

Company registration number SC013690 (Scotland)

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | Mr J Fyffe Mr M Ogren Mr S Ogren |
| Company number | SC013690 |
| Registered office | Tannadice Park Dundee DD3 7JW |
| Auditor | Thomson Cooper 3 Castle Court Carnegie Campus Dunfermline Fife KY11 8PB |
| Bankers | Santander Bridle Road Bootle Mersersyde L30 4GB |

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

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THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The Directors present the strategic report and financial statements for the year ended 30 June 2024.

Strategy and Business Model

Dundee United Football Club (the “company” and the “club”) is committed to being a sustainable and leading competitor within the upper echelons of the Scottish Professional Football League.

The club aims to achieve success in league and cup competitions. Its philosophy, both on and off the field, is continuous personal growth and team development supported by first-class facilities, staff, coaching, youth development, and club infrastructure.

It aims to be the club of choice for highly talented players and aspiring youngsters, and through a thriving senior football and Academy set-up it will ensure our players are developed to their highest level possible.

We are a club that continues to work alongside Dundee United Community Trust (DUCT) within our local community to improve the lives of people within Dundee and the surrounding areas.

Review of the business

Financial Overview

In the year ended 30 June 2024, Dundee United Football Club reduced its total costs by £3.8 million; a 29% reduction compared to the previous year. Through strict, robust budgetary control, improved processes and communication, the club made significant strides towards financial sustainability by reducing its loss to £1.6m (EBITDA). This was despite the increased challenges and economic consequences of dropping to the Championship.

Whilst never satisfied with a loss, the Board recognise the significant improvement in the financial performance compared to the prior year. It is a further belief that the economic, operational and cost management processes now in place will help drive the club towards the goal of financial sustainability moving forward into 2024-25.

The operating loss before interest and profit on the sale of players was reduced by 45% compared to the prior year despite the reduction in income that comes with relegation to the Championship. The loss, excluding player gains, was £2.3m compared to a £4.3m loss in the prior year. Achieved by the above-mentioned robust budgetary controls, enhanced operational processes and improved communication across the business, it is important to acknowledge the tireless hard work from all staff at Dundee United FC to achieve this reduction thus further aiding a strong foundation for our Premiership return. Total wage costs decreased by £1.7m (25%) to £5.2m and the wages/turnover ratio decreased to 81% from 86% in the prior year.

The net present value loan liability to OPG-4 UK dropped 34% from £10.1m to £6.6m strengthening the balance sheet.

Turnover held high at 6.4m although this was down from £8.1m in the prior year. The drop was largely down to a significant reduction in prize money and lower match attendances due to the substantially smaller away travelling supports in the Championship. The fantastic support of our fans continued, with season ticket sales remaining high and generating over £1m. Home matchday ticket sales also remained strong, with our fans showing great loyalty during a challenging time.

It is also important to note that the club continued to perform strongly in retail, commercial and across all other income streams to ensure that the turnover remained one of the highest in Scottish football despite relegation.

The profit on sale of player registrations was £0.7m with nearly £1m in transfer fee income generated.

Interest payable of £0.5m relates entirely to a notional interest charge on Mark Ogren’s loan account and the Scottish Government Covid-19 loan, as both these loans are provided interest-free and financial reporting standards require notional interest to be charged on them through the Profit & Loss Account. This charge is added back through Other Reserves to the P&L Reserve. The club do not pay out this interest.

The club expects a significant increase in turnover for season 2024-25 after gaining promotion back to the Scottish Premiership. The additional income combined with our improved financial management and controls has given the club a strong financial forecast for the 2024-25 Profit & Loss Account.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Review of Football Operations

Following relegation to the Scottish Championship at the end of the 2022/23 Season, the club committed to the retainment of the management team and extended the contracts of both first-team manager Jim Goodwin and assistant manager, Lee Sharp to lead the team into the following season with the sole objective of winning the league and gaining promotion back to the Scottish Premiership.

The club also obtained the services of experienced goalkeeping coach Paul Mathers ahead of the new season, with club legend Dave Bowman completing the first-team coaching staff.

As a result of the club's relegation to the Scottish Championship, there was a serious requirement for the cost of the playing squad to be addressed. Following the substantial 2022/23 investment in player registrations and contractual obligations therein, the requirement to transfer the registration of several senior players became paramount.

Despite being faced with the consequential task of offloading costly player registrations in a difficult trading market position, the club were able to obtain transfer income totalling over £1m for several senior players.

Eleven other senior players also left the club for various reasons including the end of current deals, returning to parent clubs or termination of contracts.

The significant overhaul of the playing squad for a season in which there was only one objective meant that a targeted recruitment strategy was required to find players who were capable of achieving the principal objective the club had.

The permanent registrations of Ross Docherty, Kevin Holt, Louis Moulton, Declan Gallagher and Liam Grimshaw, coupled with a number of senior players – including Scott McMann, Glenn Middleton, Craig Sibbald, Ross Graham and Tony Watt – who had been retained by the club meant that a competitive and strong squad had been assembled for the above challenge.

Several exciting young players already at the club were given the opportunity to play a part in the first-team squad that season. Kai Fotheringham, Miller Thomson, Chris Mochrie, Archie Meekison and Mathew Cudjoe-Anim all grasped the opportunity and played their parts in the successful campaign.

