
Our Ref: PJC/PXH/LKA/LXN/PZC//RGF039/1396912

TO ALL KNOWN CREDITORS

e-mail:
rangers@duffandphelps.com

5 April 2012

Dear Sirs

The Rangers Football Club Plc (In Administration) (“the Company” and “the Club”)

Introduction

On 14 February 2012 I was appointed Joint Administrator of the Company together with my partner, Paul Clark.

This correspondence is addressed to all creditors of the Company, which includes individuals or organisations who are either owed money by the Company, or have paid for services that the Club has yet to deliver, for example pre-paid season ticket holders.

Documents

Attached to this letter is the following document and appendices:

| | |
|-------------|---------------------------------------------------------|
| Main Report | Joint Administrators' Report and Statement of Proposals |
| Appendix 1 | Statutory Information |
| Appendix 2 | Receipts and Payments Accounts |
| Appendix 3 | Schedule of Creditors and Estimated Financial Position |
| Appendix 4 | Analysis of Time Charged and Expenses Incurred |
| Appendix 5 | Joint Administrators' Agents and Solicitors |
| Appendix 6 | Notice of Conduct of Meeting by Correspondence |
| Appendix 7 | Creditors' Request for a Meeting |
| Appendix 8 | Statement of Claim Form |

If you wish to vote on the Joint Administrators' Proposals or request a creditors meeting, certain of these documents are relevant as described overleaf.

The affairs, business and property of the Company are being managed by the Joint Administrators, Paul John Clark and David John Whitehouse who act as agents for the Company and without personal liability. They are both licensed by the Insolvency Practitioners Association.

Main Report Joint Administrators' Report and Proposals

Enclosed is the Joint Administrators' first report on the progress of the Administration and the Joint Administrators' statutory proposals which are listed in Section 17.

Appendix 6 Notice of Conduct of Meeting by Correspondence

It is a statutory requirement that Joint Administrators convene and hold a meeting of creditors for the purpose of voting upon their proposals and, if deemed appropriate, to provide creditors with the opportunity to establish a creditors' committee.

In accordance with Paragraph 58 of Schedule B1 of the Insolvency Act 1986 (as amended) and Rule 2.28 of the Insolvency (Scotland) Rules 1986 (as amended) it is proposed that the business of the creditors' meeting will be conducted by correspondence.

Whilst all creditors are entitled to vote, if you are unable or choose not to do so, your ability to claim for monies owing from the Club in future **will not** be affected.

Agreement of creditor claims will only take place at such point as there are sufficient monies available to distribute a dividend to creditors of the Club, this will depend upon the Joint Administrators achieving a CVA or a successful sale of the business and/or assets of the Club.

If elected, a creditors' committee will meet regularly with the Joint Administrators. A creditors' committee is comprised of between 3 and 5 members. If you wish to nominate yourself or another individual to be on the creditors' committee, please complete the relevant sections of this form.

As the maximum number of creditors' committee members permitted by legislation is 5, membership will be decided by those receiving the highest number of votes in their favour. Votes are measured by the size of respective creditor claims.

Appendix 7 Creditors' Request for a Meeting

As a creditor you can request that a physical meeting of creditors be convened. Any request must be made within 5 business days and supported by 10% of total creditors in value. As there are strict formalities relating to the procedures to be followed, please email rangers@duffandphelps.com urgently if you wish to make such a request. Pursuant to Rule 7.6 of the Insolvency (Scotland) Rules 1986 a deposit for convening the meeting will also need to be lodged with the Joint Administrators. The cost of convening such a meeting will be provided upon receipt of the required value of creditors submitting such a request and will include, but not be limited to, the costs of venue hire and security costs.

Appendix 8 Statement of Claim Form

This form must be completed in order that the Joint Administrators may value your vote. The form must be completed to accompany either the Notice of Conduct of Meeting by Correspondence or the Creditors' Request for a Meeting.

An example of a completed form is included for your reference.

As it is the Joint Administrators' intention that the Club continues its fixtures to the end of the season, Season Ticket holder claims are contingent and will therefore be recognised at a value of £1 for the purposes of voting.

The affairs, business and property of the Company are being managed by the Joint Administrators, Paul John Clark and David John Whitehouse who act as agents for the Company and without personal liability. They are both licensed by the Insolvency Practitioners Association.

The claims of Bondholder creditors will be valued at the purchase price of the bond or bonds.

Other creditor claims must be stated by the creditor and will be validated by the Joint Administrators by reference to Company records.

Summary

If you wish to vote on the Joint Administrators' proposals please complete and return by email or post:

Appendix 6 – Notice of Conduct of Meeting by Correspondence; and
Appendix 8 – Statement of Claim Form

If you wish to request a physical creditors' meeting, please complete and return by post:

Appendix 7 – Creditors' Request for a Meeting; and
Appendix 8 – Statement of Claim Form

All correspondence must be either emailed to rangers@duffandphelps.com or posted to:

Duff & Phelps
43-45 Portman Square
London W1H 6LY

Any correspondence received after 12.00pm 20 April 2012 will not be counted for voting purposes.

Any incorrectly completed forms may not be accepted for voting purposes.

Yours faithfully
For and on behalf of
The Rangers Football Club Plc



David Whitehouse
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Paul John Clark and David John Whitehouse who act as agents for the Company and without personal liability. They are both licensed by the Insolvency Practitioners Association.

Statement of administrator's proposals**Pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986
and Rule 2.25 of the Insolvency (Scotland) Rules 1986**

| | |
|------------------------------------------------------|--------------------------------|
| Name of Company The Rangers Football Club plc | Company number SC004276 |
|------------------------------------------------------|--------------------------------|

(a) Insert full name(s) and address(es) of administrator(s) We (a) Paul John Clark and David John Whitehouse of Duff and Phelps Ltd. of 43-45 Portman Square, London, W1H 6LY and The Chancery, 58 Spring Gardens, Manchester M2 1EW respectively

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 5 April 2012



Signed _____
Joint Administrator

Dated 5 April 2012 _____

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

Duff & Phelps Ltd.
43-45 Portman Square
London
W1H 6LY

Report to Creditors

5 April 2012

The Rangers Football Club Plc (In Administration)

Joint Administrators' Report to Creditors and Statement of Proposals
For the Period from 14 February 2012 to 30 March 2012
Pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986

Names of Joint Administrators: Paul John Clark ("Paul Clark")
David John Whitehouse ("David Whitehouse")

Date of Appointment: 14 February 2012

Date of Report: 5 April 2012

Appointed by: The Court of Session
Parliament House
Parliament Square
Edinburgh
Scotland
EH1 1RQ

Court Reference P221/12

Duff & Phelps Ltd.
43-45 Portman Square
London
W1H 6LY

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1. Definitions

| Word or Phrase | Definition |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| the Act | The Insolvency Act 1986 (as amended); |
| Ansarada | Ansarada UK Limited, 288 Bishopsgate, London, EC2M 4QP, a firm instructed to provide an online Electronic Data Room to facilitate the sale process; |
| the Appointment Date | 14 February 2012 being the date of appointment of the Joint Administrators as granted by a Court Order from the Edinburgh Court of Session on 19 March 2012; |
| the Bank, BOS and LBG | The Governor and Company of the Bank of Scotland, The Mound, Edinburgh, EH1 1YZ, the former holder of a qualifying floating charge over the Company's assets as per Companies House records which was assigned to RFC Group; |
| the Big Tax Case | An ongoing Tribunal with HMRC regarding the Company's use of an Employee Benefit Trust ("EBT") Scheme. This case is subject to a First Tier Tribunal Hearing and the estimated claim of HMRC, subject to the findings of the Tribunal is circa £50m, with estimated interest and penalties of circa £25m; |
| Biggart Baillie | Biggart Baillie LLP, Dalmore House, 310 St Vincent Street, Glasgow G2 5QR, the Joint Administrators' Scottish legal advisors; |
| CAPA | CAPA, 2c Napier Pavillions, Napier Place, Cumbernauld, Glasgow, G68 0EU, independent agents to review freehold property costs; |
| Category 2 Disbursements | The Joint Administrators' firm's internal costs and expenses in dealing with the Administration; |
| CDDA | Company Directors Disqualification Act 1986; |
| Close Leasing | Close Leasing Limited, 11 th Floor, Tolworth Tower, Ewell Road, Tolworth, Surbiton, Surrey, KT6 7EL, the holder of a fixed charge security registered at Companies House; |
| Collyer Bristow | Collyer Bristow LLP, 4 Bedford Row, London WC1R 4TF, Solicitors acting for RFC Group; |
| the Company and the Club | The Rangers Football Club Plc (In Administration), Ibrox Stadium, Glasgow, G51 2XD (Company number SC004276); |
| CVA | Company Voluntary Arrangement; |
| the Directors | Craig Whyte, Andrew Ellis and David King; |
| Duff & Phelps | Duff & Phelps Ltd., 43-45 Portman Square, London W1H 6LY; |
| EC Regulation | EC Regulation on Insolvency Proceedings 2000; |
| the Executive Chairman | Craig Whyte; |

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|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FSA | Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS; |
| FSMA | Financial Services and Markets Act 2000; |
| HMRC | Her Majesty's Revenue & Customs; |
| Ibrox Stadium | The Club's stadium and freehold property situated at 150 Edmiston Drive, Glasgow G51 2XD; |
| IM | Information Memorandum, a document providing a high-level summary of the Company's business and assets which was prepared by the Joint Administrators and made available to third parties interested in acquiring the business and assets of the Company upon receipt of a signed NDA; |
| IPA | Insolvency Practitioners' Association, Valiant House, 4-10 Heneage Lane, London EC3A 5DQ; |
| IS | The Insolvency Service, Intelligence Operations Reception, Investigations and Enforcement Services, 3rd Floor Cannon House, 18 Priory Queensway, Birmingham, B4 6BX; |
| the Joint Administrators | Paul John Clark of Duff & Phelps Ltd., 43-45 Portman Square, London, W1H 6LY and David John Whitehouse of Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW; |
| Kelvinside | Kelvinside Academy War Memorial Trust and the Trustees of the Kelvinside Academical Club Charitable Trust, 33 Kirklee Road, Kelvinside, Glasgow, G12 0SW, the holder of two standard securities registered at Companies House; |
| Lambert Smith | Lambert Smith Hampton, 227 West George Street, Glasgow, G2 2ND independent agents who were instructed by the Joint Administrators to value the Company's property assets; |
| Liberty Capital | Liberty Capital Limited an investment company registered in the British Virgin Islands and the majority shareholder of RFC Group; |
| MCR BC | MCR Business Consulting (now part of Duff & Phelps) of 43-45 Portman Square, London, W1H 6LY; |
| Murray Park | The Club's training ground and freehold property situated at Auchenhowie Road, Milngavie, Glasgow, G62 6EJ; |
| MIH | Murray International Holdings Limited, 10 Charlotte Square, Edinburgh EH2 4DR the majority shareholder of the Company until those shares were transferred to RFC Group in May 2011; |
| NDA | Non-Disclosure Agreement; |
| Non-Playing Staff | Those whose function is to support the operational and administrative running of the Club and who are not registered as players by the SFA; |

| | |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Playing Staff | Those whose principal activity for the Club is playing football and are registered with the SFA to do so; |
| Premier Property | Premier Property Group Limited, 9 Charlotte Street, Edinburgh, EH2 4DR, the holder of two standard securities, one of which is registered at Companies House; |
| Prescribed Part | Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to unsecured, non-preferential creditors; |
| Pritchard | Pritchard Stockbrokers Limited, Roddis House, 4-12 Old Christchurch Rd, Bournemouth BH1 1LG; |
| Rangers | The Rangers Football Club Plc (In Administration), Ibrox Stadium, Glasgow, G51 2XD (Company number SC004276); |
| the Registrar | The Registrar of Companies, Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF; |
| RFC Group | The Rangers FC Group Limited (Formerly Wavetower Limited), 4 Bedford Row, London, WC1R 4DF, the Company's majority shareholder and assignee of the Bank's qualifying floating charge security registered at Companies House; |
| ROT | Retention of Title; |
| RPS | Redundancy Payments Services, processes redundancy claims for employees whose former employer is or becomes insolvent; |
| the Rules | The Insolvency (Scotland) Rules 1986 (as amended); |
| Scheme of Arrangement | Scheme of Arrangement pursuant to Part 26 of the Companies Act 2006; |
| the Secured Creditors | RFC Group, Kelvinside, The SS Council, Premier Property and Close Leasing; |
| SIP 9 | Statement of Insolvency Practice 9, Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements; |
| SIP 13 | Statement of Insolvency Practice 13, Industry best practice for Insolvency Practitioners regarding the acquisition of assets of insolvent companies by a company's directors; |
| SIP 16 | Statement of Insolvency Practice 16, Industry best practice for Insolvency Practitioners which includes a requirement for disclosure of information with respect to a 'Pre-Packaged' sale of business and/or assets of a company; |
| the SFA | The Scottish Football Association Limited, Hampden Park, Glasgow, G42 9DE; |

| | |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| the Small Tax Case | A dispute between the Company and HMRC regarding the Company's use of a Discounted Option Scheme. The liability of the Small Tax Case is circa £3m with interest and penalties of circa £1m; |
| SOA | Statement of Affairs, a document prepared by the Directors of the Company summarising the Company's financial position at the Appointment Date; |
| the SPL | The Scottish Premier League Limited, Hampden Park, Glasgow, G42 9DE; |
| the SS Council | The Scottish Sports Council, Caledonia House, 1 Redheughs Rigg, South Gyle, Edinburgh, EH12 9DQ, the holder of a standard security registered at Companies House; |
| Sweeney Kincaid | Sweeney Kincaid Limited, 9 Colquhoun Avenue, Hillington, Glasgow, G52 4BN, independent agents who were instructed by the Joint Administrators to value the Company's plant & equipment and certain current assets; |
| Taylor Wessing | Taylor Wessing LLP, 5 New Street Square, London EC4A 3TW, English legal advisors; |
| Ticketus | Ticketus LLP & Ticketus 2 LLP, both of 20 Old Bailey, London EC4M 7AN, party to an arrangement regarding future season ticket income with the Company; |
| TUPE | The Transfer of Undertaking (Protection of Employment) Regulations 2006; |
| UEFA | The Union of European Football Associations, Route de Genève 46, Case postal, CH-1260 Nyon 2, Switzerland |

2. Introduction

- 2.1 The Joint Administrators were appointed with effect from the Appointment Date by the Court of Session.
- 2.2 The Joint Administrators are licensed to act as insolvency practitioners by the IPA.
- 2.3 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators may be exercised jointly and severally.
- 2.4 This report sets out the circumstances leading up to the appointment of the Joint Administrators and the steps taken by them up to 30 March 2012.

