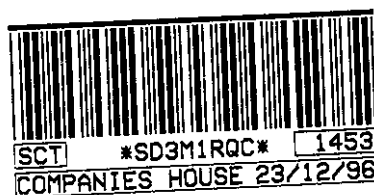


# ABERDEEN FOOTBALL CLUB plc

## REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996



# ABERDEEN FOOTBALL CLUB plc

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# ABERDEEN FOOTBALL CLUB plc

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the NINETY THIRD Annual General Meeting of ABERDEEN FOOTBALL CLUB plc will be held at The Capitol Theatre, Union Street, Aberdeen on Thursday 5th December 1996 at 7.00pm to transact the following business:-

1. To receive and consider the Financial Statements for the period ended 30th June 1996 together with the Reports of the Directors and Auditors thereon.
2. To re-elect a Director.
3. To re-appoint the Auditors and authorise the Directors to fix their remuneration.
4. To transact any other competent business of the Company.

BY ORDER OF THE DIRECTORS

IAN J TAGGART  
Secretary

Registered Office:

Pittodrie Stadium  
Aberdeen

Dated: 5th November 1996

### NOTE

In accordance with the Articles of Association of the Company, notice of questions on the Reports or Accounts should be in the Secretary's hands at least 24 hours before the time fixed for the meeting.

A member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, to vote instead of him and that proxy need not also be a member. A form of proxy is enclosed, and completed proxies must be returned to Pittodrie Stadium at least 48 hours before the time appointed for the meeting.

Will Shareholders please intimate any change of address.

# ABERDEEN FOOTBALL CLUB plc

## CHAIRMAN'S STATEMENT

In its ninety three year history, Aberdeen Football Club can seldom have undergone such a period of change as that which is covered by this Report. In that time, two major issues have dominated, one affecting the Club alone and one which has had significant repercussions for the game throughout Europe.

The share issue achieved both of its principal objectives, namely to increase the capital base and widen the ownership of the Club.

What the ultimate effect of the Bosman ruling will be is still unclear. However, one thing is certain and that is that the transfer system, as we knew it, has changed forever. In the case of Aberdeen Football Club, I believe that, through careful planning, we have managed to minimise the negative impact to date.

### SHARE ISSUE

The share issue substantially increased the number of shareholders (now over 1800) and made funds available for the continued development of your Club. The issue raised £2,171,000 (after expenses).

### BOSMAN

The effects of the court decision in the case of Jean-Marc Bosman (ending transfer fees for out-of-contract players moving between clubs in different member states of the European Union) will have a major influence on the future of the game. (It does not however require any alteration to our accounting treatment of transfer fees paid: we already write off such fees over the period of a player's initial contract with the Club.)

Some countries have already extended the Bosman principle to domestic transfers, and although that is our preference also, it is still uncertain when the position in the United Kingdom will change. It will also take time for clubs, players and players' agents to adjust to the new circumstances.

The Club will now face the possibility of receiving no financial compensation on the transfer of a player who has come through the Club's youth development programme, perhaps from an early age. We do however see a strong and successful youth development system as an essential ingredient towards building a competitive and balanced player pool, and to that end we are increasing our financial commitment to youth development.

### FINANCIAL RESULTS

We are pleased to report a profit before taxation of £1,596,000 for the fourteen month period to 30th June 1996, compared with a loss for the year to 30th April 1995 of £652,000, after taking account of gains on transfers of players' registrations and amortisation of players' registrations.

Before taking into account such gains and amortisations, there was an operating loss of £586,000 for the fourteen month period. This period includes the close season months of May and June in both 1995 and 1996 (in which the Club generates very little income): for the 12 month period to 30th April 1996, there would have been a small operating profit (compared with a corresponding loss for the previous 12 months of £395,000).

The accounting year end was changed to 30th June so that in future the financial year would cover the full football season, and to coincide with the normal expiry date of players' contracts.