The club also secured the temporary registration of Jack Walton from English Premier League side Luton Town ahead of the new season.

The competitive season resumed on 15th July 2023 in the Scottish League Cup group stages. Disappointing results against The Spartans and Partick Thistle meant that the club did not qualify for the knock-out stages of the competition.

Subsequently, the team had a tremendous start to the league campaign, remaining unbeaten until mid-December and remaining top of the league for 32 out of 36 match weeks – including a continuous run at the top from match week 19 to the end of the season.

Losing only five matches across the 36-match campaign, the notoriously tough challenge of winning the Scottish Championship was met head-on by everyone across the club. All statistical targets and league-winning benchmarks set by the club and management before the start of the season were surpassed. The team finished the season with seventy-five points, six clear of the nearest challengers. A positive goal difference of fifty, thirty-four goals better off than the next best, a record number of clean sheets in the league (nineteen), and an average of more than two goals scored per game were some of the highlight statistics as the club secured the league title, officially confirming their status as Champions with one game to spare.

Domestic cup competition, against objective, yielded a disappointing return. Alongside the inability to reach the knock-out stage of the Scottish League Cup, a third-round exit at the hands of Queen of the South in the Scottish Cup ended our domestic cup hopes for the season. In the Scottish Challenge Cup, the club exited at the quarter-final stage.

Prior to the season and following the club's relegation at the end of season 2022/23 to the Scottish Championship, a substantial review of the club's football operations was carried out by senior leadership.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Review of Football Operations (continued)

The review concluded that the football department service level could continue to operate at a Premiership standard and potentially become enhanced by a more cohesive and prudent approach to expenditure, together with pragmatic budgeting, robust expenditure control and a regular reporting process.

Relegation to the Scottish Championship would mean an obvious and significant reduction in revenue generated from gate receipts and centralised income, however, the comprehensive review identified several expenditure lines that had become excessive and set out action points to control these moving forward, resulting in:

- Consultancy Fees reduced by 84%;
- Football Agent Fees reduced by 85%;
- Football Department expenses excluding staff costs dropped by £1m
- Significant reduction in playing budget whilst operating with legacy contracts and within the constraints of Championship expectations.

Other relevant football department expenditure was brought under tighter control through clear lines of communication, budget management and an improved reporting and accountability structure.

The club committed in Summer 2023 to renew our agreement with the University of St Andrews to remain as our training base for a further three seasons at least.

As part of the review of football operations, the club felt it was vital that the training centre remained a core pillar in the service and provision to our players and staff. The review and management of costs meant that protecting this service remained a viable option.

In addition, the review concluded that it was important for the club's under-18 squad to return to the training centre in St Andrews permanently with the belief that the club's young players benefit from utilising the same facilities as the men's first team, including grass pitches, physical performance, analysis and nutrition – all key development tools for their future prospects. The alignment also allowed for greater communication and best practice sharing among the club's full-time professional football staff and enabled the young players to benefit from the advice and guidance of senior players.

Overall, the decisions taken to address the significant previous over-expenditure in the football department resulted in the subsequent management of budgets and reduction in unnecessary costs.

Coupled with strong performance on the pitch, this approach has continued into the new season as the club aims to become a financially sustainable and successful organisation both on and off the pitch.

Review of Our Academy

The Chairman's significant financial investment to the Academy continued in the 2023-24 season despite relegation to the Scottish Championship, our Elite CAS status has again been maintained, and the overall investment in the Academy Facilities and Football Operations since Mr Ogren acquired the club in December 2018 now nears £4.5million.

As evidenced by the ongoing financial investment being made, the Board continues to view DUFCA Academy as the "Cornerstone" of the Club's future success and we are very excited at the high quality of the young players who have made first-team appearances or are on track to graduate to the first team.

In the 2023-24 Season, Academy Graduates Kai Fotheringham, Ross Graham, and Miller Thomson were regular first-team squad members in the Scottish Championship, with Kai Fotheringham posting 22 goal contributions (15 goals and 7 assists). The club also handed 16-year-old Academy graduates Owen Stirton and Scott Constable their senior competitive debuts. The total minutes played by Academy graduates in the Championship-winning 2023-24 Season was 33% of our team total.

Dundee United FC Academy players have also been selected regularly across the Scotland National youth squads. Jamie Forrest and Marcus Buchanan were selected to represent the Men's U15 Squad, while Keir Gilligan was selected to represent Scotland U16s in June 2024.

At the Under-21 level, the club enjoyed healthy representation throughout the 2023-24 Season. Kai Fotheringham, Jack Newman and Archie Meekison were all called up throughout the campaign during the Under-21s UEFA European Championships 2025 qualifying campaign.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Review of Our Academy (continued)

Owen Stirton and Scott Constable, now featuring regularly in first-team matchday squads in the Scottish Premiership, also represented Scotland U17s during Season 2023-24.

The Board are delighted that the substantial investment being made in the Academy continues to reap benefits for the club with many youth team players graduating to the first team and aims to continue the long-term financial investment within the Academy to develop & attract the best talent around the country.