3. EC Regulation

- 3.1 It is the Joint Administrators' opinion that the EC Regulation applies to the Administration and these proceedings are main proceedings as defined in Article 3 of the EC Regulation.
- 3.2 The centre of main interest of the Company is in the United Kingdom. Therefore, the Administration will be conducted according to Scottish Insolvency Legislation and is not governed by the insolvency law of any other European Council member.

4. Background

- 4.1 Statutory information on the Company and a summary of its financial history is included at Appendix 1.
- 4.2 At the Appointment Date, the Company employed 326 staff, 67 of whom were Playing Staff in either the First Team Squad, Reserve Squad or the Football Academy.
- 4.3 The Football Club was founded in 1872 and incorporated as the Company in 1899. It is one of the most successful and renowned football clubs in the world. The Club plays in the SPL and has been a member of the SPL since its formation.
- 4.4 The Club has won 54 league titles, more top flight national titles than any other football club in the world. The Club has also won the Scottish League Cup 27 times and the Scottish Cup 33 times.
- 4.5 The Club has qualified for the UEFA Champions League 15 times since the inception of the competition in 1992. The Club was runner up in the 2008 UEFA Cup Final and won the European Cup Winners' Cup in 1972.
- 4.6 The Club plays its home matches at Ibrox Stadium which is a 51,082 all-seater stadium in Glasgow and the Playing Staff train at Murray Park located in the outskirts of Glasgow.

5. Events Leading up to the Administration

- 5.1 The information provided below is largely based upon the Company's records and information provided by the Company's management, the accuracy of which the Joint Administrators are not in a position to verify. Neither, the Joint Administrators nor Duff & Phelps can be held liable for errors or mis-statement of fact contained therein.

Duff & Phelps' Engagement

- 5.2 In January 2011, MCR BC (now part of Duff & Phelps) was engaged by Liberty Capital an investment vehicle, to assist with its negotiations with LBG as part of its intended acquisition of the shareholding in the Company from MIH. An agreement was reached in principle with LBG in April 2011 in respect of the debt that LBG required to be settled upon completion of a sale.
- 5.3 Liberty Capital is connected to the Company as it is the ultimate controlling party through its ownership of RFC Group.
- 5.4 In April 2011, MCR BC was requested to attend a meeting between Mr Craig Whyte and the Independent Directors' Committee that had been established by the Company to assess parties interested in acquiring the majority of its share capital. Responses were provided by Mr Craig Whyte to the Independent Directors' Committee to questions regarding Liberty Capital's net assets, ability to fund the proposed acquisition and make additional funds available to the Company for various post-acquisition purposes and its intended general post-acquisition strategy. Due diligence in relation to the acquisition was undertaken for Liberty Capital by Saffery Champness.
- 5.5 In May 2011, the majority shareholding of the Company was acquired by RFC Group which was an entity ultimately controlled by Liberty Capital.
- 5.6 Around this time, it is understood that Ticketus advanced £20.3m to a Collyer Bristow client account in the name of RFC Group in consideration of future season ticket revenue from the Club of approximately £25.4m. The advance was to be repaid from the proceeds of season ticket revenue for the 2011/12, 2012/13 and 2013/14 seasons.
- 5.7 Following the purchase in May 2011, MCR BC was engaged by Liberty Capital to provide advice to the Company's management team. This involved assisting in the preparation of a short term cash flow forecast review, reviewing the Company's organisational staff structure and liaising with HMRC on behalf of the Company in respect of the Small Tax Case.
- 5.8 MCR BC provided HMRC with a formal update on 13 June 2011, which included an overview of the Company's projected working capital shortfall in the following 3 months (as identified by the short term cash flow forecast review), an overview of the Company's financial position and an assessment that the Company would be unable to continue to trade in the medium term without the introduction of third party funds or shareholder support. Given this position, an offer of an immediate payment on account of £200,000 was proposed to HMRC and a request made for further time to assess possible new sources of income for the Company to allow time to formulate a proposal to HMRC relating to the balance of the Company's Small Tax Case liability.
- 5.9 In June 2011, the first £3m of the liabilities due to Ticketus were paid by the Club, followed by an additional payment of £5m in September 2011.
- 5.10 In August 2011, Liberty Capital engaged MCR BC to conduct a review of the Company's longer term financial forecasts and assess the options available to the Company. This included capital raising and various restructuring options. In the meantime, MCR BC monitored the cash flow of the Company and assisted with further discussions between representatives of Liberty Capital, the Company and HMRC, following submission of the initial proposal to HMRC.
- 5.11 In September 2011, the HMRC element of MCR BC's engagement was terminated and we understand that an alternative advisor was appointed to the Company in respect of the Company's tax affairs to seek to negotiate further time to pay arrangements.
- 5.12 Also in September 2011, a further £5m was advanced by Ticketus to a Collyer Bristow client account in the name of RFC Group in consideration for season ticket income of £9.3m relating to the 2013/14 and 2014/15 seasons.

- 5.13 Payments to HMRC were not honoured by the Company, as a consequence the Company continued to incur additional arrears with HMRC in relation to PAYE and VAT, the non-payment of which ultimately left HMRC with little alternative but to take enforcement action.

Structural Change

- 5.14 Shortly following the acquisition of the Company by RFC Group, a number of the former directors left the Company. This included Paul Murray, Donald Muir, Michael McGill, Alastair Johnson, Donald McIntyre and Martin Bain. This had an impact on the Company's operations at an executive level during an already turbulent financial period for the Company.
- 5.15 One of the former directors, Martin Bain, commenced legal action against the Company in respect of a claim for constructive dismissal. Martin Bain was granted an arrestment order on 15 September 2011 for the sum of £528,000 in respect of this claim.
- 5.16 An arrestment order was also served by Donald McIntyre for £375,000 in October 2011.
- 5.17 The effect of the arrestment orders was to freeze funds which would otherwise have been available to the Company.
- 5.18 Following ongoing dialogue with Liberty Capital and the Company regarding fund raising and restructuring options, the Company engaged Duff & Phelps (which had just acquired MCR BC) in November 2011 solely to review the options available to the Company should it become insolvent, together with an assessment of the consequences of any possible insolvency proceedings. This work involved regular dialogue with HMRC. Further discussions were had with HMRC, which involved the injection of third party funding but these further agreements were not honoured by the Company.
- 5.19 This engagement involved a number of meetings and discussions with the Company during December 2011 and January 2012. During this time Duff & Phelps was also requested by the Company to recommence discussions with HMRC on its behalf regarding both the Small Tax Case liability, its associated penalty of circa £1.3m and arrears of PAYE/NIC and VAT that had continued to accrue since August 2011. Duff & Phelps was at no time asked to provide advice to the Directors' in respect of their personal responsibilities to the Company and its creditors, nor was such advice provided.
- 5.20 In order to generate funds in January 2012 Nikica Jelavic was sold to Everton FC for £5m plus VAT, of which approximately half was received into the main bank account on 2 February 2012 and the balance was deferred in three equal instalments due in May 2012, 2013 and 2014.
- 5.21 It became apparent that in the absence of a significant introduction of working capital or an agreement with HMRC the Company would be unable to meet its liabilities as they fell due, and the Company could not avoid formal insolvency proceedings.

Appointment

- 5.22 In view of an anticipated failure to meet the future funding requirement of the Company, Craig Whyte filed a Notice of Intention to Appoint Administrators with the Court of Session on 13 February 2012.
- 5.23 Shortly afterwards HMRC lodged a creditors' petition to appoint an Administrator in respect of the unpaid taxes which had accrued since August 2011 of circa £9m. After discussions between the parties, HMRC decided to withdraw its petition, consenting to the appointment of Paul Clark and David Whitehouse of Duff & Phelps as Joint Administrators.

- 5.24 The Joint Administrators considered the position prior to accepting the appointment. Having regard to the IPA's ethical guidelines, they considered that the limited scope of previous engagements did not constitute a material professional relationship with the Company. The Company's major creditor (HMRC) was aware of the level of involvement of Duff & Phelps since the acquisition of the Company by RFC Group.
- 5.25 Subsequently, the Joint Administrators were appointed by the Directors pursuant to Paragraph 22 of the Act on the Appointment Date.
- 5.26 Following their appointment it was brought to the Joint Administrators' attention that the Club had at one time been registered as an FSA authorised representative of Origen Financial Services Limited. This registration terminated in 2009. Under FSMA, consent to appoint Administrators must be obtained from the FSA in respect of any company currently or historically having an FSA registration. Initially the FSA indicated consent was not required following deregistration, however the Joint Administrators did not consider this to be the case.
- 5.27 In order to satisfy the requirements of FSMA, the Joint Administrators determined that an application to Court should be made to clarify any uncertainty surrounding their appointment. To ensure that Paul Clark and David Whitehouse had sufficient legal standing to act in the intervening period, they were granted the status of Joint Interim Managers whilst a formal order was sought in respect of the Administration appointment.
- 5.28 The order granted by the Court of Session confirmed that the Joint Administrators be appointed with effect from 14 February 2012. This order was made on 19 March 2012. The Joint Administrators were advised that the application was necessary to remedy a technical defect and at no point was the appointment or any act of the Joint Administrators invalid. The costs of this application are not to be charged as an expense of the Administration.

6. Purpose of the Administration

- 6.1 The purpose of the Administration is to achieve one of the following hierarchical objectives:
- Rescuing the Company as a going concern; or
 - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 6.2 The first objective is to rescue the Company as a going concern. Given the levels of liability in the Company, both contingent and actual, this would most likely take the form of a CVA or a Scheme of Arrangement. A CVA or Scheme of Arrangement would enable the Company (legal entity) itself to continue to trade in the future. A CVA or Scheme of Arrangement would also require monies to be introduced to the Company which would be used in satisfaction of creditor claims. It is likely that funds would be made available by selling the assets of the Company to a purchaser or by shareholder investment.
- 6.3 In order for a CVA or Scheme of Arrangement to be successful it is likely that any purchaser would wish to take ownership of all or substantially all of the Company's share capital. A CVA or Scheme of Arrangement would also need to be approved by creditors.
- 6.4 Should a CVA or Scheme of Arrangement not be possible, the Joint Administrators would look to pursue the second objective which would involve a going concern sale of the business and assets of the Company. This would enable the business to continue, subject to approval by the relevant football authorities, under a different company registration number.

- 6.5 The Joint Administrators' strategy for trading the business whilst seeking a purchaser is explained in Section 7 below, however valuation advice confirmed that a sale of the business and assets as a going concern would realise a far higher value than if the Company were first to be wound up. There are a number of classes of asset including, the player contracts, Ibrox Stadium and Murray Park whose value would have been significantly impaired should the Company have ceased to trade in the first instance. The Joint Administrators are satisfied that the costs of trading the Company are far outweighed by the potentially enhanced value which would be achieved by either a CVA/Scheme of Arrangement or a going concern sale of the business and assets. Offers received to date from interested parties fully support this position.
- 6.6 The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report.

7. Progress of the Administration to Date

Administration Trading Strategy – Immediate Steps

- 7.1 The manner in which the affairs and business of the Company have been managed since the appointment of the Joint Administrators and will continue to be managed and financed is set out below.
- 7.2 Upon appointment, the Joint Administrators and their staff attended the Company's premises at Ibrox Stadium and the training ground at Murray Park, to take control of the business and assets of the Company and undertake a review of its financial and operational position.
- 7.3 Having considered the hierarchical objectives of the Administration process, the Joint Administrators formed the view that it would be necessary to maintain trading operations. It was considered that this strategy would maximise value in the business and assets of the Company and/or facilitate a rescue of the Company as a going concern through a CVA/Scheme of Arrangement.
- 7.4 The decision to maintain trading operations was based upon the following key factors:
- The ability of the Club to complete its outstanding fixtures for the remainder of the 2011/2012 season and trade as a going concern.
 - The preservation of value in player contracts which would not be available in a structured wind-down scenario.
 - The preservation of employment and corresponding reduction in unsecured, preferential and non-preferential claims against the Company.
 - The preservation of the Club's status as a member of the SPL and the SFA.
 - The safeguarding of SPL prize money due to the Club in May 2012.
 - The enhanced 'going concern' value of the Club.
- 7.5 In addition to wider concerns surrounding the longer term trading of the business, a more immediate issue was the Club's ability to host an imminent SPL home fixture against Kilmarnock FC on Saturday 18 February 2012.
- 7.6 In order to ensure that all of the Company's stakeholders were afforded the opportunity to participate in this process, the Joint Administrators held urgent discussions with the Club's senior management team, supporters' groups, major creditors, the Scottish football authorities and Strathclyde Police. During these discussions, the Joint Administrators outlined their immediate trading strategy and sought the views of each of these parties in relation to the financial, operational and safety concerns surrounding ongoing trading.

- 7.7 The outcome of these discussions was positive and the Joint Administrators received a high level of co-operation and support from most stakeholders, through which it was determined that the trading operation could be maintained in the short term whilst a longer term strategy was formulated.

Administration Trading Strategy – Subsequent Matters

- 7.8 In the period following their appointment the Joint Administrators conducted a more detailed analysis of the Company's operational and financial position which has continued to be reviewed on a daily basis.
- 7.9 An initial short term cash flow forecast was produced on the basis of payment of liabilities in accordance with the existing cost structures, which indicated that trading operations until the end of the current SPL season would lead to a substantial cash shortfall.
- 7.10 The extent of the shortfall was principally due to modest levels of income derived from ongoing SPL match ticket revenue and matchday catering/hospitality revenues. In addition other associated revenue sources such as sponsorship and merchandising had been received by the Club earlier in the season.
- 7.11 Furthermore, given that the proceeds from the sale of season tickets had already been utilised by the Club, there was little or no ability to generate significant levels of enhanced income from ongoing matchday activities.
- 7.12 On this basis, an exercise was undertaken to reduce costs in the business, both by a reduction in operational overheads where possible, and more significantly by way of securing wage reductions in relation to Playing Staff, principally the senior playing squad and other senior Non-Playing Staff. Further details of this process can be found in Section 8 below.
- 7.13 The Joint Administrators have also undertaken a number of revenue generating programmes in conjunction with the Club's marketing and hospitality departments and with the support of the Club's business partners have accelerated the receipt of certain monies which are due to the Club at a future date.
- 7.14 The cost reduction exercise will generate significant cash savings and the Joint Administrators envisage that the eventual trading shortfall will be circa £750,000 although this is subject to change.
- 7.15 For the period of this report, 14 February 2012 to 30 March 2012 trading revenue totals £1,020,234, as shown in the table below:

| Revenue | Value £ |
|-------------------------------------|------------------|
| Ticket Sales | 708,958 |
| Programme Sales | 20,221 |
| Hospitality Sales | 94,318 |
| Food and Beverage Sales | 138,358 |
| Stadium Tours | 5,373 |
| Other | 53,006 |
| Total Administration Revenue | 1,020,234 |

- 7.16 The ticket revenue reported above includes the gross revenue generated by the Club for selling tickets on behalf of the opposing teams for away fixtures. This element of revenue is an asset of the opposing team, subject to a 5% levy which is applied by the Club as a commission. The receipts and payments account at Appendix 2 provides further detail on the sums paid to opposition clubs in this regard.
- 7.17 The Joint Administrators will continue to maintain operations whilst an exit route from Administration is sought.

