or hire purchase contracts as follows:

	Net book value £	Depreciation charge £
Plant and machinery	113,881	20,100
Motor vehicles	258,831	30,565
	<u>372,712</u>	<u>50,665</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

9. TANGIBLE ASSETS (continued)

<u>The Company</u>	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 July 1995	1,614,391	10,000	143,357	1,767,748
Additions	-	-	30,160	30,160
Disposals	-	-	(143,357)	(143,357)
	<u>1,614,391</u>	<u>10,000</u>	<u>30,160</u>	<u>1,654,551</u>
At 30 June 1996				
Depreciation				
At 1 July 1995	10,707	1,500	8,965	21,172
On disposals	-	-	(28,357)	(28,357)
Charge for year	5,543	1,275	21,972	28,790
	<u>16,250</u>	<u>2,775</u>	<u>2,580</u>	<u>21,605</u>
At 30 June 1996				
Net book values				
At 30 June 1996	<u>1,598,141</u>	<u>7,225</u>	<u>27,580</u>	<u>1,632,946</u>
At 30 June 1995	<u>1,603,684</u>	<u>8,500</u>	<u>134,392</u>	<u>1,746,576</u>

Freehold properties were revalued at 30 June 1996 on the basis of an open market valuation for existing use by the directors.

Included above are assets held under finance leases or hire purchase contracts as follows:

	Net book value	Depreciation charge
	£	£
Motor vehicles	<u>27,580</u>	<u>2,580</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

10. FIXED ASSET INVESTMENTS	1996 £	1995 £
<u>The Company</u>		
Subsidiary undertakings	<u>2,466,702</u>	<u>2,465,702</u>
Investment in subsidiary undertakings		
At 1 July 1995		2,465,702
Additions		1,000
At 30 June 1996		<u>2,466,702</u>
Net Book Values		
At 30 June 1996		<u>2,466,702</u>
At 30 June 1995		<u>2,465,702</u>

In the opinion of the directors the aggregate value of the investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 10%

The company holds more than 10% of the share capital of the following companies:

Company	Nature of Business	Shares held Class	%
Subsidiary undertakings			
Crystal Palace F.C. (1986) Limited	Football club	Ordinary	85.46
Mardonmain Holdings Limited	Letting of property	Ordinary	91.56
Country & Metropolitan Investments Limited	Letting of property	Ordinary	100.00
Zinckirk Properties Limited	Letting of property	Ordinary	100.00
Westerham Golf Club Limited	Golf club	Ordinary	100.00
Mitcham Leisure Limited	Training ground	Ordinary	100.00

In addition, subsidiary companies hold more than 10% of the following companies:

Company	Nature of Business	Shares held Class	%
Subsidiary undertakings			
The Selhurst Park Club Shop Limited	Non trading	Ordinary	100.00

All of the above companies are incorporated in England and Wales and have been consolidated in these financial statements.

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

11.	STOCKS	1996 £	1995 £
	<u>The Group</u>		
	Goods for resale	<u>158,638</u>	<u>156,896</u>
12.	DEBTORS	1996 £	1995 £
	<u>The Group</u>		
	Trade debtors	2,120,580	215,863
	ACT recoverable	3,140	3,140
	Other debtors	152,875	382,504
	Prepayments and accrued income	225,495	154,595
		<u>2,502,090</u>	<u>756,102</u>
	<u>The Company</u>		
	Trade debtors	-	14,375
	Amounts owed by group undertakings	1,661,855	644,004
	Other debtors	40,982	32,470
	Prepayments and accrued income	79,208	15,000
		<u>1,782,045</u>	<u>705,849</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

13. CREDITORS: amounts falling due within one year	1996 £	1995 £
<u>The Group</u>		
Debenture loans	636,611	636,611
Bank loans and overdrafts	4,402,218	1,903,271
Payments received on account	3,403	1,305
Net obligations under finance lease and hire purchase contracts	60,707	48,154
Trade creditors	1,149,734	3,656,945
Corporation tax	21,174	6,691
Other taxes and social security costs	356,588	215,822
Directors' current accounts	250,290	235,339
Other creditors	179,787	309,988
Accruals and deferred income	2,544,111	2,418,076
	<u>9,604,623</u>	<u>9,432,202</u>
<u>The Company</u>		
Debenture loans	636,611	636,611
Bank loans and overdrafts	139,924	32,545
Net obligations under finance lease and hire purchase contracts	2,692	33,619
Trade creditors	11,978	720
Amounts owed to group undertakings	590,803	383,336
Corporation tax	11,367	-
Other taxes and social security costs	61,181	29,115
Directors' current accounts	2,790	-
Other creditors	17,194	4,202
Accruals and deferred income	85,426	37,467
	<u>1,559,966</u>	<u>1,157,615</u>

Included in directors' current accounts of the group is a loan of £247,500 from Mr and Mrs Noades, directors of the company which is secured by way of a fixed and floating charge over a subsidiary's assets.