Dundee United Women's Team

The Dundee United FC Women's team retained their status as a top-flight side following a play-off victory over Kilmarnock FC Women in May 2024 – achieving the pre-season objective.

Season 2023-24 was the second season of the Womens team being held under the official umbrella of the club. It was also the teams second season in the Scottish Women's Premier League.

The season was a challenging one overall with the team battling it out against Hamilton, Montrose and Spartans for survival, in an ever-growing professional league where several teams enjoy significant financial investment against a backdrop of diminutive, centralised revenues.

This has created a chasm between the sides competing against one another in the top division.

Head coach Graeme Hart left his post in January 2024 and was replaced by Suzanne Shepherd, who guided the team to survival, picking up crucial points across the post-split fixtures.

Significant progress was made across the team to professionalise the level of service provided to the players in order to become more competitive.

New revenue streams were opened up through the introduction of admission fees for match tickets, as well as enhancing the supporter experience through the use of the newly installed 200-seated stand at Foundation Park and the sale of matchday concessions.

The foundations have been laid for the team to continue on a journey of steady growth over the coming years, with the objective to remain in the top flight of Scottish Women's Football in Season 2024/25.

Commercial

The Board and senior management team continue to explore new commercial opportunities and maintain our current strong relationships with our sponsors, associate and partners.

Commercial income continued to be a key strength of the business during 2023-24 with the club maintaining Premiership level revenues at £2.4m for the year. The growth of the commercial side of the business has been a major positive over the past five years with revenue increasing from £0.9m in 2019 to £2.4m in 2024, an increase of £1.5m.

The Board were pleased with the continued support of long-standing partners, with JF Kegs, QuinnBet and Paint-Tec remaining as kit sponsors and Clayton Caravan as the front of the Academy kit. A new, improved partnership strategy was implemented, with the club adopting many new partners and sponsors while building on the strong relationships with previous and current partners.

It is also important to note that in June 2024, the club entered a new partnership with the announcement of CalForth Construction as our stadium naming rights partner marking one of the most lucrative partnerships in our history.

As part of the agreement, our stadium will now be known as the CalForth Construction Arena at Tannadice Park until at least the summer of 2026.

The hospitality area of the club endured change during the summer of 2023 as we reached an agreement with highly renowned caterers, Regis Banqueting, to supply all hospitality food provisions for at least the next two seasons. The enhanced service and offerings provided alongside significant cost control reviews led to a far stronger operation within this sector during the financial year.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Commercial (continued)

On retail, Errea commenced as the club's new technical partner with a lucrative agreement running for four years. The new kit designs proved very popular with fans during the 2023-2024 season, with high demand for a wide range of replica and training wear. The club are excited to explore the relationship with Errea as we move into the second year of the agreement.

Dundee United Community Trust (DUCT)

The club continues to partner with Dundee United Community Trust (DUCT). The relationship has been in place for six years, resulting in over £2.0m of action in our local community during this time.

During this financial year, DUCT has again raised the bar in its work alongside the club and within the local community to better the environment. Amongst those successful projects was the launch of the 'Everyone United' project, which allowed access to football for almost 2000 fans from 20 local organisations who helped distribute the beneficial access tickets. The strong partnership between the club and DUCT and its donors also ensured the distribution of over 150 hospitality and mascot packages during the 2023/24 season.

Our community trust has also been at the forefront of a new Scottish-wide initiative that saw them pilot a new youth club for people with a range of disabilities during the year, thanks to funding from the SPFL Trust's Innovation Fund'.

Building on previous success, DUCT once again held the annual 'Festive Friends' project, supporting around 300 local people with a Christmas meal and gifts and generating a substantial profile for both the community trust and the club with the first minister's attendance at the Christmas Eve event.

DUCT broke significant ground in the year through our long-running partnership with The Scottish Football Association by being one of the successful applicants to the 'Extra Time' project, funded by The Scottish Government. This project comes with an investment of over £100, 000 over multiple years, and will see the Community Trust provide activities after school and during the school holidays for local primary school children living with a disability or additional support needs. Other significant projects included: 'Summer Play Para Sports Club Camps', the long-running 'CLD United' peer-led divisionary football opportunity for 100s of young people in the city, and 'Dundee United Dynamos' which allowed us to sustain this important area of work and continue to provide opportunities for hundreds of children, young people and adults with a variety of disabilities to take part in sport each week.

The club remains proud of its partnership and community impact with DUCT.

Wage Costs

Total wage costs for the club decreased by 25% from £6.9m in the prior year to £5.2m as a result of robust financial management and budgetary control. Agent fees as previously mentioned were reduced by 85% compared to the 2022-23 season.

Despite the drop in staff costs, the club maintained its high quality of service, achieved Elite status within the Academy and created a competitive squad that went on to achieve promotion by winning the Scottish Championship.

Operational & Administration Costs

As stated in our previous Annual Report for 2022-23, direct and admin cost management was a real focus of the senior leadership team for 2023-24 and beyond. The club implemented fundamental changes in the summer of 2023 to update the controls, processes and structure across all areas of the business to manage costs within.

Direct costs, excluding wages, dropped from £3.5m in the prior year to £2.2m for the current year. Administration costs decreased by £0.3m. Therefore, total operational and administration costs decreased by £1.6m, 28% less than the previous year.