Receipts and Payments

- 7.18 A summarised receipts and payments account for the period of this report is shown at Appendix 2. This shows an estate balance of £931,800 as at 30 March 2012.

Trading Receipts and Payments

- 7.19 A separate trading receipts and payments account has also been prepared for the same period, which provides additional detail on transactions related to trading activities up to and including 30 March 2012. This is also attached at Appendix 2.
- 7.20 As at the date of this report, a total of three SPL home fixtures have been held at Ibrox during the Administration trading period, with games against Kilmarnock, Heart of Midlothian and Celtic. The schedule reflects the revenues generated from these games in respect of match ticket sales, hospitality packages and the sale of food and beverages, together with the associated costs of hosting each event such as policing and security.
- 7.21 Also included within this schedule are the non matchday operating costs associated with the Club's administrative functions, ticketing services, PR & media, maintenance and operations at both Ibrox and Murray Park.
- 7.22 The receipts and payments account shows an overall cash surplus for the period despite the trading deficit. The extent of the final Administration trading deficit will be determined by the trading period of the Administration.
- 7.23 The Joint Administrators are of the opinion that the impact of any shortfall in trading will be outweighed by the significantly enhanced realisations derived from a successful exit from Administration.
- 7.24 Please note that this is a trading cash account and subject to ongoing reconciliation.

8. Discussions with Key Business Partners

HMRC

- 8.1 Given its status as a major stakeholder in the Company, the Joint Administrators have held several meetings and exchanged correspondence with HMRC since the Appointment Date. During the meetings the Joint Administrators have advised of the progress of the Administration to date and the future strategy, including the likely exit routes from Administration.

Football regulatory matters

- 8.2 The Joint Administrators have been involved with meetings and correspondence with UEFA, the SFA and the SPL with regard to the relevant football regulations and the implications of the Club's insolvency on the current season, the sale process and the ability of the Club to play in European competitions.

- 8.3 All of these organisations have been kept fully updated throughout the process of Administration and discussions continue such that everything is being done to ensure that the potential adverse effects of any future transition from Administration on the Club or its business are mitigated.
- 8.4 Specific discussions with the SPL surrounded the articles and rules of the SPL in relation to the Club's insolvency and to ensure the Club's ongoing compliance with SPL matters and attendance at SPL club meetings.
- 8.5 Dialogue with the SFA involved the requirement to appear before the Licensing Committee and also the Independent Committee formed to enquire into the Club's affairs.
- 8.6 The Joint Administrators have also been in correspondence and dialogue with UEFA with regard to the UEFA's Licensing Regulations and the Club's future participation in UEFA competitions.

Disciplinary matters

- 8.7 The SPL has opened a disciplinary hearing against the Club with regard to the failure to pay ticket monies to Dunfermline Athletic Football Club ("Dunfermline") owed following an SPL match on 11 February 2012. The Joint Administrators have reached an agreement with Dunfermline regarding these monies which has now been fulfilled and this disciplinary matter is expected to be closed by the SPL in due course.
- 8.8 The SFA has opened a disciplinary hearing against the Club with regard to the failure to pay ticket monies to Dundee United Football Club ("Dundee United") owed following a Scottish Cup match on 5 February 2012. This matter was scheduled to be heard on 29 March 2012 but was postponed until 17 April 2012.
- 8.9 The SFA appointed an Independent Committee to review the insolvency of the Club in the context of the governance of Scottish football clubs. As noted above, the Joint Administrators assisted the Committee with its review, the outcome of which were Notices of Complaint against both Craig Whyte and the Club.
- 8.10 The Notice of Complaint against the Club included five breaches of disciplinary rules, specifically:
- Failure to disclose that Craig Whyte has previously been disqualified as a company director;
 - Failing to ensure that Craig Whyte had acted in accordance with the disciplinary rules in respect of the above;
 - Suffering an insolvency event;
 - Bringing the game into disrepute;
 - Failure to pay ticket monies to Dunfermline (as noted above).
- 8.11 These matters were due to be heard in a disciplinary hearing on 29 March 2012. However, at that hearing the SFA Judicial Panel decided to conjoin the hearing of the above charges against the Club with the hearing of two separate charges against Craig Whyte (being "bringing the game into disrepute" and "not acting in the best interests of Association Football"). These matters will now be heard at the SFA on 17, 18 and 20 April 2012. The Joint Administrators intend to defend the Club against these charges by demonstrating the distinction between the actions of the Club and the actions of individuals involved in the management of the Club.

SFA licensing submission

- 8.12 The Club submitted its annual licence request to the SFA on 30 March 2012. This submission is required in order to comply with SFA (and SPL) requirements and also to be assessed for a licence to compete in UEFA competitions for the 2012/13 season.

8.13 The UEFA Club Licensing and Financial Fair Play Regulations 2010 require certain confirmations from licence applicants in relation to financial management matters. Amongst the key requirements are that the Club needs to:

- Have completed, audited accounts signed off on a going concern basis. Given the uncertainty of the Club's financial position the accounts to 30 June 2011 have not been signed off on a going concern basis.
- Pay in full, or agree a payment plan, for all "social taxes" (to include all PAYE/NIC as a minimum). The Club was unable to pay, by 31 March 2012, the outstanding PAYE/NIC as at 31 December 2011 and it has not been possible to agree a payment plan (i.e. a CVA) in sufficient time to meet the 31 March 2012 licensing deadline.

8.14 The Joint Administrators have been in dialogue with UEFA and UEFA have stated that, generally speaking, they are unlikely to grant a licence to any Club whilst it is in Administration given the principles of the UEFA Club Licensing and Financial Fair Play Regulations.

8.15 The Joint Administrators have nevertheless submitted a licence application to the SFA.

Press conferences

8.16 In consideration of the media attention and the Club's high profile, the Joint Administrators have held a number of press conferences in order to provide the general body of creditors and interest groups updates on the progress of the Administration and to address certain information which has become available in the public domain.

8.17 The Joint Administrators will continue to hold press conferences when appropriate in recognition of creditor interest and will continue to provide updates on the Club's website, www.rangers.co.uk regarding the Administration process.

Playing Staff and Player contracts

8.18 A significant cost of the Club is the Playing Staff. Therefore, in order to reduce the cost base of the Club, negotiations were entered into with the Playing Staff and their union, PFA Scotland, with regard to temporary salary reductions.

8.19 The Joint Administrators were seeking to negotiate salary reductions in order to avoid significant redundancies amongst the Playing Staff. Such redundancies would have resulted in players with potential transfer value leaving the Club without a fee being received.

8.20 The Playing Staff are by nature typically those with the highest salaries. Therefore in order to achieve the necessary cost reductions, the vast majority of the first team squad would have been made redundant, retaining only a small number with the highest transfer values. This would have resulted in a detrimental effect on the team's performance for the remainder of the season, which in turn would have reduced the SPL prize money to be received, and would also reduce the value of the squad in the future.

8.21 Two players, Gregg Wylde and Mervan Celik, were made redundant as part of this process, however, after lengthy negotiations with the Playing Staff, PFA Scotland and the Playing Staff's agents, a package of salary reductions was agreed with the first team players varying between 25% and 75%. Given data protection issues, it is not appropriate to discuss this on an individual basis, however, the monthly cost savings created by this and voluntary salary reductions offered by several members of the coaching staff was in excess of £1m.

8.22 The Joint Administrators would like to express their gratitude to those players and staff that agreed to these substantial salary reductions, which evidences their commitment to the Club.

Non-Playing Staff

- 8.23 Immediately following the Appointment Date the Joint Administrators carried out a review of the Non-Playing Staff position. Substantial reductions in Non-Playing Staff costs were made in the twelve months prior to Administration, as a result capacity for further reductions was limited.
- 8.24 Given the financial position of the Company and the cash flow restraints, on 23 February 2012 it was agreed that two redundancies would be made with effect from 29 February 2012. The two employees made redundant were the Director of Football and the Chief Operating Officer.
- 8.25 These individuals were amongst the highest earners of the Non-Playing Staff and the redundancies resulted in a significant reduction in payroll costs .
- 8.26 Having carried out a further review of Non-Playing Staff and having consulted with the Club's senior management team, on 9 March 2012 two further employees were made redundant. These employees were the PA to the former Chief Operating Officer and the Global Partnerships Director, who was based in London.

Communication with Fan Groups

- 8.27 On 15 February 2012, the Joint Administrators held an initial conference call with representative members of the Rangers Supporters' Assembly, the Rangers Worldwide Alliance and the Rangers Supporters' Trust. During this call the Joint Administrators explained the circumstances surrounding the Administration of the Club and outlined the process going forward. The representatives of the various fan groups were then given the opportunity to raise issues of concern which would directly affect Rangers supporters.
- 8.28 The conference call was extremely productive and it was agreed that a further meeting would be held prior to the next home fixture against Kilmarnock on Saturday 19 February 2012. At this subsequent meeting, the Joint Administrators were able to discuss in more detail the specific concerns of each of the fan groups and take on board a number of practical suggestions made by those present. It was also agreed that the Joint Administrators would provide regular informal updates to the various fan groups via the Club's Supporter Liaison Officer based at Ibrox.
- 8.29 Since these initial meetings, the Joint Administrators and their staff have maintained dialogue with the various supporters associations. Several meetings and telephone conference calls have subsequently taken place with representatives of those groups to discuss ongoing issues faced by supporters, in particular with those individuals who have set up the Rangers Fans Fighting Fund. The Joint Administrators are supportive of this initiative and continue to provide assistance where possible.
- 8.30 The Joint Administrators wish to express their gratitude for the ongoing support of all fans of the Club.

9. Sale of the Business and Assets

Joint Administrators' Sale Process

- 9.1 Due to the high level of media coverage that the Administration has received in the national and international press, the appointment of the Joint Administrators and the proposed sale of the business and assets has become known throughout the wider football and investment community.
- 9.2 Contact has also been made with parties who were known to have previously expressed an interest in acquiring businesses in similar and associated sectors to ensure that they were made aware of the opportunity to acquire the Club and/or the business as a going concern.

- 9.3 The Joint Administrators have engaged in dialogue with all parties who have expressed a serious interest in acquiring the business and assets of the Club. An IM was prepared and released to those interested parties upon the receipt of a signed NDA.
- 9.4 A virtual data room has been created for those prospective purchasers who were able to demonstrate that they have funding to enable them to perform initial due diligence on the business and assets of the Club.
- 9.5 The Joint Administrators originally requested indicative offers from interested parties by 16 March 2012 and continue to liaise with those interested parties who have submitted an indicative offer in addition to other prospective purchasers who have emerged following this deadline. A deadline for best and final offers has been set for 4 April 2012. It is not appropriate for the Joint Administrators to disclose any more detailed information in respect of the ongoing sale process.
- 9.6 It is likely that a sale will result in either an exit from the Administration via CVA or Scheme of Arrangement or there will be a going concern sale of the business and assets. The sale structure will be dependent on, amongst other things, the preference of the prospective purchaser and the ability to obtain control of RFC Group's majority shareholding.
- 9.7 Further details regarding the exit route from Administration will be provided in subsequent reports.

Cash at Bank

- 9.8 As at the Appointment Date, the Company had cash at bank of £3,373,170 which was held at Bank of Scotland plc. These funds have now been transferred to the Administration bank account to assist in funding the ongoing trading operations.
- 9.9 The Joint Administrators are also investigating other related party bank accounts in which the Club may have a financial interest.
- 9.10 The Company's former bank accounts will remain open to receive any further receipts.

Freehold Properties - Ibrox Stadium

- 9.11 The Company's base of operations is within Ibrox Stadium, a UEFA 5 star rated, fully equipped and functional football stadium which covers approximately 6.9 hectares. The UEFA 5 star rating allows the Club to host UEFA Champions League and Europa League finals.
- 9.12 Ibrox Stadium has an all seating capacity of 51,082 and is regularly sold out for the Club's home game fixtures. For the 2011/12 season, there were 37,918 season ticketholders with season ticket prices having been frozen for the previous three years.
- 9.13 The Joint Administrators' agents, Lambert Smith, were appointed to provide an indicative valuation of Ibrox Stadium on an existing use and alternative use basis.

Freehold Properties - Murray Park

- 9.14 Murray Park, the Club's modern fully equipped training centre covers approximately 15.8 hectares. It was opened on 4 July 2001 after a £14m redevelopment. The training centre is regarded as one of the best in Europe.
- 9.15 Lambert Smith was also instructed by the Joint Administrators to provide an indicative valuation of Murray Park, on an existing use and alternative use basis.

Leasehold Properties

- 9.16 The Company is party to various short term leases to support Playing Staff in the Football Academy and other leases in respect of property used by private retailers.

- 9.17 The Joint Administrators, in conjunction with advice provided by their agents, are reviewing the value of these leases and taking steps to surrender leases where appropriate, whilst still maintaining the operations of the Club.

Albion Road Car Park

- 9.18 The Albion Road Car Park is subject to a finance agreement and covers an area of approximately 2.6 hectares adjacent to Ibrox Stadium. It is anticipated that the Club will gain right, title and interest to the car park in 2023.

Other Financed Assets

- 9.19 There are a number of smaller assets, including but not limited to motor vehicles, catering equipment and a public address system, which are subject to third party finance.
- 9.20 The Joint Administrators, in conjunction with their agents, Sweeney Kincaid, are reviewing all assets subject to third party claims to establish what value, if any, they have.