### INVESTMENT

We have invested in a number of areas to lay the foundation for future development and growth. Our main investment has been in the playing pool, and further details are contained in the Manager's Report; we have also invested in the ongoing programme of stadium improvement and in enhanced services (including new telephone and computer systems). It is essential that we offer our supporters quality both on and off the park if we are to maintain our challenge.

### COMMERCIAL

With gate income in season 95-96 (despite a record level of season ticket sales) accounting for just 55% of the total wage bill of the Club for the fourteen month period covered, the activities of the commercial department of the Club are clearly vital. Over the last five years commercial income has increased from £1.2 million in 1991/92 to £3.4 million in the last accounting period.

# ABERDEEN FOOTBALL CLUB plc

## CHAIRMAN'S STATEMENT (continued)

During the year we signed a new Club sponsorship contract with Living Design. We welcome them as new partners, and wish to record our thanks to Northsound Radio for their tremendous support in the last two years.

The Club organised its first ever pop concert with the visit of Rod Stewart, and the utilisation of Pittodrie Stadium for non-footballing activities is one of the main objectives of our commercial personnel.

Our success will continue to be driven by the number and loyalty of our supporters and the development of new commercial opportunities.

### STRUCTURE

To compete with the best we need to ensure that we have a strong management structure throughout the Football Club. I take this opportunity to thank my fellow directors for their commitment and backing during this period of change. Their contribution in both time and effort behind the scenes is very much appreciated.

Roy Aitken and his management team brought Cup success back to Aberdeen with the Coca Cola Cup win, and from a ninth place finish in the Premier League in season 1994/95 we achieved a creditable third place in 1995/96, and reached the semi-final stage of the Scottish Cup. Roy's efforts and those of his team deserve our special thanks.

We were very saddened by the death earlier this year of chief scout Jimmy Carswell. Jimmy had been associated with the Club in a scouting capacity for over 20 years and during that time was instrumental in attracting a wealth of young talent to the Club.

Our off the field team has been restructured and we have employed a new Financial Controller (Alan Paterson) and a new PR & Marketing Manager (Dave Macdermid) to improve the management team. Once again the foundations are being set for the future development of the business. The efforts of all of our staff are very much appreciated.

### COMMUNICATION

A major effort has been made in the last year to improve communication with all levels of supporters and make the Club more accessible.

- New communication to season ticket holders — Inside Line
- Open Day for Shareholders (1,000 attended)
- Presentations made to:
  - Supporters Clubs
  - Supporters Association
  - Institute of Directors
  - Institute of Management
  - Aberdeen Enterprise Trust
- Tours of stadium (over 3,000 visited during period covered by this Report)
- Market research project with Robert Gordon University
- Community and school projects
- Dons Youngstars Open Day (over 4,000 children and parents)

We still have many areas where improvement can be made and we shall try hard to do so in the coming year.

As we continue to focus all our energies on the achievement of success, I would like to thank everyone who has supported the Club during the past year. We appreciate your commitment to the Club and hope that together we can look forward to the challenge ahead, with determination and a common purpose.

IAN R. DONALD  
*Chairman*

# ABERDEEN FOOTBALL CLUB plc

## MANAGER'S REPORT

The period from May 1995 to June 1996 could rightly be described as one of the most dramatic in the history of Aberdeen Football Club.

On 21st May 1995, Dunfermline Athletic stood between the Club and Premier League survival. We went into the play-offs with Dunfermline full of confidence that we would stay up and thankfully, as you know, that is exactly what happened.

It is impossible to talk about the play-offs without mentioning the fans, who were absolutely fantastic and showed exactly what Aberdeen Football Club means to them and almost everybody in the local community.

A few months later the supporters had plenty to shout about again with our appearance at Hampden for the final of the Coca-Cola Cup against Dundee. The victory that day will live long in the memories of all the Aberdeen supporters who were there, and being my first major success as a manager, the twenty-sixth of November 1995 will always be very special to me.