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

14. CREDITORS: amounts falling due after more than one year	1996 £	1995 £
<u>The Group</u>		
Loans	3,328,406	2,883,313
Net obligations under finance leases and hire purchase contracts	<u>279,205</u>	<u>129,727</u>
	<u>3,607,611</u>	<u>3,013,040</u>
 Loans		
Not wholly repayable within five years by instalments		
Mortgage	188,785	204,440
Bank loans	2,846,061	625,381
Wholly repayable within five years	<u>4,489,253</u>	<u>3,218,308</u>
	7,524,099	4,048,129
Included in current liabilities	<u>(4,195,693)</u>	<u>(1,164,816)</u>
	<u>3,328,406</u>	<u>2,883,313</u>
 Instalments not due within five years	<u>1,223,793</u>	<u>415,612</u>
 Net obligations under finance leases and hire purchase contracts		
Repayable within one year	106,163	70,666
Repayable between one and five years	<u>279,205</u>	<u>132,411</u>
	385,368	203,077
Finance charges and interest allocated to future accounting periods	<u>(45,456)</u>	<u>(25,196)</u>
	339,912	177,881
Included in current liabilities	<u>(60,707)</u>	<u>(48,154)</u>
	<u>279,205</u>	<u>129,727</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

14. CREDITORS: amounts falling due after more than one year (continued)	1996 £	1995 £
<u>The Company</u>		
Loans	615,428	461,111
Net obligations under finance leases and hire purchase contracts	21,323	47,752
	<u>636,751</u>	<u>508,863</u>
 Loans		
Not wholly repayable within five years by instalments	188,785	-
Building society mortgage	108,550	204,440
Bank loans	1,077,635	942,190
Wholly repayable within five years	1,374,970	1,146,630
	(729,542)	(685,519)
Included in current liabilities	<u>615,428</u>	<u>461,111</u>
 Instalments not due within five years	<u>110,041</u>	<u>-</u>
 Net obligations under finance leases and hire purchase contracts		
Repayable within one year	5,662	33,619
Repayable between one and five years	21,323	47,752
	26,985	81,371
 Finance charges and interest allocated to future accounting periods	(2,970)	-
	24,015	81,371
Included in current liabilities	<u>(2,692)</u>	<u>(33,619)</u>
	<u>21,323</u>	<u>47,752</u>

The group companies have given fixed and floating charges over their assets and undertakings to their bankers in respect of bank loans and overdrafts.

The company has given a fixed and floating charge over its assets and undertaking to its debenture holders.

Included in Group loans wholly repayable within five years is a loan of £20,000 to a subsidiary which is secured on a specific parcel of land included in fixed assets.

The finance leases and hire purchase contracts are secured on the assets concerned.

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

15. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax is provided at 25% (1995 - 25%) analysed over the following timing differences:

The Group

	Fully Provided	
	1996	1995
	£	£
Surplus on revaluation of land and buildings	<u>3,750</u>	<u>3,750</u>

The Company

	Fully Provided	
	1996	1995
	£	£
Surplus on revaluation of investments in subsidiaries	<u>553,280</u>	<u>553,280</u>

16. PENSION COSTS

The Group operates a defined contribution pension scheme for its executive directors and employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the funds and amount to £203,753 (1995 - £115,146).

17. MINORITY INTERESTS

	1996	1995
	£	£
Balance at 1 July 1995	6,413	6,523
Proportion of profits on ordinary activities after taxation	610,836	64,858
Transfer to reserve on consolidation	(146,749)	(64,968)
	<u>470,500</u>	<u>6,413</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

18.	SHARE CAPITAL	1996 £	1995 £
	Authorised 80,000 Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>
	Allotted, called up and fully paid 54,300 Ordinary shares of £1 each	<u>54,300</u>	<u>54,300</u>
19.	REVALUATION RESERVE	1996 £	1995 £
	<u>The Group</u>		
	Balance at 1 July 1995 and 30 June 1996	<u>11,250</u>	<u>11,250</u>
	<u>The Company</u>		
	Balance brought forward at 1 July 1995	1,089,387	1,194,387
	Revaluation during the year	-	(105,000)
	Balance carried forward at 30 June 1996	<u>1,089,387</u>	<u>1,089,387</u>
20.	OTHER RESERVES	1996 £	1995 £
	Capital Redemption reserve	4,900	4,900
	Reserve on consolidation	<u>366,593</u>	<u>219,844</u>
		<u>371,493</u>	<u>224,744</u>
	Movements on the reserve on consolidation are:		£
	Balance at 1 July 1995		219,844
	Transfer from minority interest		<u>146,749</u>
	Balance at 30 June 1996		<u>366,593</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