Insurance claims

- 9.21 The Joint Administrators are currently progressing, with the assistance of their insurance brokers, insurance claims in respect of damages which were incurred at both Ibrox Stadium and Murray Park. The outcome of these claims is currently unclear, as they remain subject to further verification by the loss adjusters instructed by the insurer.

Investment in subsidiaries

- 9.22 The Company's investment in the subsidiary companies had been fully written down as per the January 2012 management accounts. The subsidiaries which are not dormant are all funded by the Company.

Arrestment orders

- 9.23 As stated in Section 5 above, Martin Bain and Donald McIntyre commenced legal action against the Company.
- 9.24 The Joint Administrators have been in discussions with Mr Bain and his legal representatives with regards to these arrestment monies and reached a settlement with Mr Bain which has seen the release of funds from the BOS bank account.
- 9.25 Although an out of court settlement was reached with Mr McIntyre, which resulted in the release of certain arrested funds, the Joint Administrators understand that approximately £120,000 in respect of SPL monies due has not yet formally been released.
- 9.26 In September 2011 HMRC arrested approximately £2.9m held in the Company's accounts with BOS in respect of tax arrears. On 24 November 2011, the Company agreed to release the arrested funds to HMRC, which were used to settle certain outstanding VAT arrears on instruction of the Company.

Fixtures and Fittings and Chattel Assets

- 9.27 The Joint Administrators have instructed Sweeney Kincaid to provide a valuation of the fixtures and fittings and Chattel Assets situated at both the Ibrox Stadium and Murray Park.

Playing Staff and Player Contracts

9.28 The Club's Playing Staff are valued in the Company's accounts based upon an amortisation of their registration fees over the term of their contracts. The carrying value of the Player Contracts therefore may not represent the current market value for the Playing Staff. The Joint Administrators primary objective for the current season is to ensure that the fabric of the Playing Staff remains intact in order to:

- Maximise the prize monies payable to the Club at the end of the current season; and
- Maintain the Playing Staff to preserve the Club's value and to maximise eventual consideration from a sale of the business and assets of the Club.

9.29 The Joint Administrators however successfully transferred the Company's interest in Matt Mackay's registration to Busan I'Park for US\$100,000. The Joint Administrators were able to sell this player because the South Korean transfer window was still open during the early stages of the Administration process. Funds have been received into the Administration estate account in full.

Trademarks

9.30 The Company is the registered proprietor of a number of UK, International and Community registered trademarks.

Goodwill

9.31 The January 2012 management accounts show carried forward Goodwill on Acquisition of £620,000. The realisable value of goodwill will be dependent upon the exit route from Administration.

Prepayments and Accrued Income

9.32 The January 2012 management accounts indicate that there is prepaid and accrued income of £807,759. The Joint Administrators are still reviewing these payments and accruals.

Arsenal Holdings Shares

9.33 The Club was the owner of 16 ordinary shares in Arsenal Holdings Plc. The Company instructed Pritchard, a FSA regulated practice, to act as its broker for the sale of these shares during January 2012. It should be noted that Craig Whyte was the Company Secretary of Pritchard.

9.34 The shares were sold for a consideration net of commission of £223,214, (believed to have been market value) however the funds relating to the sale of these shares were not transferred to the Company. The FSA, having investigated Pritchard's affairs, served a supervisory notice on Pritchard which froze all client monies held by Pritchard pending further investigation by the FSA.

9.35 Pritchard was subsequently placed into the Special Administration Regime on 9 March 2012 and Tim Ball, Steve Wood and Rod Weston of Mazars were the appointed Joint Special Administrators.

9.36 The Joint Administrators have contacted the Joint Special Administrators to file a claim and to assist in the recovery of these monies, however it is not known at this stage whether these monies will be recovered in full.

Debtors

- 9.37 As at the Appointment Date, the Company was owed £3.8m from other football clubs in respect of deferred transfer fees which will fall due over a period of time up to 31 May 2014. The Joint Administrators may seek to accelerate receipt of these monies. There are further fees potentially receivable however these are contingent and dependent on former players making further appearances or being sold by their current clubs.
- 9.38 Other debtors of approximately £538,846 at the Appointment Date largely consist of amounts due in respect of Hospitality and Sponsorship. A total of £218,416 has been collected to date and the Joint Administrators continue to pursue collection of the residual amounts.

10. Investigations

- 10.1 The Joint Administrators' investigations into the Company's affairs are currently ongoing.
- 10.2 The Joint Administrators have a statutory obligation to file a report with the IS regarding the conduct of the directors that held office in the three years prior to the Administration. This report must be filed within six months from the Appointment Date and the content of this report is confidential.
- 10.3 The Joint Administrators investigations are wide ranging. For the purposes of this report a brief narrative regarding the general investigations that the Joint Administrators will undertake is given below.
- 10.4 The Joint Administrators also have a duty to investigate antecedent transactions which include:
- Transactions at an undervalue, Section 238 of the Act;
 - Preferences, Section 239 of the Act; and
 - Transactions to defraud creditors, Section 423 of the Act.
- 10.5 The Joint Administrators can also review whether any offences have been committed under the Companies Act or any other legislation.
- 10.6 Also included is a brief narrative regarding certain of the specific areas of investigation that are in progress. At this juncture detailed narrative regarding these investigations is not appropriate as this may hinder ongoing or proposed legal proceedings.

Collyer Bristow

- 10.7 Immediately following the appointment of the Joint Administrators, investigations regarding the acquisition of the Club by RFC Group were commenced. This has led to the issue of various proceedings pursuant to Section 234, and Section 236 of the Act against Collyer Bristow, the legal advisers to Craig Whyte and RFC Group and the Company. It should be noted that the Club's Company Secretary, Gary Withey, was also a partner at Collyer Bristow.
- 10.8 On 1 March 2012 the Joint Administrators applied, pursuant to Section 234(2) of the Act to have all monies held by Collyer Bristow which belonged to or were held to the order of the Company to be paid to the Joint Administrators or alternatively into Court. The Court ordered that the funds totalling £3,667,846.59 be paid to the Joint Administrators' English solicitors, Taylor Wessing to be held subject to an appropriate undertaking.
- 10.9 On the same date the Joint Administrators applied for the delivery up of the Collyer Bristow's files in relation to work done on behalf of the Company and its acquisition by RFC Group. The court ordered that these files were to be delivered up to the Taylor Wessing by 5 March 2012.

- 10.10 There are competing claims to the monies ordered to be held by Taylor Wessing and on 23 March 2012 the High Court in London ordered that the parties with claims against Collyer Bristow should issue their claims by 16 April 2012.
- 10.11 This has widened the Court proceedings because there are substantially larger claims against Collyer Bristow, which the Joint Administrators may decide to bring. A further hearing will take place as soon as possible after the expiry of the deadline for claims against Collyer Bristow on 16 April 2012.

Ticketus

- 10.12 Other investigations have focussed on the agreements the Club entered into with Ticketus around the time of the purchase of the Club by RFC Group. The first of those agreements purported to give Ticketus the right to a significant number of season tickets at Ibrox for the next three seasons, whilst the second agreement imposed obligations on the Club to collect the money from the sale of these tickets on behalf of Ticketus.
- 10.13 Initial meetings with Ticketus established that Ticketus considered themselves to hold some form of proprietary rights to the relevant seats and the proceeds of their sale such that those rights would hold good against the Club in the event of the latter suffering an insolvency event and against any successor to the Club.
- 10.14 On 15 March 2012 the Joint Administrators applied to the Court of Session for directions as to the nature of the rights Ticketus had under their agreements with the Club and for guidance on whether the agreements could be terminated.
- 10.15 On 23 March 2012 the Court of Session issued its directions. It held that Ticketus held no property rights in the seats nor in the proceeds of their sale. Their rights were of a personal, contractual nature only. As a result, if the Joint Administrators, when pursuing the objectives of the Administration of the Club, consider it to be in the interests of the Company's creditors as a whole, they can decline to perform the contractual obligations of the Company. If this proves to be the case, which will depend upon the outcome of the current sale negotiations, it may leave Ticketus with a claim for damages against the Club for breach of contract but that claim would rank as an ordinary unsecured claim in the Administration.
- 10.16 Investigations continue into the circumstances surrounding the structure of these agreements and there is the possibility of further legal action being taken in relation to them. Further details will be provided in subsequent reports.

11. Statement of Affairs

- 11.1 The Joint Administrators are yet to receive a signed SOA from the Directors of the Company. One of the directors, Dave King has confirmed that he holds insufficient financial information relating to the Company to prepare the SOA. No response has been received from the other directors.
- 11.2 If the SOA is received by the Joint Administrators the document will be submitted to the Registrar of Companies and be available to download from the Club's website and the Companies House website.
- 11.3 The Joint Administrators have included a summary of the Estimated Financial Position of the Company at Appendix 3 including the relevant assumptions, in accordance with Rule 2.25(i) of the Rules.
- 11.4 The Estimated Financial Position is self explanatory and is based upon information taken from Company's books and records. Valuations have been received for a number of assets however these will not be disclosed as they contain information regarded as commercially sensitive given the ongoing discussions with prospective purchasers.

- 11.5 A schedule of trade creditors' names and addresses is also attached at Appendix 3. Some creditor amounts shown may differ from the actual amount owing. This does not affect any creditor's ability to submit a claim for a differing amount.
- 11.6 In accordance with a Court Order dated 23 February 2012 granted by Lord Menzies, the Joint Administrators have been granted relief from disclosing the names and addresses of the season ticket holders and debenture holders. Therefore, these creditors have been grouped together under the headings "Season Ticket Holders" and "Debenture Holders".
- 11.7 In addition and in accordance with the same Court Order, the Joint Administrators have been granted relief from disclosing the names and addresses of all minority shareholders of the Company.

12. Statement of Pre-Administration Costs

- 12.1 A breakdown of the Joint Administrators' pre-appointment time costs of £42,760 is attached at Appendix 4 for the period between 6 February and 14 February 2012. This includes undertaking work incidental to the appointment of the Joint Administrators including assistance with the preparation of the appointment documentation, discussions with the Director and planning for the Company to be placed into Administration.
- 12.2 The Joint Administrators confirm that payment of the unpaid pre-appointment costs, as an expense of the Administration, is subject to approval under Rule 2.39C of the Rules, and not part of the Proposals subject to approval under Paragraph 53 of Schedule B1 to the Act.

13. Joint Administrators' Costs and Remuneration Charged

- 13.1 In accordance with Rule 2.25(j) of the Rules, it is proposed that the basis upon which the Joint Administrators' remuneration should be fixed is by reference to the time properly given by them and their staff in attending to matters arising in the Administration.
- 13.2 The Joint Administrators' time costs for the period 14 February 2012 up to and including 31 March 2012 totals £1,199,356. A schedule of these time costs is set out at Appendix 4.
- 13.3 The Joint Administrators' choice of staffing was dictated by the complexity of the issues facing the Club and the transactions which had occurred in the months leading up to the appointment. The Joint Administrators' time costs are charged to the case on hourly rates (at 6 minute intervals) which vary depending upon the level of skill and experience of that staff member. Information regarding the fees of the Joint Administrators called "A Creditors' guide to Administrators' fees" can be found on our website at www.duffandphelps.com/uk-restructuring. Should you require a copy, please contact the Joint Administrators' office.
- 13.4 Further details regarding major areas of time recorded are provided below.
- 13.5 Time costs of £333,071 have been incurred under the heading Strategy Planning and Control. This largely includes dealing with the SFA, the SPL and UEFA and high level discussions with parties interested in purchasing the Club or its assets. A large element of this category of time cost also relates to dealing with media enquiries, understanding historic transactions and formulating ongoing strategies regarding the various strands of litigation which the Joint Administrators are involved in for the benefit of the Club.
- 13.6 Significant time has been expended in this category in liaising with both Scottish and English legal advisors and Counsel in order to make sure that the strongest case be presented to the Courts.

- 13.7 There are £349,748 of time costs incurred in the period which relate to the Trading Operations of the Club. This includes negotiating and meeting with suppliers to ensure that the Club could continue to function, undertaking ongoing cost reviews and day to day trading of the Club. It also includes dealing with ransom suppliers, that is those suppliers which supply critical goods or services to the Club.
- 13.8 Also included are costs of ensuring that the Club could continue to meet its match day requirements which ensured that season ticket holders would continue to be able to attend games following the Appointment Date. There was also time incurred dealing with all of the various income streams for the Club which include hospitality, retail and match day ticket revenue.
- 13.9 The time costs in the Financial Review and Investigations section of £62,069 derive from the more detailed analysis of transactions occurring prior to the appointment of Joint Administrators in order to provide the necessary understanding and evidence in order to bring legal actions where it was appropriate to do so. There are also specific investigatory duties incumbent upon the Joint Administrators relating to their obligations under the CDDA and other legislation.
- 13.10 Any secured creditor, or any unsecured creditor (with the support of at least 10% in value of the creditors or the permission of the court), may apply to the court on the grounds that the remuneration or basis fixed for the Joint Administrators' remuneration or the expenses incurred by the Joint Administrator are considered to be excessive. This application must be made no later than 8 weeks after receipt of the progress report, where the charging of the remuneration or the incurring of expenses in question occurs.
- 13.11 Attached at Appendix 5 is a schedule of the Agents and Solicitors which the Joint Administrators have appointed in the period of the report.
- 13.12 The Joint Administrators' choice of Agents and Solicitors instructed was based on their perception of the Agent's and Solicitor's ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangement with them.

14. Dividend Prospects / Prescribed Part

Charges Registered Against the Company

RFC Group

- 14.1 It is the Joint Administrators' understanding that a floating charge granted to The Governor and Company of The Bank of Scotland dated 8 March 1999 ("the Charge") was assigned to RFC Group.
- 14.2 The Joint Administrators have sought to clarify the level of indebtedness, if any, due to RFC Group in respect of this charge and are liaising with RFC Group in respect of this matter. Creditors will be provided with an update in due course.

Kelvinside Academy War Memorial Trust and The Trustees of Kelvinside Academical Club Charitable Trust

- 14.3 The Company granted Kelvinside Academy War Memorial Trust and The Trustees of Kelvinside Academical Club Charitable a standard security dated 20 October 1999 and registered in the Land Register of Scotland on 28 October 1999 over the area of land now known as Murray Park.