The winning of the Coca-Cola Cup was undoubtedly the highlight of the season in which we also reached the last four of the Tennents Scottish Cup and finished in third place in the Bell's Premier League, feats which restored credibility in the team performance on the park. The objectives for the season had been to rebuild and restore the stature of Aberdeen Football Club after our disappointing season the previous year and that is exactly what we achieved.

Even before the implications of the Bosman ruling had become clear, I had felt it vital to ensure that we secure as many players as possible on longer term contracts. That was the main reason for putting Eoin Jess and Gary Smith on the transfer list in the early part of 1996 when it became obvious both saw their futures away from Pittodrie. In the end, although we received no transfer fee for Gary, we did receive a fee for Eoin, which we may well have lost if we had waited until the end of the season.

Quite a number of other players have left the Club during this period including Stephen Wright, Theo Snelders, Paul Kane, David Winnie, Scott Thomson, Ray McKinnon and Peter Hetherston.

It is my task to develop a quality team here at Pittodrie through prudent acquisition and retention of the right type of player for the Club. The success of the public share issue allowed me to purchase firstly Paul Bernard and then Dean Windass, both of whom have become vital members of the pool. Since then the net has been spread even wider with the arrivals of Ilian Kiriakov, Tzanko Tzvetanov, Toni Kombouare and Nicky Walker to strengthen the first team pool.

And just as it is vital to get things right on the park, the management team responsible for the players must gel as well, even more so now that the marketplace has changed from being predominantly Scottish to European. Tommy Craig was brought on board in the summer of 1995 and his experience and enthusiasm have been a tremendous help. With Drew Jarvie and Neil Cooper responsible for youth development within the Club, Stuart Hogg now on board in a full time capacity as fitness coach, two physiotherapists in David Wylie and John Sharp, and chief scout John Kelman, who joined following the untimely death of Jimmy Carswell, I believe I have a back-up team second to none. The work they have all put in has been tremendous and I would like to take this opportunity to express publicly my appreciation.

Youth development remains the lifeblood of Aberdeen Football Club and our youth system now operates throughout the country from the south of Scotland to the islands. The advantages of such an approach have been demonstrated through the progress made by a number of players. Stephen Glass showed the way by becoming, not only a first team regular, but also an Under 21 international. His achievements showed just how far youngsters could go in a short period of time and he has been followed in fine style by Darren Young and David Rowson, both outstanding young talents. Others like Jamie Buchan, Malcolm Kpedekpo, Michael Craig and Dennis Wyness have also been involved in the first team at some point and these boys and others give great hope for the future.

This period was one of transition for Aberdeen Football Club. The Bosman ruling was about to change the face of the game dramatically and I feel that as a Club, we prepared ourselves for that change better than most. We were in a position to blood youngsters because we knew that we must always have players coming through the ranks in order to survive and continue to compete in all competitions.

That transition still has some way to go however and whilst we have made progress towards our objectives, there is still much work to be done. There is a major challenge out there for all of us, the players, the management, the fans and the community at large. We *are* heading in the right direction but it will take time and we will all have to be patient. However it is my aim to bring further success to this Club and I would not be here if I did not believe with all my heart it were possible!

ROY AITKEN,  
*Manager*

# ABERDEEN FOOTBALL CLUB plc

## REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their Report and Financial Statements for the period from 1st May, 1995 to 30th June, 1996.

1. **CHANGE OF NAME AND SHARE ISSUE**

On 15th August, 1995 the Company re-registered as Aberdeen Football Club plc. During the period a total of £2,171,000 (net of expenses) was raised from the issue of ordinary shares. Full details of the issue are provided in Note 15 to the Financial Statements.

2. **RESULTS AND DIVIDENDS**

The results for the period are set out on page 9. The Directors recommend that no dividend (1995 Nil) be paid for the period.

3. **REVIEW OF THE BUSINESS**

The Company carries on footballing activities. A review of the Company's business is contained in the Chairman's Statement.