Net Assets

The net assets deficit of £4.5m, as reported in the balance sheet as at 30 June 2024, is distorted by the £6.6m (£7.8m undiscounted value) of funding provided by Mark Ogren to the above date being disclosed within Creditors. This funding has been provided to the club on an interest-free loan basis, with no intention in the short to medium term to seek any repayment of this debt.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Principal risks and uncertainties

Due to the company's principal activity, the business's revenues are inherently linked to on-field performance and the football team's success.

The principal risk to the business is the possibility of the team being relegated to the Championship. However, the owners and Board are committed to providing the required funding and infrastructure for the club to maintain a competitive team and a going concern in the Premiership. The Board will also continue to provide the platform to enhance the long-term prospects of a top-6 finish and qualification for UEFA Competition.

According to the Directors, other principal risks are the wider economy financial issues, which can impact match attendance. To address this, the club offers flexible and cost-effective ways to purchase tickets on a seasonal and match-to-match basis. The club froze season ticket prices for the return to the Premiership for 2024-25 despite a substantial increase in match operation and utility costs.

Since December 2018, when Mark Ogren took control of the club, over £13m has been invested in enhancing the infrastructure, the playing squad, the Academy and facilities.

The owner remains fully committed and is keen to build on the positives of the 2023-24 season which include winning promotion, streamlining costs, maximising commercial income and maintaining strong relationships with supporters, partners and other stakeholders. During the summer of 2024, the hard work continued as the club focused on building a playing squad that could compete in the Scottish Premiership while looking to achieve long-term financial sustainability.

To conclude, the Board would like to express its thanks to all employees, players, supporters, and associates including sponsors and partners for their continued fantastic support.

Key Performance Indicators

| | 2024 | 2023 | 2022 |
|-------------------------|-------------|---------------|---------------|
| SPFL Premiership | N/A | 12th | 4th |
| SPFL Championship | 1st | N/A | N/A |
| Scottish Cup | 3rd Round | 5th Round | Semi-Final |
| Scottish League Cup | Group stage | Quarter-Final | Quarter-Final |
| Turnover | £6.40m | £8.10m | £8.28m |
| Operating Loss | £2.3m | £4.3m | £1.90m |
| Wages to Turnover Ratio | 81% | 86% | 71% |

Mark Ogren

.....
Mr M Ogren

Director
16-12-24
.....

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The directors present their annual report and financial statements for the year ended 30 June 2024.

Principal activities

The principal activity of the company is the operation of a professional football club within Scottish Professional Football League ("SPFL").

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Fyffe
Mr M Ogren
Mr S Ogren

Results and dividends

The results for the year are set out on page 12.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

In accordance with the company's articles, a resolution proposing that Thomson Cooper be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mark Ogren

.....
Mr M Ogren

Director

Date: 16-12-24
.....

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

Opinion

We have audited the financial statements of The Dundee United Football Company Limited (the 'company') for the year ended 30 June 2024 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: existence and timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the company's key performance indicators to meet targets. We discussed these risks with management, designed audit procedures to test the timing and existence of revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including financial and taxation legislation and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the company.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE DUNDEE UNITED FOOTBALL COMPANY LIMITED


Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sharon Collins (Senior Statutory Auditor)
For and on behalf of Thomson Cooper, Statutory Auditors
Dunfermline

Date: 16-12-24
Date:

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

| | Notes | 2024 £ | 2023 £ |
|---|-----------|-------------|-------------|
| Turnover | 3 | 6,365,480 | 8,092,923 |
| Other operating income | | 53,004 | 72,414 |
| Cost of sales | | (2,210,018) | (3,528,164) |
| Staff costs | 6 | (5,190,443) | (6,924,374) |
| Administrative expenses | | (1,344,563) | (2,015,141) |
| Gain on disposal of player registrations | 9 | 700,211 | 2,606,796 |
| | | <hr/> | <hr/> |
| Loss on ordinary activities before interest, depreciation and amortisation | 4 | (1,626,329) | (1,695,546) |
| Interest payable and similar expenses | 8 | (500,214) | (424,854) |
| Depreciation and other amounts written off tangible and intangible fixed assets | 4 | (677,329) | (711,546) |
| | | <hr/> | <hr/> |
| Loss before taxation | | (2,803,872) | (2,831,946) |
| Tax on loss | 10 | - | - |
| | | <hr/> | <hr/> |
| Loss for the financial year | | (2,803,872) | (2,831,946) |
| | | <hr/> <hr/> | <hr/> <hr/> |

The income statement has been prepared on the basis that all operations are continuing operations.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