- 14.4 Under the terms of the standard security granted, the Company was not entitled to use the land at Murray Park for anything other than sporting purposes. If a change of use was sought by the Company or if the premises were sold, the property secured was to be valued and the Company was to pay Kelvinside Academy War Memorial Trust and The Trustees of Kelvinside Academical Club Charitable a percentage of the uplift in value.
- 14.5 This obligation expired on 22 October 2009 and the Joint Administrators are liaising with Kelvinside Academy War Memorial Trust and The Trustees of Kelvinside Academical Club Charitable to arrange discharge of the outstanding security.

The Scottish Sports Council

- 14.6 In consideration for monies advanced to the Company under a Contract of Award between The Scottish Sports Council and the Company (constituted by award dated 22 February 2001 and acceptance dated 5 March 2001), the Company granted The Scottish Sports Council a standard security dated 12 December 2001 and registered in the Land Register of Scotland on 18 January 2002 over the area of land now known as Murray Park.
- 14.7 It is the Joint Administrators' understanding that the security is to remain in place for 20 years from the date that it was registered and that the indebtedness under the security is £505,000.
- 14.8 The Joint Administrators have requested confirmation from The Scottish Sports Council of the level of indebtedness and other relevant information in relation to the security.

Kelvinside Academy War Memorial Trust and Another

- 14.9 The Company granted Kelvinside Academy War Memorial Trust and Another a second standard security dated 12 May 2004 and registered in the Land Register of Scotland on 31 May 2004 over the area of land now known as Murray Park.
- 14.10 The standard security detailed certain obligations under a minute of agreement under which the Company was not entitled to use the land at Murray Park for anything other than sporting purposes. If a change of use was sought or if the premises were sold, the property secured was to be valued and the Company was to pay Kelvinside Academy War Memorial Trust and Another a percentage of the increase in value.
- 14.11 This obligation expired on 22 October 2009 and the Joint Administrators are liaising with Kelvinside Academy War Memorial Trust and Another to arrange discharge of the outstanding security.

The Governor and Company of the Bank of Scotland

- 14.12 The Company granted an assignation of security to The Governor and Company of the Bank of Scotland dated 12 October 2004 in relation to the rights, interests and benefits in relation to a letter of credit.
- 14.13 It is the Joint Administrators' understanding that there is no indebtedness due from the Company to The Governor and Company of the Bank of Scotland under this security and the Joint Administrators are liaising with The Governor and Company of the Bank of Scotland to arrange discharge of the security.

Premier Property Group Limited

- 14.14 The Company granted a standard security to Premier Property Group Limited dated 30 November 2004 and registered in the Land Register of Scotland on 31 March 2005 which covers the area of land at Broomloan Road.

- 14.15 It is the Joint Administrators' understanding that a trigger event as referred to in the security has not occurred. The Joint Administrators are therefore liaising with Premier Property Group Limited to establish their position in respect of the security.

Premier Property Group Limited

- 14.16 The Company granted a second standard security to Premier Property Group Limited dated 26 April 2006 and registered in the Land Register of Scotland on 1 May 2006 which covers the area of land at Broomloan Road.
- 14.17 It is the Joint Administrators' understanding that a trigger event as referred to in the security has not occurred. The Joint Administrators are therefore liaising with Premier Property Group Limited to establish their position in respect of the security.

Close Leasing Limited

- 14.18 In consideration for monies advanced to the Company under a finance agreement between the Company and Close Leasing Limited that relates to catering equipment, the Company granted Close Leasing Limited an assignment of security dated 27 August 2011.
- 14.19 As at the date of the Joint Administrators' appointment, the Company's indebtedness to Close Leasing Limited was approximately £1.6m, subject to accruing interest and charges.
- 14.20 The Joint Administrators are liaising with Close Leasing Limited in relation to the indebtedness and the property secured by the charges.

Validity of Security

- 14.21 Prior to agreeing claims in respect any Secured Creditor, the Joint Administrators will conduct an exercise to establish the validity of such security and the quantum of any monies which may be secured in this regard.

Unsecured, Preferential Creditors

- 14.22 Preferential claims consist of employees' claims which are mostly subrogated to the Secretary of State, following payment by the RPS.
- 14.23 Although the Joint Administrators are yet to receive notification of the preferential creditors' claims, given that all incumbent employees have no arrears of wages and salaries and an appropriate exit from Administration is achieved, it is anticipated that preferential creditors' claims will be minimal and limited to claims for holiday pay.
- 14.24 In the event of any preferential claims, it is anticipated that there will be sufficient funds available to enable a distribution to preferential creditors.

Prescribed Part

- 14.25 Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a prescribed part of the Company's net property shall be made available to non-preferential unsecured creditors.
- 14.26 In this case the prescribed part provision does not apply as the relevant charge was created before 15 September 2003.

Non-Preferential Unsecured Creditors

14.27 According to the Company's books and records the non-preferential unsecured creditors can be summarised as follows:

| Creditor | Claim (£) |
|----------------------------------------------------------|-------------------|
| Trade & Expense Creditors | 5,544,508 |
| Ticketus (amount of claim to be confirmed) | 26,700,000 |
| HM Revenue & Customs – Excluding Big and Small Tax Cases | 14,372,042 |
| HM Revenue & Customs – Small Tax Case | TBC |
| HM Revenue & Customs – Big Tax Case | TBC |
| Supporter Debenture Holders | 7,736,000 |
| Football Related Creditors | 1,063,082 |
| Employees | TBC |
| Total | 55,415,632 |

Small Tax Case

- 14.28 The Small Tax Case was bought against the Company by HMRC in respect of outstanding amounts owed from the use of a discounted options tax scheme for payments made to Tore Andre Flo and Ronald De Boer between the tax years 2000/01 and 2002/03.
- 14.29 The total amount determined as due by HMRC in respect of this case is in the region of £4,000,000, after interest and penalty charges.
- 14.30 The Small Tax Case has not progressed as far as Tribunal and has been settled based upon advice received.

Big Tax Case

- 14.31 The Big Tax Case was brought against the Company by HMRC in respect of outstanding amounts owed from the use of the EBT scheme to make payments to employees of the Company between the tax years 2000/01 and 2009/10.
- 14.32 The total amount determined as due by HMRC in respect of this case is in the region of £75,000,000, including interest and penalties.
- 14.33 The Big Tax Case is disputed by the Company and is subject to first tier tax Tribunal Proceedings instigated by HMRC. An outcome has yet to be determined by the Tribunal.

Football Related Creditors

- 14.34 The rules concerning the status of football related creditors (ie other football clubs and the football authorities) are not analogous with the term "football creditors" applied in England.

- 14.35 The SPL and SFA rules both contain offset provisions whereby any prize money or other amounts due to the Club can be withheld to offset against any monies which are owing to the SFA/SPL themselves or other members of those organisations. These rules do not appear to include monies falling due at a future point in time.
- 14.36 As at the Appointment Date the Joint Administrators were aware of such creditors (ie the SFA, SPL and SPL member clubs) totalling approximately £1,063,082.
- 14.37 As noted in paragraph 8.6, Dunfermline has notified the SPL of the Club's failure to pay over ticket monies and a disciplinary hearing had been convened to consider this matter. The outcome of this hearing could have resulted in sanctions against the Club, which could have included a significant financial penalty. Given the above noted offset rule, it was possible that both the monies owed to Dunfermline and any sanction could have been deducted from the Club's future prize money. In order to avoid the possible financial sanction and consequential increased offset from the future prize money, the Joint Administrators reached an agreement with Dunfermline which has been completed, as noted in paragraph 8.6.
- 14.38 To date no other payments have been made to football related creditors.
- 14.39 If the Company continues to trade in Administration to end of the season, it is possible that any prize money receivable for the Club's finishing position in the SPL may be subject to offset applied in respect of amounts due to other member clubs of the SPL. Any offset applied by the SPL will be subject to legal review.

Season Ticket Holders

- 14.40 The Club currently has 37,367 season ticket holders.
- 14.41 The season ticket holders are currently contingent non-preferential unsecured creditors in the Administration. In the unlikely event that the Company ceases to trade prior to the end of the current football season, season ticket holders will become creditors in the Administration for the outstanding proportion of the total value of their season ticket. This amount is dependent on the number of home matches remaining in the season.
- 14.42 Given the contingent nature of these claims, the Joint Administrators have not included details of the amounts owing to season ticket holders in the above table.

Supporter Debenture Holders

- 14.43 The Company issued 6,050 debentures in 1990, the debentures ranged in value from £1,000 to £1,650. The total value of the debentures is £7,736,000.
- 14.44 The debentures were issued to raise capital to fund the building of the club deck on the Govan stand at Ibrox Stadium.
- 14.45 The debentures entitle the holder to various benefits including the right to purchase a season ticket in a designated seat and to have a plaque with their name affixed to the seat.
- 14.46 In accordance with clause 2.3.2 of the debenture, the debentures become repayable in full upon the appointment of Administrators to the Company. In addition, all rights granted to the debenture holders cease with effect from the Appointment Date.
- 14.47 In this regard, and having consulted with their legal advisors, the Joint Administrators confirm that all debenture holders are unsecured non-preferential creditors in the Administration for the par value of the debenture.

- 14.48 If they have not already done so, all debenture holders should submit a claim in the Administration by completing the Statement of Claim form attached at Appendix 8 and returning it to the Joint Administrators office.
- 14.49 At this stage it is unclear whether the exit route from Administration would result in a return to non-preferential unsecured creditors. It is likely that any CVA or Scheme of Arrangement would result in a return to non-preferential unsecured creditors although the quantum and timing cannot be estimated at this stage.

15. Creditors' Meeting

- 15.1 In accordance with Paragraph 58 of Schedule B1 to the Insolvency Act 1986 and Rule 2.28 of the Rules, in light of the costs associated with a meeting of creditors, rather than holding a physical meeting to consider the Joint Administrators' proposals and enclosed resolutions in Section 17 below, creditors can vote by way of correspondence. A Notice of Conduct of Business by Correspondence is attached at Appendix 6. Votes must be received by 12 noon on 20 April 2012 to be counted.

16. End of the Administration

- 16.1 The options available to the Joint Administrators for the exit from the Administration are as follows:
- Company Voluntary Arrangement
 - Scheme of Arrangement
 - Creditors' Voluntary Liquidation
 - Compulsory Liquidation
 - Dissolution of the Company
- 16.2 As described above, the Joint Administrators are yet to form a view as to the exit route as this depends upon the levels of interest from prospective purchasers, the offers received, and the structure of these offers.
- 16.3 A CVA is an agreement between a company and its creditors. It must be supported by more than 75% in value of those voting. A CVA will require funds to be introduced to the Company, usually by way of shareholder investment and/or selling assets. These funds will be used to pay creditors of the Company a percentage of their total claim in full and final satisfaction of what is owed to them.
- 16.4 A Scheme of Arrangement is a court sanctioned process whereby a company proposes an arrangement, which can bind both creditors and shareholders. The court orders the calling of affected parties to consider a meeting of the proposal. The proposed arrangement must be supported by more than 75% of value and more than 50% of creditors in each class. There is then a subsequent court hearing for the court to sanction the arrangement. As set out above in respect of a CVA, funds will be used to pay creditors of the Company a percentage of their total claim in full and final settlement of what is owed to them through a Scheme of Arrangement.
- 16.5 Should a CVA or Scheme of Arrangement be proposed and agreed the Company will effectively return to a solvent position and continue to trade on out of any formal insolvency process, although it may still be subject to sanctions from the football authorities.

- 16.6 It is likely that any purchaser wishing to invest monies into the Club to fund a CVA or Scheme of Arrangement will require the shareholding or substantially all of the shareholding of the Club. The Joint Administrators are investigating whether there are mechanisms by which they can compel existing shareholders to transfer shares to a purchaser, but no representation has been made that this can happen to purchasers. A formal request has been made of the current majority shareholder RFC Group which holds circa 85.3% of the shares to make these available to a purchaser.
- 16.7 An alternative arrangement would see a CVA approved without a purchaser acquiring the shareholding. Once the CVA is approved the Joint Administrators could then seek to transfer the assets and/or liabilities of the Club into a wholly owned subsidiary and offer the purchaser the option to acquire the shares in that subsidiary.. This does mean that the business would trade with a new company registration number and this also may have implications with the various football authorities.
- 16.8 Purchasers have been made aware that although the Joint Administrators have sought clarification on these issues from the SFA, the SPL and UEFA, it is not possible to confirm the position. The ultimate purchasers will be required to undertake their own discussions once they obtain preferred bidder status.
- 16.9 If a CVA is not pursued, a going concern sale of the Club's business and assets is likely to result. Should a going concern sale be achieved, the business and assets will transfer to a newly incorporated company. This will most likely result in the Company (the legal entity in which the business and assets currently sit) to enter into Creditors' Voluntary Liquidation and a liquidator to be appointed. A liquidator will fully investigate the financial affairs of the Company and undertake a detailed review of transactions over the years prior to the Company's Administration. Certain stakeholders of the Company have expressed their support for these investigations. It should be noted that a liquidator also has extensive powers to call all previous officers and management of the Company to account and to recover monies which were obtained from the Company by means inconsistent with their statutory obligations.
- 16.10 Should this be the case, any liabilities of the Company itself remain with the Company and therefore the newly formed company can continue to trade as a football club albeit with a new company registration number.
- 16.11 Depending upon the offers received, the Joint Administrators may proceed with any of the above options. There is also the possibility of CVA or Scheme of Arrangement followed by a Creditors' Voluntary Liquidation, or in the alternative a business sale conducted alongside a CVA/Scheme of Arrangement.
- 16.12 The Joint Administrators are duty bound to achieve the best financial return to creditors that they can and their choice of how to proceed is subject to the requisite majority of creditor approval.
- 16.13 Based upon indicative offers so far received and estimated realisations it is unlikely that the Company will be placed into Compulsory Liquidation.

17. Joint Administrators' Proposals

- 17.1 The Joint Administrators propose the following:

RESOLUTION (1)

- 17.1.1 That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.

- 17.1.2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.
- 17.1.3 That the Joint Administrators can investigate and, if appropriate, pursue any claims the Company may have.
- 17.1.4 That the Joint Administrators can explore any and all options available to realise the assets of the Company without recourse to creditors. The Joint Administrators be authorised to conclude a sale of the whole, or part of the business, property and assets of the Company without having to obtain the sanction of the Company's creditors at further creditors meetings, upon such terms as the Joint Administrators deem fit and they be authorised to liaise with all relevant parties, bodies or organisations which they deem relevant for achieving that purpose.
- 17.1.5 That the Joint Administrators seek to establish a creditors committee, and they be authorised to so establish a committee in such terms and on such basis as they deem fit without having to obtain any further sanction from the Company's creditors at a further creditors meeting.