4. **POST BALANCE SHEET EVENTS**

Since 30th June, 1996 the Company has paid compensation and signing on fees as a result of the transfer of the registrations of Tzanko Tzvetanov, Antoine Kombouare and Nicky Walker.

5. **DIRECTORS AND THEIR INTERESTS**

- (a) The Directors of the Company and their interests in the Issued Share Capital of the Company at the beginning and end of the accounting period were as follows:-

	30.6.96	30.4.95
Ian R. Donald	353,105	6,739
Denis J. Miller	15,000	1,320
Gordon A. Buchan	10,000	—
Stewart Milne	170,000	2,000

Included in the above shareholdings for Ian R. Donald and Stewart Milne are shares owned by Companies in which they have a controlling interest. In addition to the above Gordon A. Buchan held 130 shares in a non beneficial capacity.

- (b) The retiring Director at this time is Gordon A. Buchan who being eligible, offers himself for re-election.

6. **PAYMENT OF CREDITORS**

It is the Company's policy to pay creditors in line with terms and conditions agreed with individual suppliers.

7. **AUDITORS**


A resolution to re-appoint as Auditors Messrs. Bower and Smith, Chartered Accountants, will be put to the Members at the Annual General Meeting.

By Order of the Board,

IAN R. DONALD

Chairman.  
Aberdeen.

5th November, 1996

  
IRD

# ABERDEEN FOOTBALL CLUB plc

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements for each financial period 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.



# ABERDEEN FOOTBALL CLUB plc

## PROFIT AND LOSS ACCOUNT

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

	Notes	1996 £000	Year ended 30.4.95 £000
TURNOVER	2	5719	4467
OPERATING CHARGES	3	(6305)	(4862)
		(586)	(395)
Amortisation of Players Registrations		(1113)	(930)
Gain on Sale of Players Registrations		3432	767
		2319	(163)
OPERATING PROFIT/(LOSS)	4	1733	(558)
Share of Profit in Associated Undertaking		2	3
		1735	(555)
Interest Payable	5	(142)	(173)
Interest Received		3	1
		1596	(727)
Exceptional Item	6	—	75
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1596	(652)
TAXATION	7	9	1
TRANSFER TO RESERVES		1587	(653)

All amounts relate to continuing activities

All recognised gains and losses are included in the Profit and Loss Account

The Notes on pages 13 to 19 form part of the Financial Statements

# ABERDEEN FOOTBALL CLUB plc

## BALANCE SHEET

AS AT 30TH JUNE 1996

	Notes	1996 £000	1996 £000	30.4.95 £000	30.4.95 £000
<b>FIXED ASSETS</b>					
Intangible Assets	8		2229		1439
Tangible Assets	9		5857		6077
Investment	10		<u>27</u>		<u>25</u>
			8113		7541
<b>CURRENT ASSETS</b>					
Debtors	11	1114		578	
Cash at Bank and in Hand		<u>42</u>		<u>29</u>	
		1156		607	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>1672</u>		<u>4198</u>	
<b>NET CURRENT LIABILITIES</b>			(516)		(3591)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			7597		3950
<b>CREDITORS</b>					
Amounts falling due in over one year	13	2136		2255	
<b>PROVISION FOR LIABILITIES AND CHARGES</b>					
Deferred Taxation	14	<u>8</u>		<u>-</u>	
			<u>2144</u>		<u>2255</u>
			<u>5453</u>		<u>1695</u>
<b>CAPITAL AND RESERVES</b>					
Called Up Share Capital	15		2383		100
Reserves	16		<u>3070</u>		<u>1595</u>
<b>SHAREHOLDERS FUNDS</b>			<u>5453</u>		<u>1695</u>