21. PROFIT AND LOSS ACCOUNT

	1996 £	1995 £
<u>The Group</u>		
Accumulated losses at 1 July 1995	(440,685)	(1,121,748)
Retained profit for the year	3,654,363	681,063
Retained profits at 30 June 1996	<u>3,213,678</u>	<u>(440,685)</u>

The Company

Retained profits at 1 July 1995	1,633,636	1,351,246
Retained profit for the year	342,747	282,390
Retained profits at 30 June 1996	<u>1,976,383</u>	<u>1,633,636</u>

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit for the financial year	3,654,363	681,063
Movement in other reserves	146,749	64,968
Net addition to shareholders' funds	3,801,112	746,031
Opening shareholders' funds	(143,641)	(889,672)
Closing shareholders' funds	<u>3,657,471</u>	<u>(143,641)</u>

23. CONTINGENT LIABILITIES

The company has given guarantees to its bankers in respect of borrowings by subsidiary companies which amounted to £6,730,583 at 30 June 1996 (1995 - £4,058,596).

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

24. FINANCIAL COMMITMENTS

At 30 June 1996 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 1996 £	1995 £
Expiry date: Between two and five years	-	12,400

25. CAPITAL COMMITMENTS

Details of capital commitments at the accounting date are as follows:

Contracted for but not provided in the financial statements	333,142	2,804,117
Authorised but not contracted for	339,000	300,000
	<u>672,142</u>	<u>3,104,117</u>

Crystal Palace F.C. (1986) Limited has continued to improve the facilities at the Stadium and the rebuilding of the Holmesdale Stand is now complete. The final contract price has not yet been agreed and, although it is not possible to quantify the amount, there may be further sums to be paid.

Westerham Golf Club Limited is developing a golf course which is now nearing completion. It is expected that the course will open in the Spring of 1997.

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

26. DIRECTORS	1996 £	1995 £
Remuneration		
Emoluments	<u>341,314</u>	<u>241,309</u>
Emoluments disclosed above (excluding pension contributions) include amounts paid to:		
The chairman and the highest-paid director	<u>211,000</u>	<u>162,000</u>
Other directors' emoluments (excluding pension contributions) were in the following ranges:		
	Number	Number
£5,001 - £10,000	-	1
£25,001 - £30,000	-	1
£35,001 - £40,000	<u>2</u>	<u>-</u>
None of the other directors received any emoluments during the year (1995 - Nil).		
However, Mr Waddington has an interest in the supply of services to the group by his Chartered Accountancy Practice which amounted to:		
	<u>28,919</u>	<u>29,097</u>

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

27. EMPLOYEES

Number of employees

The average weekly number of employees (including directors) during the year was:

	1996 Number	1995 Number
Playing and management staff	92	70
Ground staff	24	26
Administration	14	16
Sales and marketing	64	51
Match day staff (part time)	287	258
	<u>481</u>	<u>421</u>

Employment costs

	£	£
Wages and salaries	4,065,885	4,116,494
Social security costs	364,284	410,602
Other pension costs	203,753	115,146
	<u>4,633,922</u>	<u>4,642,242</u>

28. CONTRACT COMMITMENTS

Commitments to players of Crystal Palace F.C. (1986) Limited under contract at the Balance Sheet date, in respect of deferred signing on fees due to them during the period of their contract, which have not been provided for in the financial statements, amounted to £999,935 (1995 - £692,091) of which £517,333 (1995 - £333,862) is payable after more than one year. Further amounts are due under those contracts if certain conditions are fulfilled. It is not yet possible to quantify the cost of those commitments.

29. TRANSFER FEES

As stated in accounting policy Note 1.11 no value is attributed in the Group Balance Sheet to the squad of players of Crystal Palace F.C. (1986) Limited. The approximate cost of transfer fees paid for the current professional playing staff is £8,377,500. The directors consider the current value of the registrations of players under contract to be in excess of this.

ALTONWOOD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

30. POST BALANCE SHEET EVENTS

Since the balance sheet date Crystal Palace F.C. (1986) Limited has acquired new players at a cost of £1,435,000. Other players have been transferred for net proceeds of £2,207,500.