RESOLUTION (2)

- 17.1.6 That the Joint Administrators may propose such CVA(s) or Scheme(s) of Arrangement as they deem appropriate and see fit, subject to the outcome of offers.
- 17.1.7 Upon approval of a CVA or Scheme of Arrangement to exit the Administration at such time as the Joint Administrators deem appropriate by making an application to the Court pursuant to Paragraph 79 of Schedule B1 of the Act.
- 17.1.8 That the Joint Administrators are authorised, subject to implementation of a CVA, to conclude a sale of the whole, or part of the business, property and assets of the Company, without having to obtain the sanction of the Company's creditors at further creditors' meetings, upon such terms as the Joint Administrators deem fit and they be authorised to liaise with all relevant parties, bodies or organisations which they deem relevant for achieving that purpose.

RESOLUTION (3)

- 17.1.9 That the Joint Administrators, when it is anticipated that no better realisations will be made in the Administration than would be available in a winding up, take the necessary steps to put the Company into either CVL or into compulsory liquidation as deemed appropriate by the Joint Administrators. It is proposed that the Joint Administrators, currently Paul John Clark and David John Whitehouse of Duff & Phelps would act as Joint Liquidators or such other parties as creditors may resolve should the Company be placed into CVL. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 2.47 of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

RESOLUTION (4)

- 17.1.10 That the Joint Administrators' remuneration be fixed by reference to the time properly incurred by them and their staff in attending matters during the Administration.

17.1.11 That the Joint Administrators' statement of pre-Administration costs under Rule 2.25 of the Rules, where no Creditors' Committee is established, be approved for payment in accordance with Rule 2.39C of the Rules.

17.1.12 That the Joint Administrators be authorised to draw Category 2 Disbursements.

RESOLUTION (5)

17.1.13 That the Joint Administrators' Proposals be approved without modification

18. Other Matters

18.1 If any creditor has any information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, then they should be pleased to hear from them.

18.2 If you require further information or assistance, please email rangers@duffandphelps.com.

Yours faithfully
For and on behalf of
The Rangers Football Club Plc



David Whitehouse
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Paul John Clark and David John Whitehouse, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1

Statutory Information

Statutory Information

Date of Incorporation 27 May 1899

Registered Number SC004276

Company Directors in the last 3 years

| Director | Appointed | Resigned |
|-------------------|-------------------|-----------------|
| Andrew Ellis | 20 January 2012 | N/A |
| David King | 30 March 2000 | N/A |
| Craig Whyte | 6 May 2011 | N/A |
| Martin Bain | 6 September 2001 | 23 June 2011 |
| Philip Betts | 6 May 2011 | 20 January 2012 |
| John Greig | 6 February 2004 | 16 October 2011 |
| Alastair Johnston | 6 February 2004 | 23 May 2011 |
| John McClelland | 14 September 2000 | 16 October 2011 |
| Michael McGill | 16 October 2009 | 6 May 2011 |
| Donald McIntyre | 12 June 2006 | 7 October 2011 |
| Donald Muir | 16 October 2009 | 6 May 2011 |
| David Murray | 18 January 1989 | 26 August 2009 |
| Paul Murray | 20 September 2007 | 23 May 2011 |

Company Secretary Gary Withey

Majority Shareholder The Rangers FC Group Limited

Trading Address Ibrox Stadium
150 Edmiston Drive
Glasgow
G51 2XD

Registered Office Ibrox Stadium
150 Edmiston Drive
Glasgow
G51 2XD

Financial Information

Balance Sheet

| | As at 30 June 2011 (Draft) £'000 | As at 30 June 2010 (Audited) £'000 |
|-------------------------------------|-------------------------------------------|---------------------------------------------|
| Fixed Assets | | |
| Tangible Assets | 116,814 | 118,626 |
| Intangible Assets | 7,892 | 10,781 |
| Investments | 751 | 751 |
| | 125,457 | 130,158 |
| Current Assets | | |
| Debtors | 8,913 | 7,806 |
| Cash | 8,552 | 8 |
| Stock | 2 | 2 |
| | 17,467 | 7,816 |
| Liabilities | | |
| Amounts Falling Due Within One Year | (48,822) | (27,316) |
| Amounts Falling After One Year | (20,372) | (37,941) |
| | 73,730 | 72,717 |
| Capital and Reserves | | |
| Called up Share Capital | 10,879 | 10,879 |
| Share Premium Account | 120,973 | 120,973 |
| Capital Reserve | 9,185 | 9,185 |
| The Rangers Bond | 7,736 | 7,736 |
| Revaluation Reserve | 57,207 | 57,770 |
| Profit & Loss Account | (132,250) | (133,826) |
| | 73,730 | 72,717 |

Profit and Loss

| | Year Ended 30 June 2011 (Draft) £'000 | Year Ended 30 June 2010 (Audited) £'000 |
|------------------------------------------------|------------------------------------------------|--------------------------------------------------|
| Turnover | 57,183 | 56,287 |
| Net Operating Expenses | (47,525) | (43,856) |
| Trading Profit/(Loss) | 9,658 | 12,431 |
| Amortisation of Player Registrations | (8,412) | (7,339) |
| Exceptional Items: | | |
| Gains on Disposal of Player Registrations | 4,202 | 512 |
| Taxation on Discount Option Scheme | (3,270) | - |
| Profit/(Loss) Before Interest & Tax | 2,178 | 5,604 |
| Interest Payable | (2,102) | (1,395) |
| Profit/(Loss) Before Taxation | 76 | 4,209 |
| Taxation | - | - |
| Retained Profit/(Loss) for the Year | 76 | 4,209 |

Appendix 2

Receipts and Payments Accounts

Trading Receipts and Payments Account

The Rangers Football Club Plc

In Administration

14 February 2012
to 30 March 2012

| Income | £ |
|-------------------------------------------|---------------------------|
| Ticket Sales | 708,958 |
| Programme Sales | 20,221 |
| Hospitality Sales | 94,318 |
| Food and Beverage Sales | 138,358 |
| Stadium Tours | 5,373 |
| Other Sales | 53,006 |
| | <hr/> |
| | 1,020,234 |
| | |
| Expenditure | |
| Direct Matchday Costs - Home Games | 21,984 |
| Direct Matchday Costs - Away Games | 13,901 |
| Payments to Football Clubs - Away Tickets | 195,932 |
| Security / Policing | 204,538 |
| Programme Costs | 4,563 |
| Audio Visual Costs | 10,091 |
| Media costs | 2,415 |
| Medical Costs | 120 |
| Football in the Community Costs | 667 |
| Charity Match Costs | 6,634 |
| Pre Administration Wages/Salaries | 479,513 |
| Post Administration Wages/Salaries | 1,208,986 |
| Sub Contractors | 12,200 |
| Staff Expenses | 8,387 |
| Player Accommodation | 15,560 |
| Other Employee Costs | 6,608 |
| Pension Contributions | 28,030 |
| PAYE/NIC | 595,953 |
| Facility Costs / Repairs and Maintenance | 86,934 |
| Catering / Food and Beverage | 541,507 |
| Lease / Hire Purchase Payments | 106,224 |
| Utilities | 29,081 |
| Stationery | 164 |
| Software Licences | 27,369 |
| Waste disposal | 3,709 |
| Fuel costs | 97 |
| Petty Cash | 6,000 |
| | <hr/> |
| | 3,617,165 |
| | <hr/> |
| Trading Surplus/(Shortfall) | <u>(2,596,931)</u> |

* Please note that this is a cash account subject to reconciliation

* This document outlines transactions up to and including Friday 30 March 2012

Receipts and Payments Account

The Rangers Football Club Plc
In Administration

14 February 2012

to 30 March 2012

| | £ |
|------------------------------------------|------------------|
| Assets Subject to Floating Charge | |
| Cash at Bank | 3,373,170 |
| Debtors | 218,416 |
| Insurance Refund | 250 |
| Player Transfer Fees | 61,945 |
| Bank Interest | 418 |
| Petty Cash | 1,000 |
| Sundry Receipts | 3,517 |
| | 3,658,716 |
| Less | |
| Trading Shortfall | 2,596,931 |
| Legal Disbursements | 129,294 |
| Bank Charges | 691 |
| | 2,726,916 |
| Balance | 931,800 |
| Made up as Follows | |
| VAT Receivable | 213,547 |
| General Trading Account | 795,889 |
| Ticket Office Account | 95,677 |
| Debtors Control Account | 30,435 |
| VAT payable | (203,748) |
| | 931,800 |

* A statement of affairs has yet to be provided therefore comparison figures are not available

* This document outlines transactions up to and including Friday 30 March 2012

Appendix 3

Schedule of Creditors and Estimated Financial Position

Estimated Financial Position as at 14 February 2012

The Rangers Football Club Plc In Administration

Book Value

| | Notes | £ |
|-----------------------------------------------------------|-------|---------------------|
| FIXED CHARGE ASSETS | | |
| Freehold Property Including Ibrox Stadium and Murray Park | 1 | 109,613,870 |
| Leasehold Property - Albion Road Car Park | 1 | 2,931,968 |
| Goodwill | 1 | 620,000 |
| Trademarks | 1 | 39,495 |
| | | <u>113,205,333</u> |
| Less: Fixed Charge Holders | | |
| The Rangers FC Group Limited | 2 | TBC |
| Close Leasing Limited | 3 | (1,560,000) |
| Scottish Sporting Council | 3 | (505,000) |
| Premier Property Group Limited | 2 | TBC |
| Bank of Scotland (Albion Road Finance) | 2 | TBC |
| Kelvinside War Memorial Trust | 2 | TBC |
| | | <u>(2,065,000)</u> |
| | | <u>111,140,333</u> |
| FLOATING CHARGE ASSETS | | |
| Surplus from Fixed Charge Assets | | 111,140,333 |
| Cash at Bank | 4 | 3,373,170 |
| Fixtures and Fittings | 1 | 3,907,345 |
| Player Registrations | 1 | 7,661,456 |
| Deferred Transfer Fees | | TBC |
| Football Debtors | 1 | 3,804,000 |
| Trade Debtors | 1 | 538,846 |
| | | <u>126,082,304</u> |
| Preferential Creditors | 5 | TBC |
| Floating Charge Creditor - RFC Group | 6 | TBC |
| UNSECURED CREDITORS | | |
| Trade & Expense Creditors | 7 | (5,544,508) |
| Football Related Creditors | 8 | (1,063,082) |
| HM Revenue & Customs | 9 | (14,372,042) |
| Ticketus | 10 | (26,700,000) |
| Employees | 11 | TBC |
| Debenture Holders | 12 | (7,736,000) |
| | | <u>(55,415,632)</u> |
| Surplus/(Deficit) to Unsecured Creditors | | <u>70,666,672</u> |
| Issued and Called Up Share Capital | | <u>(10,879,400)</u> |
| Total Surplus/(Deficit) to Shareholders | | <u>59,787,272</u> |

Estimated Financial Position as at 14 February 2012

The Rangers Football Club Plc In Administration

NOTES

1. Values as per the January 2012 management accounts.
2. The Joint Administrators are yet to receive details of claims from these chargeholders.
3. The Joint Administrators are yet to review and adjudicate these claims.
4. Cash at bank transferred into the Joint Administrators account on the date of appointment.
5. The Joint Administrators are yet to be advised of the quantum of preferential claims, however they will be limited to claims for holiday pay from employees who have been made redundant.
6. The Joint Administrators are yet to receive details of claims from this chargeholder.
7. Trade and expense creditors are as per the Company's books and records as at the date of appointment.
8. Football related creditors as per the Company's records.
9. The claim from HMRC is as per the Company's books and records and does not include any amounts which may become outstanding upon the resolution of the big and small tax cases.
10. The Ticketus claim is estimated as per the principal sum outstanding. Ticketus final claim is to be determined, it may be higher if liquidated damages are due, or lower if their claim is found to not be valid against the Company.
11. The Joint Administrators are yet to be advised of the quantum of employee claims.
12. Debenture holders claims are as per the Company's records.