All items under Capital and Reserves are equity

The Financial Statements were approved by the Board on 5th November, 1996

Chairman IAN R. DONALD



IRD

The Notes on pages 13 to 19 form part of the Financial Statements

# ABERDEEN FOOTBALL CLUB plc

## CASH FLOW STATEMENT

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

	1996	Year ended 30.4.95
	£000	£000
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(748)	(410)
RETURNS ON INVESTMENT AND SERVICING OF FINANCE		
Interest Received	3	1
Interest Paid	<u>(142)</u>	<u>(173)</u>
NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE	(139)	(172)
INVESTING ACTIVITIES		
Purchase of Tangible Fixed Assets	(135)	(92)
Sales of Tangible Fixed Assets	12	70
Purchase of Players Registrations	(2125)	(1562)
Sale of Players Registrations	<u>3654</u>	<u>905</u>
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	<u>1406</u>	<u>(679)</u>
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	519	(1261)
FINANCING		
Issue of Ordinary Share Capital	2171	-
Hire Purchase Contracts Repaid	(61)	(59)
Loan Repaid	<u>(18)</u>	<u>-</u>
NET CASH INFLOW/(OUTFLOW) FROM FINANCING	<u>2092</u>	<u>(59)</u>
	<u>2611</u>	<u>(1320)</u>
MOVEMENT IN CASH AND CASH EQUIVALENTS		
At beginning of period		
Cash at Bank and in Hand	29	32
Bank Overdraft	<u>(3086)</u>	<u>(1769)</u>
	(3057)	(1737)
At end of period		
Cash at Bank and in Hand	42	29
Bank Overdraft	<u>(488)</u>	<u>(3086)</u>
	<u>(446)</u>	<u>(3057)</u>
	<u>2611</u>	<u>(1320)</u>

The Notes on pages 13 to 19 form part of the Financial Statements

# ABERDEEN FOOTBALL CLUB plc

## CASH FLOW STATEMENT (continued)

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

	1996	Year ended 30.4.95
	£000	£000
RECONCILIATION OF OPERATING PROFIT/ (LOSS) TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES		
Operating Profit/(Loss)	1733	(558)
Depreciation	354	294
(Gain)/Loss on Sale of Fixed Assets	(12)	14
(Increase)/Decrease in Debtors	(536)	(74)
Increase/(Decrease) in Creditors	112	(183)
Amortisation of Football Trust Grants	(80)	(66)
Amortisation of Players Registrations	1113	930
Gain on Sale of Players Registrations	<u>(3432)</u>	<u>(767)</u>
	<u>(748)</u>	<u>(410)</u>

The Notes on pages 13 to 19 form part of the Financial Statements

# ABERDEEN FOOTBALL CLUB plc

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

### 1. ACCOUNTING POLICIES

The Financial Statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following accounting policies have been applied:-

#### **Donations from Lotteries**

Donations from lotteries are accounted for in the accounting period in which they are received.

#### **Tangible Fixed Assets and Depreciation**

Tangible Fixed Assets are stated at cost less depreciation. Tangible Fixed Assets are depreciated to write off the cost of assets over their estimated useful lives. The depreciation bases and rates are as follows:-

Stands, Executive Boxes, Permanent Fixtures	2.5% – 5% Straight Line
Motor Vehicles	20% Straight Line
Plant, Furniture and Fittings	10% – 20% Straight Line
Safety Improvements	100% Straight Line

#### **Grants**

Grants received from the Football Trust for Stands, Safety Improvements and Plant are credited to deferred income and are amortised to the Profit and Loss Account over the estimated useful life of the related Tangible Fixed Asset.

#### **Capitalisation of Interest**

Interest costs incurred in the construction of the new Stand have been capitalised during the period of construction.

#### **Deferred Taxation**

Provision is made for Deferred Taxation at the current rate of Corporation Tax in respect of timing differences to the extent that a liability or asset is expected to crystallise within the foreseeable future.

#### **Pension Costs**

Contributions to the Company's defined contribution pension scheme are charged to the Profit and Loss Account in the period in which they become payable.