BALANCE SHEET

AS AT 30 JUNE 2024

| | Notes | 2024 | | 2023 | |
|--|-------|--------------------|--------------------|--------------------|--------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Intangible assets | 11 | | 84,244 | | 417,528 |
| Tangible assets | 12 | | 5,357,815 | | 5,622,686 |
| Investments | 13 | | 1 | | 1 |
| | | | <u>5,442,060</u> | | <u>6,040,215</u> |
| Current assets | | | | | |
| Stocks | 14 | 96,578 | | 123,052 | |
| Debtors | 15 | 2,003,139 | | 2,050,413 | |
| Cash at bank and in hand | | 703,893 | | 439,591 | |
| | | | <u>2,803,610</u> | | <u>2,613,056</u> |
| Creditors: amounts falling due within one year | 16 | <u>(3,568,066)</u> | | <u>(3,157,600)</u> | |
| Net current liabilities | | | <u>(764,456)</u> | | <u>(544,544)</u> |
| Total assets less current liabilities | | | 4,677,604 | | 5,495,671 |
| Creditors: amounts falling due after more than one year | 17 | | (9,229,797) | | (12,789,925) |
| Net liabilities | | | <u>(4,552,193)</u> | | <u>(7,294,254)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 22 | | 142,382 | | 9,882 |
| Share premium account | | | 7,739,438 | | 2,813,858 |
| Other reserves | | | 2,552,240 | | 2,564,601 |
| Profit and loss reserves | | | (14,986,253) | | (12,682,595) |
| Total equity | | | <u>(4,552,193)</u> | | <u>(7,294,254)</u> |

The financial statements were approved by the board of directors and authorised for issue on 16-12-24 and are signed on its behalf by:

Mark Ogren

Mr M Ogren
Director

Company Registration No. SC013690

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

| | Notes | Share capital £ | Share premium account £ | Other reserves £ | Profit and loss reserves £ | Total £ |
|--|-------|--------------------|----------------------------|---------------------|-------------------------------|-------------|
| Balance at 1 July 2022 | | 9,882 | 2,813,858 | 2,677,138 | (10,260,503) | (4,759,625) |
| Year ended 30 June 2023: | | | | | | |
| Loss and total comprehensive income for the year | | - | - | - | (2,831,946) | (2,831,946) |
| Transfers | | - | - | (112,537) | 409,854 | 297,317 |
| Balance at 30 June 2023 | | 9,882 | 2,813,858 | 2,564,601 | (12,682,595) | (7,294,254) |
| Year ended 30 June 2024: | | | | | | |
| Loss and total comprehensive income for the year | | - | - | - | (2,803,872) | (2,803,872) |
| Conversion of loan to shares | 22 | 132,500 | - | - | - | 132,500 |
| Transfers | | - | - | (12,361) | 500,214 | 487,853 |
| Other movements | | - | 4,925,580 | - | - | 4,925,580 |
| Balance at 30 June 2024 | | 142,382 | 7,739,438 | 2,552,240 | (14,986,253) | (4,552,193) |

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

| | Notes | 2024 | | 2023 | |
|---|-------|-----------|----------|-------------|---|
| | | £ | £ | £ | £ |
| Cash flows from operating activities | | | | | |
| Cash generated from/(absorbed by) operations | 28 | | 364,602 | (4,399,791) | |
| Interest paid | | | - | (15,000) | |
| Net cash inflow/(outflow) from operating activities | | | 364,602 | (4,414,791) | |
| Investing activities | | | | | |
| Purchase of intangible assets | | (55,000) | | (377,672) | |
| Proceeds from disposal of intangibles | | 105,465 | | 2,904,114 | |
| Purchase of tangible fixed assets | | (142,665) | | (237,988) | |
| Proceeds from disposal of tangible fixed assets | | 13,026 | | 118,660 | |
| Net cash (used in)/generated from investing activities | | | (79,174) | 2,407,114 | |
| Financing activities | | | | | |
| Repayment of borrowings | | 11,161 | | (71,737) | |
| Payment of finance leases obligations | | (32,287) | | (204,229) | |
| Net cash used in financing activities | | | (21,126) | (275,966) | |
| Net increase/(decrease) in cash and cash equivalents | | | 264,302 | (2,283,643) | |
| Cash and cash equivalents at beginning of year | | | 439,591 | 2,723,234 | |
| Cash and cash equivalents at end of year | | | 703,893 | 439,591 | |

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

Company information

The Dundee United Football Company Limited is a private company limited by shares incorporated in Scotland. The registered office is Tannadice Park, Dundee, DD3 7JW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company incurred pre tax losses of £2,803,872 (2023: £2,831,946) during the year, has net liabilities of £826,956 (2023: £544,544) and a balance sheet deficit of £4,552,193 (2023: £7,294,254). Excluding the loan from the majority shareholder the company has net assets of £4,552,193 (2023: £2,819,906).

The current and future cash position of the company has been reviewed by the Board. This included a comprehensive review of the financial projections and cash-flow requirements, covering a period beyond one year from the date of approval of the financial statements. The projections make key assumptions around:

- Maintaining their Premiership status
- Season ticket revenues and match day income being consistent with operating in the SPFL Premiership
- Sponsorship and commercial income being consistent, subject to inflationary rises
- Overheads and payroll costs being reduced to a reflect the division in which the club currently resides whilst pushing for promotion, subject to inflationary rises;
- Income from net player transfer activities;
- No repayment of Mark Ogren's loan being made for a period of at least 12 months from the date of approval of the accounts

The directors project that the company's liquidity position will further strengthen over the next 12 months due to improved business and financial performance. The projection is based on the club's return to competing in the Scottish Premiership where turnover is forecast to be significantly higher while the club continues to implement improved controls and financial management. The directors are satisfied that the company's liquidity position is now less reliant on the support from Mark Ogren however the directors acknowledge that the support from Mark Ogren continues to remain in place.