| Name | Address 1 | Address 2 | Address 3 | Address 4 | Address 5 | Amount |
|---------------------------------------|-----------------------------------|--------------------------------|-----------------------|------------------------|-----------|------------|
| A K Ray - FRCS | Ross Hall Hospital | 221 Crookston Road | Glasgow | Scotland | G52 3NQ | 150.00 |
| ADI UK Limited | Pittman Court | Pittman Way | Fulwood | Preston | PR2 9ZG | 7,620.00 |
| AS St Etienne | SASP ASSE Loire | 11 rue de Verdun | 42580 | L'etrat, France | | 252,212.39 |
| ASL | Unit 17 | Cliffe Industrial Estate | Lewes, East Sussex | England | BN8 6JL | 2,514.00 |
| Acies Group LLP | 1 Randolph Crescent | Edinburgh | | Scotland | EH3 TH | 2,340.00 |
| Adrian Coll | 17 Honeysuckle Lane | Heatherdale Village | Balloch | Scotland | G83 8PL | 1,600.00 |
| Alan Duncan | 22 Fieldhead Drive | Eastwood | Glasgow | Scotland | G43 1HH | 1,400.00 |
| Alexander West Property | 49A Bath Street | | | Glasgow | G2 2DL | 2,807.00 |
| Alison Walker.TV Ltd | 9 Nasmyth Avenue | Bearsden | Glasgow | Scotland | G61 4SQ | 600.00 |
| Alliance Video Ltd | 33 Isis House, Bridge Wharf | Chertsey | Surrey | England | KT16 8LB | 204.00 |
| Aon Limited | 8 Devonshire Square | London | England | | EC2M 4PL | 14,151.00 |
| Arena Imaging | Unit C, Meteor Business Park | Mansfield Road | Derby | England | DE21 4ST | 336.00 |
| Argyll and Bute Council | Cashier Section | Head of I.C.T & Financial Serv | Witchburn Road | Campbelltown, Scotland | PA28 6JU | 406.80 |
| Arsenal Football Club | Box Office | Highbury House | 75 Drayton Park | LONDON | N5 1BU | 136,560.00 |
| Astra Hygiene Supplies Ltd | The Griffon Centre | Vale of Leven Industrial Est. | Dumbarton | Glasgow | G82 3PD | 61.27 |
| Audi Stirling | Craigleith Road | Broadleys Business Park | Stirling | Scotland | FK7 7LQ | 396.05 |
| Azure Support Services Limited | The Courtyard | Catherine Street | Macclesfield | England | SK11 6ET | 523,949.71 |
| Azzurri Scotland Ltd | Rosendale Industrial Estate | Farrington Road | Burnley | Lancashire | BB11 5FH | 34.63 |
| BTWShiels | Clarence House | 4 - 10 May Street | | Belfast | BT1 4NJ | 2,917.39 |
| Barr Environmental Limited | Killoch | Ochitree | Cummnock | Scotland | KA18 2RL | 264.00 |
| Base Soccer Agency Ltd | 33 Great Portland Street | London | | England | W1W 8QF | 52,560.00 |
| Bauer Radio Ltd (Radio Clyde) | 1 Lincoln Court | Lincoln Road | Peterborough | England | PE1 2RF | 702.00 |
| Beyard Services Ltd | 41 Grahamfield Place | Beith | Ayrshire | Scotland | KA15 1AY | 5,559.60 |
| Bhutta's Newsagents | 142 Copleand Road | Ibrox | Glasgow | Scotland | G51 2UB | 567.45 |
| Big Think Agency Limited | Craighall House | 58 High Craighall Road | Glasgow | Scotland | G4 9UD | 14,265.60 |
| Blooms UK Limited | 182 Dumbarton Road | Glasgow | Scotland | | G11 6XE | 70.00 |
| Brabners Chaffe Street LLP | 55 King Street | Manchester | | England | M2 4LQ | 12,999.00 |
| Brentwood Estates | 109 St Anns Road | Prestwich | Manchester | England | M25 9GE | 42,963.06 |
| Brian Proudfoot Transport & Dis | Unit 8 | 151 Balmoral Street | Scotstoun | Glasgow, Scotland | G14 0HB | 2,802.00 |
| British Gas Business | PO Box 254 | Camberley | Surrey | England | GU15 3WA | 1,562.42 |
| British Telecommunications | BT PLC | TVTE | Newcastle Upon Tyne | England | NE28 6AA | 1,292.13 |
| Business Cost Consultants Ltd | Pavilion 3 | Mount Manor Business Park | Minerva Way, Glasgow | Scotland | G3 8AU | 6,240.60 |
| Business Stream | PO Box 420 | 55 Buckstone Terrace | Edinburgh | | EH10 6YN | 9,727.22 |
| CNP Professional Ltd | Unit 11, Hyde Point | Dunkirk Lane | Hyde | Cheshire, England | SK14 4NL | 719.96 |
| CRE8 | Fraser House | Wadham Close | Southrop | Glos | GL37 3NR | 68,406.70 |
| Cairn Financial Advisers LLP | 61 Cheapside | London | England | | EC2V 6AX | 4,127.60 |
| Cairns & Scott Caterhire Limited | 55 Causewayside Street | Glasgow | Scotland | | G32 8LT | 762.00 |
| Cameron Presentations Ltd | | Giffnock | Glasgow | Scotland | G46 7TH | 8,795.99 |
| Campbell Medical Supplies | Unit 2, Victoria Estate | Violet Street | Paisley | Scotland | PA1 1PA | 3,386.73 |
| Camtec | 18-20 Green Lane | Letchworth | Herts | | SG6 1EB | 552.00 |
| Canniesburn Taxis | 8-10 Station Road | Bearsden | Glasgow | Scotland | G61 4AN | 269.69 |
| Capital Solutions | 101 McDonald Road | Edinburgh | Scotland | | EH7 4NW | 11,423.40 |
| Capito Ltd | Caputhall Road | Deans Industrial Estate | Deans, Livingston | Scotland | EH54 8AS | 1,049.69 |
| Carberry's Coaches | 8 Galloch Road | Portadown | Co Armagh | | BT62 1NP | 1,200.00 |
| Carnival Chaos Production Ltd | 11 - 15 Pirrie Street | Edinburgh | Scotland | | EH6 5HY | 672.00 |
| Carol Govan | 4 Aillander Avenue | Bardowie | Glasgow | Scotland | G62 6EU | 600.00 |
| Cask Productions Limited | St George's Studios | 93/97 St George's Road | Glasgow | Scotland | G3 6JA | 1,980.00 |
| Cask Sports Limited | St George's Studios | 93/97 St George's Road | Glasgow | Scotland | G3 6JA | 2,919.60 |
| Catercare Scotland | 10 Graham Terrace | Stewarton | Scotland | | KA3 5BB | 420.00 |
| Charlton Chauffeur Drive | 15 Birkmyre Road | Glasgow | Scotland | | G51 3JH | 792.00 |
| Chelsea FC Ltd | Stamford Bridge | London | | England | SW6 1HS | 238,345.43 |
| Childcare Vouchers Ltd | 50 Vauxhall Bridge Road | | London | England | SW1V 2RS | 1,143.74 |
| Chilli It Limited | Elder House | Park West | Sealand Road | Chester, England | CH1 4RL | 416.52 |
| Chris Clarke | 3 Boydston Way | Kilmarnock | Scotland | | KA3 6BE | 150.00 |
| Christine Siebelt | 3 Douglston Gardens South | Milingave | Glasgow | Scotland | G62 6HS | 1,100.00 |
| Citrus Office Solutions | 39b Churchill Way | Lomeshaye Industrial Estate | Nelson | Lancashire | BB9 6RT | 4,304.24 |
| City Electrical Factors | Unit 12E | Annesland Business Village | Netherton Road | Glasgow, Scotland | G13 1AY | 215.40 |
| Clyde Productions Ltd | Tonwood Estate | Bowling | Glasgow | Scotland | G60 5AB | 180.00 |
| Coca Cola Enterprises Ltd - Az | PO Box No 226 | Uxbridge | Middlesex | England | UB8 1EQ | 10,133.91 |
| Colin Suggett | 10 Elmfield Close | East Herrington | Sunderland, Tyne-Wear | England | SR3 3SW | 741.80 |
| Colstream Limited | 39 Brunel Parkway | Pride Park | Derby | England | DE24 8HR | 5,779.37 |
| Collyer Bristow LLP Solicitors | 4 Bedford Row | London | England | | WC1R 4DF | 40,691.22 |
| Colours Agency | 158 Queens Drive | Glasgow | Scotland | | G42 8QN | 1,980.00 |
| Computer Links | 7 Grange Road | Houston Industrial Estate | Livingston | Scotland | EH54 5DE | 2,146.32 |
| Computershare Investor Service | PO Box 82 | The Pavilions | Bridgewater Road | Bristol, England | BS99 7NH | 23,855.03 |
| Craig Services & Access Ltd | c/o Close Invoice Finance Ltd | Ridgeland House | 165 Dyke Road, Hove | East Sussex, England | BN3 1YU | 900.00 |
| Culture & Sport Glasgow | Financial Service Centre | PO Box 26816 | Glasgow | Scotland | G2 9AF | 10,338.96 |
| Daily Record & Sunday Mail Ltd | Accounts receivable | One Central Quay | Glasgow | Scotland | G3 8DA | 312.00 |
| DealBureau Commercial Finance Limited | No 1 Royal Terrace | Southend on Sea | Essex | England | SS1 1EA | 10,000.00 |
| Decco Limited | Fyfe and McGrouther | 218-254 Kennedy Street | Glasgow | Scotland | G4 OBS | 174.72 |
| Dell Computer Corporation Ltd | c/o Dell House, The Boulevard | Cain Road | Brackell, berkshire | England | RG12 1LF | 272.85 |
| Direct Medical Imaging Ltd | 32 Orchard Road | Lytham | St Annes | Lancashire | FY8 1PF | 230.00 |
| Disclosure Scotland | PO Box 250 | Glasgow | Scotland | | G51 1YU | 372.00 |
| Dominique S Byrne | Glasgow Nuffield Hospital | 25 Beaconsfield Road | Glasgow | Scotland | G12 0PJ | 160.00 |
| Dr David A S Marshall | Windyridge | Torr Road | Quarriers Village | Bridge of Weir | PA11 3RZ | 160.00 |
| Dundas & Wilson, CS | Saltire Court | 20 Castle Street | Edinburgh | | EH1 2EN | 24,027.84 |
| E.ON UK PLC | Westwood Way | Westwood Business Park | Coventry | England | CV4 8LG | 8,827.14 |
| Eagle Consulting | 15a Harbour Road | Inverness | Scotland | | IV1 1SY | 40.00 |
| Eagle Couriers (Scotland) Ltd | 35-38 Evans Business Park | Easter Inch | Bathgate | Scotland | EH48 2EH | 96.60 |
| Eden Springs Uk Limited | 3 Livingstone Boulevard | Hamilton International | Technology Park | Blantyre, Scotland | G72 0BP | 644.64 |
| Edinburgh Audi | 4 Bankhead Drive | Edinburgh | Scotland | | EH11 4EJ | 5,197.08 |
| Electrical Waste Recycling Group Ltd | Windlestone Manor | Windlestone | County Durham | England | DL17 0NA | 18.00 |
| Enterprise Rent-a-Car | 32 Kerse Road | Springkerse Industrial Estate | Stirling | Stirlingshire | FK7 7UU | 9,000.00 |
| Events Audio Visual Limited | 7 Bimythill Court | Clydebank | Glasgow | Scotland | G81 6LN | 300.00 |
| Exchequer Corporate Finance Ltd | Ashcroft | Slines Oak Road | Woldingham | Surrey, England | CR3 7HL | 4,000.00 |
| Executive Hire Ltd T/A Hire Society | c/o Lloyds TSB Commercial Finance | PO Box 10484 | Harlow | England | CM20 9GY | 1,060.00 |
| FES FM Ltd | Forth House | Pimhall Business Park | Stirling | Scotland | FK7 8HW | 80,874.93 |
| FL Memo Ltd | 185 Park Street | Bankside | London | England | SE1 9DY | 116.86 |
| FX Signs Ltd | 17 Kelvin Avenue | Hillington Park | Glasgow | Scotland | G52 4LT | 15,546.56 |
| G Media Mangement Ltd | No 6, 27 Cambray Place | Cheltenham | Gloucestershire | England | GL50 1JN | 995.00 |
| G4S Secure Solutions (UK) | Sutton Park House | 1st Floor, 15 Carshalton Road | Sutton, Surrey | England | SM1 4LD | 295,036.24 |
| GTG Training | 1330 South Street | Glasgow | Scotland | | G14 0BJ | 396.00 |
| Gareth Neil Design | 3/1, 36 Clarendon Place | St Georges X | Glasgow | Scotland | G20 7PZ | 3,200.00 |
| Gerry McGeoch | 35 Lenzie Way | Springburn | Glasgow | Scotland | G21 3TB | 150.00 |
| Glasgow Audi | Unit 1 Sentinel Court | Hillington Industrial Estate | Glasgow | Scotland | G52 4UA | 1,041.62 |
| Glasgow City Council | Financial Service Centre | PO Box 26816 | Glasgow | Scotland | G2 9AF | 5,000.00 |
| Glasgow City Council | Financial Services (Council Tax) | 45 John Street | Glasgow | Scotland | G1 JE | 2,008.21 |
| Glasgow Leading Attractions | The Willow Tea Rooms | 217 Sauchiehall Street | Glasgow | Scotland | G2 3EX | 1,525.00 |
| Glasgow Taxis Limited | 140 Boden Street | Glasgow | Scotland | | G40 3PX | 238.28 |