#### **Associated Undertaking**

These Accounts include the appropriate share in the results of its associated undertaking, Aberdeen Football Club Shop Limited, based on Financial Statements made up to the end of the financial period.

#### **Leased Assets**

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

#### **Transfer Fees and Signing On Fees**

Fees payable to other Football Clubs on the transfer of players' registrations are capitalised and amortised over the period of the respective players' initial contracts.

Fees receivable from other Football Clubs on the transfer of players' registrations are dealt with through the Profit and Loss Account in the accounting period in which the transfer takes place.

Signing on fees are charged to the Profit and Loss Account in the accounting period in which they are payable.

Payments or receipts which are contingent on the performance of the team or players are not recognised until the events crystallising such payments or receipts have taken place.

### 2. TURNOVER

This represents the revenue from footballing activities and associated commercial activities excluding the transfer of players' registrations, stated net of Value Added Tax.

# ABERDEEN FOOTBALL CLUB plc

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

	1996	Year ended 30.4.95
	£000	£000
<b>3. OPERATING CHARGES</b>		
Staff Costs	4208	3172
Depreciation	354	294
Other Operating Charges	1823	1465
Other Operating Income	(80)	(69)
	<u>6305</u>	<u>4862</u>
Staff Costs Consist of:-		
Wages and Salaries	3644	2798
Social Security Costs	344	252
Other Pension Costs	220	122
	<u>4208</u>	<u>3172</u>
The average weekly number of employees during the period was made up as follows:-		
Office and Management	59	46
Playing Staff	41	45
	<u>100</u>	<u>91</u>
	£000	£000
Directors remuneration consists of:-		
Fees	13	11
Other Emoluments	-	-
	<u>13</u>	<u>11</u>
<b>4. OPERATING PROFIT</b>		
This is stated after charging/(crediting):-		
Auditors Remuneration		
Audit Services	5	5
Non Audit Services	1	1
Grants	(80)	(69)
Other Operating Lease Rentals	58	19
Donations from Lotteries	<u>(317)</u>	<u>(363)</u>

In addition to the above, fees of £10,000 were paid to the Auditors in respect of work carried out in connection with the share issue.

### 5. INTEREST PAYABLE

Bank Interest	130	162
Hire Purchase Interest	12	11
	<u>142</u>	<u>173</u>

# ABERDEEN FOOTBALL CLUB plc

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

### 6. EXCEPTIONAL ITEM

The expected useful life of the new stand was re-assessed during the year ended 30th April, 1995 and was changed from 20 to 40 years. Therefore in accordance with Statement of Standard Accounting Practice Number 12 depreciation has been recalculated from the date of completion of the stand.

	1996	Year ended
	£000	30.4.95
		£000
Reduction in accumulated Depreciation	—	122
Reduction in Amortisation of Grant	—	(47)
	<u>—</u>	<u>75</u>

### 7. TAXATION

Corporation Tax on Profit for period	1	—
Transfer to Deferred Taxation	<u>8</u>	<u>—</u>
	9	—
<b>Associated Undertaking</b>		
Share of Corporation Tax on Profit for period	—	1
	<u>9</u>	<u>1</u>

The Company has estimated taxation losses available for carry forward amounting to £3,080,000 (1995 £3,577,000).

### 8. INTANGIBLE FIXED ASSETS

Intangible Fixed Assets comprise the amortised cost of players' registrations transferred to the Club. Movements during the period were as follows:-

<b>COST</b>	£000
At 1st May, 1995	3508
Additions	2125
Disposals	<u>(1263)</u>
	<u>4370</u>
<b>AMORTISATION</b>	
At 1st May, 1995	2069
Charge for period	1113
Disposals	<u>(1041)</u>
	<u>2141</u>
<b>NET BOOK VALUE</b>	
At 30th June, 1996	<u>2229</u>
At 30th April, 1995	<u>1439</u>