After due consideration of the above, including the potential impact of key assumptions not materialising and having received assurances from the majority shareholder of the company, the Board are satisfied that they consider that the company has adequate resources to continue in operational existence for a period of not less than twelve months from the date of approval of the accounts. Accordingly, the Board consider it appropriate to prepare the financial statements on the going concern basis.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes. All turnover originates in the United Kingdom.

Season ticket sales are deferred and, together with gate and other matchday revenues, recognised through the football season as games are played. Sponsorship and similar commercial income is recognised over the duration of the respective contracts. The fixed element of broadcasting revenues is recognised over the duration of the football season where facility fees for live coverage or highlights are recognised when earned. Income from commissions is recognised when known with reasonable accuracy. Merit awards are recognised once they are certain.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Player registration

Over the term of the players contract

Amounts paid to third parties for football registrations, football league levies and agent commissions are capitalised as intangible assets and amortised on a straight line basis over the periods of the individual contracts. Gains or losses on fees receivable from other football clubs on the transfer of players' or manager's registrations are recorded in the profit and loss account in the accounting period in which the transfer takes place.

Where contingencies are contained within those contracts for further payments, these costs are not recognised until it is probable that the events crystallising such payments shall take place. 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. Signing on fees are capitalised as intangible assets and loyalty bonuses are charged to the profit and loss account as incurred. However, future instalments that are contingent on continued service are not recognised until it is probable that the events crystallising such payments shall take place.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

In considering the risk of impairment the directors take into account the expected future cash flows to be generated by the company's activities. Given the company's long-term track record in generating significant transfer fees from the identification and developments of its player pool, the directors take into account potential future transfer income in their assessment of impairment.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------------------|----------------------|
| Stadium Property | 2% straight line |
| Fixtures & fittings | 15% reducing balance |
| Motor vehicles | 25% reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises purchase price and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Grants from the Football Grounds Improvement Trust, in respect of capital expenditure, are credited to deferred income in the balance sheet, and are released to the profit and loss account over the expected useful life of the relevant asset in equal annual amounts.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the company performs impairment tests based on fair value less costs to sell. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

3 Turnover and other revenue

| | 2024 | 2023 |
|---|------------------|------------------|
| | £ | £ |
| Turnover analysed by class of business | | |
| Football | 4,002,120 | 5,584,728 |
| Commercial | 2,362,157 | 2,494,143 |
| Other | 1,203 | 14,052 |
| | <u>6,365,480</u> | <u>8,092,923</u> |
| | 2024 | 2023 |
| | £ | £ |
| Other significant revenue | | |
| Grants received | 53,004 | 53,004 |
| Gain on disposal of player registrations | 700,211 | 2,606,796 |
| | <u>753,215</u> | <u>2,659,800</u> |

4 Operating loss

| | 2024 | 2023 |
|---|----------------|----------------|
| | £ | £ |
| Operating loss for the year is stated after charging/(crediting): | | |
| Exchange gains | (155) | - |
| Government grants | (53,004) | (53,004) |
| Depreciation of owned tangible fixed assets | 397,364 | 422,307 |
| Profit on disposal of tangible fixed assets | (2,854) | (16,228) |
| Amortisation of intangible assets | 282,819 | 305,467 |
| Operating lease charges | 214,929 | 193,669 |
| | <u>836,109</u> | <u>851,209</u> |

5 Auditor's remuneration

| | 2024 | 2023 |
|---|---------------|---------------|
| | £ | £ |
| Fees payable to the company's auditor and associates: | | |
| For audit services | | |
| Audit of the financial statements of the company | 18,752 | 20,547 |
| | <u>18,752</u> | <u>20,547</u> |

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2024 | 2023 |
|-------------------------------|---------------|---------------|
| | Number | Number |
| Football | 67 | 73 |
| Administration and management | 14 | 22 |
| Ground Staff | 5 | 12 |
| Directors | 2 | 1 |
| | <hr/> | <hr/> |
| Total | 88 | 108 |
| | <hr/> <hr/> | <hr/> <hr/> |

Their aggregate remuneration comprised:

| | 2024 | 2023 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| Wages and salaries | 4,683,419 | 6,186,792 |
| Social security costs | 451,568 | 675,804 |
| Pension costs | 55,456 | 61,778 |
| | <hr/> | <hr/> |
| | 5,190,443 | 6,924,374 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Redundancy payments made or committed | 74,000 | 415,053 |
| | <hr/> <hr/> | <hr/> <hr/> |

7 Directors' remuneration

| | 2024 | 2023 |
|--------------------------------------|-------------|-------------|
| | £ | £ |
| Remuneration for qualifying services | 5,000 | 7,500 |
| | <hr/> <hr/> | <hr/> <hr/> |

8 Interest payable and similar expenses

| | 2024 | 2023 |
|--|-------------|-------------|
| | £ | £ |
| Interest on financial liabilities measured at amortised cost: | | |
| Interest on bank overdrafts and loans | - | 15,000 |
| Other finance costs: | | |
| Unwinding of discount on loans | 500,214 | 409,854 |
| | <hr/> | <hr/> |
| | 500,214 | 424,854 |
| | <hr/> <hr/> | <hr/> <hr/> |