# ABERDEEN FOOTBALL CLUB plc

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

### 9. TANGIBLE FIXED ASSETS

	Land £000	Stands, Executive Boxes Permanent Fixtures £000	Plant, Furniture and Fittings £000	Safety Improve- ments £000	Motor Vehicles £000	Total £000
<b>Cost</b>						
At 1st May, 1995	208	6297	1151	241	34	7931
Additions	-	57	77	-	-	134
Reclassification	-	241	-	(241)	-	-
Disposals	-	-	-	-	(34)	(34)
	<u>208</u>	<u>6595</u>	<u>1228</u>	<u>-</u>	<u>-</u>	<u>8031</u>
<b>Depreciation</b>						
At 1st May, 1995	-	1121	458	241	34	1854
Additions	-	215	139	-	-	354
Reclassification	-	241	-	(241)	-	-
Disposals	-	-	-	-	(34)	(34)
	<u>-</u>	<u>1577</u>	<u>597</u>	<u>-</u>	<u>-</u>	<u>2174</u>
<b>NET BOOK VALUE</b>						
At 30th June, 1996	<u>208</u>	<u>5018</u>	<u>631</u>	<u>-</u>	<u>-</u>	<u>5857</u>
<b>NET BOOK VALUE</b>						
At 30th April, 1995	<u>208</u>	<u>5176</u>	<u>693</u>	<u>-</u>	<u>-</u>	<u>6077</u>

The net book value of Tangible Fixed Assets includes an amount of £143,000 (1995 £167,000) in respect of assets held under hire purchase contracts. The related depreciation charge for the period was £24,000 (1995 £21,000).

### 10. INVESTMENTS

	1996 £000	At 30.4.95 £000
<b>Investment in Associated Company</b>		
Cost of Shares	1	1
Share of Post Acquisition Profits	<u>26</u>	<u>24</u>
	<u>27</u>	<u>25</u>

The Shares in the Associated Company are in respect of a holding of 50 "B" Ordinary Shares of £1 each in Aberdeen Football Club Shop Limited, representing 50% of the Issued Share Capital of that Company.

### 11. DEBTORS

Other Debtors	1114	549
Grants Receivable	<u>-</u>	<u>29</u>
	<u>1114</u>	<u>578</u>



# ABERDEEN FOOTBALL CLUB plc

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

### 12. CREDITORS: Amounts falling due within one year

	1996	At 30.4.95
	£000	£000
Bank Overdraft	488	3086
Trade Creditors	109	232
Other Taxes and Social Security Costs	196	80
Corporation Tax	1	-
Other Creditors	301	438
Unclaimed Dividends	3	3
Deferred Income	498	296
Hire Purchase	52	52
Loan (Current Instalment)	24	11
	<u>1672</u>	<u>4198</u>

The Bank Overdraft is secured over the assets of the Company.

### 13. CREDITORS: Amounts falling due in over one year

Deferred Income	1928	1954
Hire Purchase	56	117
Loan (See Below)	152	184
	<u>2136</u>	<u>2255</u>

The obligations under hire purchase contracts are due as follows:

Within 1 - 2 years	52	52
Within 2 - 5 years	4	65
	<u>56</u>	<u>117</u>

The Loan is from Scottish & Newcastle plc and is secured by a Bond and Floating Charge over the assets of the Company subject to a ranking agreement with the Clydesdale Bank plc.

The Loan is interest free and is repayable in monthly instalments of £2,032.

Repayable within 1 - 2 years	24	20
Repayable within 2 - 5 years	73	58
Repayable in over five years	55	106
	<u>152</u>	<u>184</u>

### 14. DEFERRED TAXATION

The total potential deferred tax liability for all timing differences at a Corporation Tax rate of 24% (1995 25%) was as follows:-

Capital Allowances	212	171
Other Timing Differences	535	360
Taxation Losses available for carry forward	(739)	(894)
	<u>8</u>	<u>(363)</u>

# ABERDEEN FOOTBALL CLUB plc

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

### 15. SHARE CAPITAL

	1996	At 30.4.95
	£000	£000
<b>Authorised</b>		
3,000,000 (1995 100,000) Ordinary Shares of £1 each	<u>3000</u>	<u>100</u>
<b>Issued and Fully Paid</b>		
2,382,500 (1995 100,000) Ordinary Shares of £1 each	<u>2383</u>	<u>100</u>

On 15th August, 1995 the Authorised Share Capital of the Company was increased from 1,000,000 Ordinary Shares of £1 each to 3,000,000 Ordinary Shares of £1 each; on that date the Issued Share Capital was increased by way of a capitalisation issue of a further 900,000 Ordinary Shares of £1 each credited as fully paid. This increased the Issued Share Capital to 1,000,000 Ordinary Shares of £1 each.

On 17th August, 1995 2,000,000 Ordinary Shares of £1 each were offered in a Share Issue at £1.75 each.

£2,171,000 was raised as a result of this offer being 1,382,500 Ordinary Shares at £1.75 each less expenses of issue.

### 16. RESERVES

	Share Premium Account £000	Profit and Loss Account £000	Total £000
Balance at 1st May, 1995	—	1595	1595
Profit for period	—	1587	1587
Premium arising on issue of 1,382,500 Ordinary Shares of 75p each less expenses	788	—	788
Capitalisation issue of 900,000 Ordinary Shares of £1 each	—	(900)	(900)
	<u>788</u>	<u>2282</u>	<u>3070</u>

### 17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	1996	At 30.4.95
	£000	£000
Opening Shareholders Funds as previously reported	1695	1405
Prior Year Adjustment	—	943
	<u>1695</u>	<u>2348</u>
Profit/(Loss) for the financial period	1587	(653)
Share Issue	<u>2171</u>	<u>—</u>
Closing Shareholders Funds	<u>5453</u>	<u>1695</u>

### 18. CAPITAL COMMITMENTS

The Company was committed to expenditure of £65,000 (1995 Nil) at 30th June, 1996 for continuing stadium improvements.

# ABERDEEN FOOTBALL CLUB plc

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1ST MAY, 1995 TO 30TH JUNE, 1996

### 19. PENSION FUND

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

### 20. CONTINGENT LIABILITIES

At 30th June, 1996 additional transfer and signing on fees of a maximum amount of £718,000 (30th April, 1995 £877,000) will become payable under transfer and signing on contracts if certain contractual conditions are met. Of this amount £370,000 (30th April, 1995 £657,000) could arise within one year.

### 21. COMMITMENT UNDER OPERATING LEASES

At 30th June, 1996 the Company had annual commitments under non-cancellable operating leases as set out below:-

	1996 £000	At 30.4.95 £000
Other Operating Leases:-		
Within one year	—	—
In second to fifth years inclusive	49	46
Over five years—	<u>—</u>	<u>—</u>
	<u>49</u>	<u>46</u>

### 22. TRANSACTIONS IN WHICH THE DIRECTORS HAVE AN INTEREST

Gordon A. Buchan is a partner in the firm of Paull & Williamsons, Solicitors, who received £40,000 for their professional fees relating to the Share Issue.

Stewart Milne is a Director of the Stewart Milne Group Limited which was paid £27,000 during the period for building work performed.

# ABERDEEN FOOTBALL CLUB plc

## AUDITORS' REPORT TO THE SHAREHOLDERS OF ABERDEEN FOOTBALL CLUB plc

We have audited the Financial Statements on pages nine to nineteen which have been prepared under the historical cost convention and the Accounting Policies set out on page thirteen.

### Respective responsibilities of Directors and Auditors

As described on page eight 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 judgements 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 the Company's affairs as at 30th June, 1996 and of its Profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



BOWER AND SMITH C.A.,

Registered Auditors and  
Chartered Accountants.

30 Carden Place,  
Aberdeen.

5th November, 1996