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

9 Gains on disposals of player registrations

| | 2024 | 2023 |
|------------------------|----------------|------------------|
| | £ | £ |
| Other gains and losses | 700,211 | 2,606,796 |
| | <u>700,211</u> | <u>2,606,796</u> |

The disposal includes values receivable as a result of sell on clauses contained within the players contracts.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

10 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

| | 2024 £ | 2023 £ |
|--|-------------|-------------|
| Loss before taxation | (2,803,872) | (2,831,946) |
| Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2023: 25.00%) | (700,968) | (707,987) |
| Tax effect of expenses that are not deductible in determining taxable profit | 301,180 | 106,021 |
| Tax effect of income not taxable in determining taxable profit | (175,766) | - |
| Unutilised tax losses carried forward | 504,709 | 546,073 |
| Permanent capital allowances in excess of depreciation | 70,845 | 55,893 |
| Taxation charge for the year | - | - |

11 Intangible fixed assets

| | Player registration £ |
|------------------------------------|-----------------------------|
| Cost | |
| At 1 July 2023 | 636,126 |
| Additions | 55,000 |
| Disposals | (250,947) |
| At 30 June 2024 | 440,179 |
| Amortisation and impairment | |
| At 1 July 2023 | 218,598 |
| Amortisation charged for the year | 282,819 |
| Disposals | (145,482) |
| At 30 June 2024 | 355,935 |
| Carrying amount | |
| At 30 June 2024 | 84,244 |
| At 30 June 2023 | 417,528 |

Amortisation of the players registration is included within cost of sales.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

12 Tangible fixed assets

| | Stadium Property £ | Fixtures & fittings £ | Motor vehicles £ | Total £ |
|------------------------------------|--------------------------|-----------------------------|------------------------|------------|
| Cost | | | | |
| At 1 July 2023 | 9,545,067 | 3,200,385 | 176,547 | 12,921,999 |
| Additions | 65,235 | 77,430 | - | 142,665 |
| Disposals | - | - | (20,345) | (20,345) |
| At 30 June 2024 | 9,610,302 | 3,277,815 | 156,202 | 13,044,319 |
| Depreciation and impairment | | | | |
| At 1 July 2023 | 4,944,779 | 2,260,933 | 93,601 | 7,299,313 |
| Depreciation charged in the year | 191,823 | 172,511 | 33,030 | 397,364 |
| Eliminated in respect of disposals | - | - | (10,173) | (10,173) |
| At 30 June 2024 | 5,136,602 | 2,433,444 | 116,458 | 7,686,504 |
| Carrying amount | | | | |
| At 30 June 2024 | 4,473,700 | 844,371 | 39,744 | 5,357,815 |
| At 30 June 2023 | 4,600,288 | 939,452 | 82,946 | 5,622,686 |

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

| | 2024 £ | 2023 £ |
|---------------------|-----------|-----------|
| Fixtures & fittings | 1,397 | 1,696 |
| Motor vehicles | 38,268 | 70,179 |
| | 39,665 | 71,875 |

13 Fixed asset investments

| | 2024 £ | 2023 £ |
|----------------------|-----------|-----------|
| Unlisted investments | 1 | 1 |

The company has not designated any financial assets that are not classified as financial assets at fair value through profit or loss.

The company holds 1 ordinary share of £1 in the Scottish Professional Football League Limited for which a consideration of £1 was paid. This represents a 2.38% interest in the company.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

14 Stocks

| | 2024 £ | 2023 £ |
|------------------|-----------|-----------|
| Goods for resale | 96,578 | 123,052 |

15 Debtors

| | 2024 £ | 2023 £ |
|---|------------------|------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 1,082,086 | 983,235 |
| Other debtors | 7,648 | 1,316 |
| Prepayments and accrued income | 913,405 | 1,065,862 |
| | <u>2,003,139</u> | <u>2,050,413</u> |

16 Creditors: amounts falling due within one year

| | Notes | 2024 £ | 2023 £ |
|----------------------------------|-------|------------------|------------------|
| Obligations under finance leases | 19 | 49,196 | 22,531 |
| Trade creditors | | 1,000,817 | 882,346 |
| Taxation and social security | | 478,871 | 454,052 |
| Deferred income | 20 | 1,697,335 | 1,337,819 |
| Other creditors | | 116,803 | 96,813 |
| Accruals | | 225,044 | 364,039 |
| | | <u>3,568,066</u> | <u>3,157,600</u> |

17 Creditors: amounts falling due after more than one year

| | Notes | 2024 £ | 2023 £ |
|----------------------------------|-------|------------------|-------------------|
| Obligations under finance leases | 19 | 3,476 | 62,428 |
| Other borrowings | 18 | 1,346,852 | 1,335,691 |
| Deferred income | 20 | 1,222,642 | 1,275,646 |
| Other creditors | | 6,656,827 | 10,116,160 |
| | | <u>9,229,797</u> | <u>12,789,925</u> |

Other creditors due after more than one year represent a loan from Mr M Ogren via his company OPG-4 UK Limited of £6,594,327 (2023: £10,116,160). As the loan is interest free and due after more than one year the loan has been discounted to reflect the net present value of the loan. The undiscounted value of the loan is £7,845,668 (2023: £11,328,560).

During the year OPG-4 UK Limited exchanged £5,058,080 of the loan for 1,320,000 10p Ordinary shares.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

18 Loans and overdrafts

| | 2024 £ | 2023 £ |
|------------------------|-----------|-----------|
| Other loans | 1,346,852 | 1,335,691 |
| Payable after one year | 1,346,852 | 1,335,691 |

Other loans due represent a loan from the Scottish Government of £1,346,852 (2023: £1,335,691). As the loan is interest free and due after more than one year the loan has been discounted to reflect the net present value of the loan. The undiscounted value of the loan is £2,665,358 (2023: £2,700,583).

19 Finance lease obligations

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| Future minimum lease payments due under finance leases: | | |
| Within one year | 49,196 | 22,531 |
| In two to five years | 3,476 | 62,428 |
| | 52,672 | 84,959 |

20 Deferred income

| | 2024 £ | 2023 £ |
|--|-----------|-----------|
| Other deferred income | 2,919,977 | 2,613,465 |
| Included in the financial statements as follows: | | |
| Current liabilities | 1,697,335 | 1,337,819 |
| Non-current liabilities | 1,222,642 | 1,275,646 |
| | 2,919,977 | 2,613,465 |

Football grounds improvement grants of £1,275,646 (2023: £1,328,650) are included in deferred income and released to the Profit and Loss Account at a rate equal to the depreciation rate of the asset to which the grant relates. Amounts falling due within one year are £53,004 (2023: £53,004).

21 Retirement benefit schemes

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | 55,456 | 61,778 |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

22 Share capital

| | 2024 | 2023 | 2024 | 2023 |
|---|-----------|--------|---------|-------|
| | Number | Number | £ | £ |
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of 10p each | 1,423,921 | 98,821 | 142,382 | 9,882 |

During the year the club issued 1,325,000 Ordinary 10p shares for £5,058,080.

23 Financial commitments, guarantees and contingent liabilities

Post year end the club received a request from HMRC for repayment of tax relating to an R&D claim in 2021. The club have appealed against this and, with support from R & D tax experts, are engaging with the tax authorities to demonstrate that the qualifying R & D requirements were met. The outcome of the appeal and possibility of repayment cannot yet be determined therefore no provision has been made for this potential liability. If a payment is required to HMRC the R & D tax experts engaged are contractually liable to refund the club 20% of any such payment. The potential repayment estimation is anywhere between £0 - £0.6m.

24 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2024 | 2023 |
|----------------------------|--------------|---------------|
| | £ | £ |
| Within one year | 7,110 | 17,064 |
| Between two and five years | - | 7,110 |
| | <u>7,110</u> | <u>24,174</u> |

25 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

| | Sales 2024 | Sales 2023 | Purchases 2024 | Purchases 2023 |
|-----------------------------------|---------------|---------------|-------------------|-------------------|
| | £ | £ | £ | £ |
| Entities with directors in common | 32,333 | 41,000 | 115,730 | 156,351 |

| | 2024 | 2023 |
|---|------|-------|
| | £ | £ |
| Amounts due from related parties | | |
| Other related parties | - | 1,796 |

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

26 Directors' transactions

The loan from Mr M Ogren is interest free and repayable after more than year. The net present value of the loan at the year end was £6,594,327 (2023: £10,116,160). The undiscounted value of the loan is £7,845,668 (2023: £11,328,560).

THE DUNDEE UNITED FOOTBALL COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

27 Ultimate controlling party

Mr M Ogren, director, is considered to be the company's ultimate controlling party.

28 Cash generated from/(absorbed by) operations

| | 2024 £ | 2023 £ |
|--|----------------|--------------------|
| Loss for the year after tax | (2,803,872) | (2,831,946) |
| Adjustments for: | | |
| Finance costs | 500,214 | 424,854 |
| Gain on disposal of tangible fixed assets | (2,854) | (16,228) |
| Amortisation and impairment of intangible assets | 282,819 | 305,467 |
| Depreciation and impairment of tangible fixed assets | 397,364 | 422,307 |
| Other gains and losses | (700,211) | (2,606,796) |
| Decrease in provisions | (500,214) | (409,854) |
| Movements in working capital: | | |
| Decrease/(increase) in stocks | 26,474 | (28,180) |
| Decrease/(increase) in debtors | 47,274 | (556,672) |
| Increase in creditors | 2,811,096 | 1,057,805 |
| Increase/(decrease) in deferred income | 306,512 | (160,548) |
| Cash generated from/(absorbed by) operations | <u>364,602</u> | <u>(4,399,791)</u> |

29 Analysis of changes in net debt

| | 1 July 2023 £ | Cash flows £ | 30 June 2024 £ |
|----------------------------------|------------------|-----------------|-------------------|
| Cash at bank and in hand | 439,591 | 264,302 | 703,893 |
| Borrowings excluding overdrafts | (1,335,691) | (11,161) | (1,346,852) |
| Obligations under finance leases | (84,959) | 32,287 | (52,672) |
| | <u>(981,059)</u> | <u>285,428</u> | <u>(695,631)</u> |