| Name | Address 1 | Address 2 | Address 3 | Address 4 | Address 5 | Amount |
|----------------------------------------|----------------------------------|--------------------------------|--------------------------------|-------------------------|-----------|------------|
| Glencain Crystal Studio Limited | 11 Langlands Avenue | Kelvin South Business Park | East Kilbide | Scotland | G75 0YG | 354.00 |
| Gordon McKay | 7 Blairhill View | Blackridge | Scotland | | EH48 3TR | 150.00 |
| HOBBS Repographics | 52-62 Woodlands Road | Glasgow | Scotland | | G3 6HA | 270.15 |
| HSS Hire Service Group Plc | 25 Willow Lane | Mitcham | Surrey | England | CR4 4TS | 67.10 |
| Hamilton Brothers | Greenock Road | Bishopton | Scotland | | PA7 5AP | 115.56 |
| Hay McKerron Associates | 1 lawn Park | Fairways | Milngavie | Glasgow, Scotland | G62 6HG | 3,600.00 |
| Hepscott Water Systems | Hepscott House | Cooopies Lane | Morpeth | Northumberland | NE61 6JT | 1,190.28 |
| Hrvoje Bojanic | Beethoveova 20 | Zagreb 10000 | Croatia | | | 2,898.42 |
| Hutchesons Educational Trust | 21 Beaton Road | Glasgow | Scotland | | G41 4NW | 550.00 |
| ILC Media | Unit D First Floor Studios | Deepdale Pavilions | Deepdale Road | Preston, England | PR1 6PZ | 2,040.00 |
| IMG Media Ltd | McCormack House | Burlington Lane | Chiswick | England | W4 2TH | 180.00 |
| Impact Signs | Unit 32/34 Deerdykes View | Westfield Industrial Estate | Cumbemauld | Scotland | G68 9HN | 9,482.79 |
| Integrated Cleaning Management Ltd | Unit 15 Highview | High Street | Bordon, Hampshire | England | GU35 0AX | 3,329.19 |
| Iris Chorus Application Software Ltd | Devonshire House, Riverside Road | Pottington Business Park | Barnstaple, North Devon | England | EX31 1SW | 5,973.60 |
| Iris Ticketing Limited | Accounts Departments | Devonshire House, Riverside | Road, Pottington Business Park | Barnstaple, North Devon | EX31 1SW | 37,210.42 |
| Iron Mountain UK Ltd | Whitelaw House | Alderstone House Business Park | Macmillan Road | Livingston, Scotland | EH54 7DF | 1,271.16 |
| JCM Business Consulting Limited | St James Business Centre | Linwood Road | Paisley | Scotland | PA3 3AT | 2,745.00 |
| JB Sports Plc | Challenge Way, | Martland Park | Wigan, Lancashire | England | WN5 0LD | 19,390.59 |
| James Gordon (Engineers) Ltd | Berryhill | Moscow | Galston | Scotland | KA4 8PR | 1,437.68 |
| Jewson Limited | PO Box 7357 | Glasgow | Scotland | | G51 9AB | 930.60 |
| Joe Lennon Picture Framing | 6 Afton Crescent | Bearsden | Glasgow | Scotland | G61 2PY | 840.00 |
| John Deere | JDC House, Meteor Court | 43 Barnett Way | Barnwood, Gloucester | England | GL4 3GG | 41,191.59 |
| K7X Ltd T/A Pro-Soccer | Voluntary Park | Glenmuir Place | Whittlets | Ary, Scotland | KA8 9RR | 240.00 |
| Kalamazoo Secure Solutions Limited | Mill Lane | Northfield | Birmingham | England | B31 2NY | 4,017.00 |
| Keith Hawley | 50 Queens Drive | Glasgow | Scotland | | G42 3AU | 2,600.00 |
| Kevin Cameron Radio Service | 13 School Wynd | Paisley | Scotland | | PA1 2DA | 600.00 |
| Kube Networks | Kube Networks Building 4000 | Academy Park | 51 Gower Street | Glasgow, Scotland | G51 1PR | 7,672.08 |
| L & S Litho Ltd | 11/27 Arrol Place | London Road | Glasgow | Scotland | G40 3NY | 17,035.04 |
| LPC (Lothian Power Clean) | 35 Caledonian Road | Larkhall | Lanarkshire | | ML9 1EP | 194.34 |
| LSK Supplies Ltd | Accounts Office | Unit 6 | 21 - 29 Hathaway Street | Glasgow, Scotland | G20 8TD | 178.58 |
| Lawrie Furnishings Ltd | Unit 96c | Murray Business Park | Murray Street | Paisley, Scotland | PA3 1QT | 607.20 |
| Limelight Networks Inc | 2220 w. 14th Street | Tempe, AZ 85281 | USA | | | 2,333.49 |
| Link Seating Limited | Virginia Cottage | Walcot Lane, Drakes Broughton | Pershore, Worcestershire | England | WR10 2AJ | 606.98 |
| Loomis UK Ltd | 1 Alder Court | Rennie Hogg Road | Nottingham | England | NG2 1RX | 2,248.08 |
| Louis Grace Electrical Ltd | 25 Langside Place | Glasgow | Scotland | | G41 3DL | 1,087.84 |
| Lycoc Direct Limited | Clarke Road | Bletchley | Milton Keynes | Scotland | MK1 1ZR | 2,381.27 |
| MSM Solicitors | 51 Moss Street | Paisley | Scotland | | PA1 1DR | 420.00 |
| MacGregor Industrial Supplies Ltd | 15 - 17 Henderson Road | Longman Industrial Estate | Inverness | Scotland | IV1 1SN | 106.76 |
| Mackinnon Partners | 15 Victoria Road | Gourock | Scotland | | PA19 1LD | 200.00 |
| Manchester City Football Club | City of Manchester Stadium | SportCity | Manchester | England | M11 3FF | 328,248.71 |
| Manea Florin P.F.A. | Str. Namaesti, NR 23 | Sector 1, Bucuresti | | | | 37,500.00 |
| Mar Hall | Earl of Mar Estate | Mar Hall Drive | Bishopton | Renfrewshire, Scotland | PA7 5NW | 5,511.90 |
| Marsh Ltd | UK Operations | Victoria House | Queens House, Queens Road | Norwich, England | NR1 3QQ | 779.10 |
| Martin Dawes | Martin Dawes House | Europa Boulevard | Westbrook | Warrington, England | WA5 7WH | 654.74 |
| Media House | 280 St Vincent Street | Glasgow | Scotland | | G2 5RL | 19,200.00 |
| MediaCom | 6 Dock Place | Leith | Edinburgh | Scotland | EH6 6LU | 11,544.42 |
| Menzies Hotels Ltd | Bakum House | Etwell Road | Mickleover, Derbyshire | England | DE3 0DL | 257.40 |
| Michael Douglas | Flat 1/2 | 12 Nairn Street | Yorkhill, Glasgow | Scotland | G3 8SF | 100.00 |
| Milngavie Mini Market | 68 Strathblane Road | Milngavie | Glasgow | Scotland | G62 8DH | 413.29 |
| Modular Property Holdings | 12 Bankfoot Place | Newton Mearns | Glasgow | Scotland | G77 5UL | 20,930.22 |
| Motif Promotional Clothing Ltd | Unit 57 | 100 Eldepark Street | Glasgow | Scotland | G51 3TR | 27.29 |
| Murray Group Holdings | 10 Charlotte Square | Edinburgh | Scotland | | EH2 4DR | 278,964.30 |
| Naim Brown (Glasgow) Ltd | Busby Station | Busby | Glasgow | Scotland | G76 8HY | 1,492.50 |
| National Car Rental | 55 Welford Road | Leicester | England | | LE2 7AR | 162.52 |
| Navyblue Design Group Limited | Corn Exchange | Constitution Street | Edinburgh | Scotland | EH6 7BS | 6,960.00 |
| Newline Products Ltd | Bank of Scotland Corporate | Level 4, 110 St Vincent Street | Glasgow | Scotland | G2 5ER | 7,001.00 |
| Newsquest (Herald & Times) Ltd | 6 Hall Ings | Bradford | England | | BD1 1JR | 1,500.00 |
| Nexo S.A. | Parc du Pre | de la Dame Jeanne | 60128 Prailly | France | | 1,799.37 |
| Nicola Young | 1 Aigas Cottages | Jordonhill | Glasgow | Scotland | G13 1NL | 3,500.00 |
| Noble Grossart Limited | 48 Queen Street | Edinburgh | Scotland | | EH2 3NR | 18,612.00 |
| Nordic Scouting AS | Holmenkolvein 133 A | NO-0787 Oslo | | | | 20,000.00 |
| North Glasgow College | 123 Flemington Street | Springburn | Glasgow | Scotland | G21 4TD | 11,041.80 |
| OHSS (UK) Ltd | 3 Dalgety Avenue | Edinburgh | Scotland | | EHT 5UF | 234.00 |
| OfficeFurnitureOnline.co.uk | Ground Floor, Hestan House | Crichton Business Park | Bankend Road | Dumfries, Scotland | DG1 4TA | 338.40 |
| Ooyala, Inc | 800 W. El Camino Real | Suite 350 | Mountain view CA 94040 | United States | | 733.92 |
| Opal Telecom | PO Box 136 | Birchwood | Warrington | England | WA3 7WU | 169.72 |
| Orebro SK | | | | | | 150,000.00 |
| Oxford Hotels & Inns (Carnoustie) | Regus House | Victory Way, Admirals Park | Crossways, Dartford | Kent, England | DA2 6QD | 3,709.96 |
| PR Newswire Europe Limited | 209-215 Blackfriars Road | London | England | | SE1 8NL | 300.00 |
| PTS - Plumbing Trade Supplies | The BSS Group plc | PO Box 5884 | Leicester | England | LE1 3ZN | 30.42 |
| Paramed UK Ltd | East Gavin Farm | Beith Road | Howwood | Scotland | PA9 1DJ | 1,050.00 |
| Parklands Country Club Ltd | Crookfur Park | Ayr Road | Newton Mearns | Glasgow, Scotland | G77 6DT | 500.00 |
| Parks of Hamilton | 14 Bothwell Road | Hamilton | | | ML3 0AY | 7,256.00 |
| Paton Plant Limited | New Lane | Huntington | York | England | YO32 2TP | 1,450.16 |
| Perform Group | Sussex House | Plane Tree Crescent | Feltham, Middlesex | England | TW13 7TE | 346,097.43 |
| Pineapple Aroundshot Ltd | Howlish Works | Howlish, Bishop Aucland | County Durham | England | DL14 8ED | 2,316.96 |
| Pineapple Photographic Products | Howlish Works | Howlish | Bishop Auckland | County Durham | DL14 8ED | 5,875.00 |
| Ping Network Solutions | 272 Bath Street | Glasgow | Scotland | | G2 4JR | 4,020.25 |
| Plum Films | 100b Constitution Street | Edinburgh | Scotland | | EH6 6AW | 3,000.00 |
| Posh Deli | 1256 Paisley Road West | Ibrox | Glasgow | Scotland | G52 1DD | 260.00 |
| Postage by Phone-Pitney Bowes Ltd | PO Box 42 | Harlow | Essex | England | CM19 5DQ | 510.80 |
| Premier Cash Registers | Unit 3, Block D | 70 Glenwood Place | Glenwood Business Park | Glasgow, Scotland | G45 9UH | 12,600.00 |
| Prime Commercial Properties Management | 7 Praed Street | London | England | | W2 1NJ | 10,805.53 |
| Professional Pre-Season Tours (Libero) | 15 North Claremont Street | Glasgow | Scotland | | G3 7NR | 60,000.00 |
| Quick Shift Tyre Service | Unit 1 | 23 Clydebrae Street | Glasgow | Scotland | G51 2AJ | 48.00 |
| R.F.Brown Ltd | Allanshaw Industrial Estate | Wellhall Road | Hamilton | Scotland | ML3 9BG | 1,681.44 |
| RBS WorldPay | 270-289 The Science Park | Milton Road | Cambridge | England | CB4 0WE | 180.66 |
| RS Components Limited | P.O.Box 99 | Corby | Northants | | NN17 9RS | 204.95 |
| Rangers Lotteries Ltd | Broomloan House | 170 Edmiston Drive | Ibrox | Glasgow, Scotland | G51 2XD | 105.80 |
| Reed Business Information | Wellesley Road | Sutton | Surrey | England | SM2 5NO | 2,764.80 |
| Renfrewshire Council HQ | Creditors Department | Cotton Street | Paisley | Scotland | PA1 1AD | 108.00 |
| Restore Scotland | Units 2-6 | Airlink Business Park | 24 Clark Street, Paisley | Scotland | PA3 1RB | 579.74 |
| Rigby Taylor Limited | Rigby Taylor House | Crown Lane, Horwich | Bolton | England | BL6 5HP | 10,762.16 |
| Rodgers Security Systems | 415 Hillington Road | Hillington Industrial Estate | Glasgow | Scotland | G52 4BL | 342.50 |
| Ross Hall Hospital | 221 Crookston Road | Glasgow | Scotland | | G52 3NQ | 770.50 |
| Ross Promotional Products Limited | 40 Crimea Street | Glasgow | Scotland | | G2 8PW | 1,022.88 |
| Royal Mail | Revenue Management Centre | Stone Hill Road | Farnworth | Bolton | BL4 9XX | 3,262.54 |
| SDL Group Ltd | Surridge Sport | Unit 3, Watt Street | Kingston Bridge Trading Estate | Glasgow, Scotland | G5 8RR | 1,350.00 |
| SG World Ltd | Duchy Road | Crewe | Cheshire | England | CW1 6ND | 577.56 |
| SIR Teknologi (UK) Ltd | Sir Teknologi c/o HSBC Invoice | Finance Ltd, Farncombe Road | Worthing | W Sussex, England | BN11 2BW | 66.29 |

| Name | Address 1 | Address 2 | Address 3 | Address 4 | Address 5 | Amount |
|------------------------------------|-----------------------------------|------------------------------|---------------------------|------------------------|-----------|---------------|
| SK Rapid | A-1140 Wein | Kesslergasse 3 | Austria | | | 1,011,763.44 |
| STRI Ltd | St Ives | Bingley | West Yorkshire | England | BD16 1AU | 17.28 |
| Saffery Champness | C/O Macdonalds Solicitors | St.Stephen's House | 279 Bath Street | Glasgow | G2 4JL | 31,028.01 |
| Scot-West Business Forms Ltd | Suite 291 | 93 Hope Street | Glasgow | Scotland | G2 6LD | 749.60 |
| Scotprint | Gateside Commerce Park | Haddington | East Lothian | Scotland | EH41 3ST | 7,514.00 |
| Scotrae Productions Ltd | 52 Killochend Drive | Greenock | Scotland | | PA15 4EW | 17,058.94 |
| Scottish Ambulance Service | National Headquarters | Tipperfinn Road | Edinburgh | Scotland | EH10 5UU | 8,438.40 |
| Scottish Hydro Electric | Payment Centre | PO Box 13 | Havant | | PO9 5JB | 62,527.30 |
| Scottish Power PLC | PO Box 4740 | Worthing | England | | BN11 9LT | 302.44 |
| Search Promotional Merchandise Ltd | 3 Bybend Close | Backpond Lane | Farnham Royal | Bucks, England | SL2 3EZ | 6,240.00 |
| Shanks Waste Management Limited | Unit 22 Nursing Industrial Estate | Oriana Way | Southampton | England | SO16 0YU | 122.58 |
| Sharon Agnew | Flat 1/6 | 125 Bell Street | Glasgow | Scotland | G4 0TE | 460.00 |
| Shawfield Timber | Lloyds TSB Commercial Finance Ltd | PO Box 10484 | Harlow | England | CM20 9GY | 786.24 |
| Shell UK Ltd (Gold Card) | Rowlands Way | Manchester | England | | M22 5ST | 7,637.94 |
| Shields Land Rover | 1000 Kennishead Road | GLASGOW | Scotland | | G53 7RA | 246.75 |
| Shred-it Glasgow Ltd | 18 Marlow Street | Kinning Park | Glasgow | | G41 1LR | 444.00 |
| Sign Plus Ltd | Bristol House | Unit 15, Ridgeway | Hillend Industrial Estate | Dunfermline, Scotland | KY11 9JH | 2,473.22 |
| Signature Industries | Tom Cribb Road | Thamesmead | London | England | SE28 0BH | 1,507.90 |
| Simplewaste Solutions Ltd | 48 Cochno Street | Clydebank | Glasgow | Scotland | G81 1RG | 17,626.26 |
| Sinclair Pharmacy | Sinclair Shops Ltd | Platinum House | Hillington | Glasgow | G52 4JZ | 1,909.79 |
| Slater Menswear | 165 Howard Street | Glasgow | Scotland | | G1 4HF | 688.31 |
| Solutions.tv Limited | Pacific Quay | Glasgow | Scotland | | G51 1PQ | 2,652.00 |
| Sound Acoustic Productions Ltd | 89 Colvend Street | Glasgow | | Scotland | G40 4DU | 12,000.00 |
| Souters Irrigation Services Ltd | 2 South Wardpark Court | Wardpark South | Cumbernauld | Scotland | G67 3EH | 456.00 |
| Spike Multimedia Limited | Burnfield Road | Giffnock | Glasgow | Scotland | G46 7TH | 5,312.50 |
| Sporting iD | Unit 17 | Airport Industrial Estate | Kingston Park | Tyne and Wear, England | NE3 2EF | 144.70 |
| Sportopps.com | Unit NG4.13 | Twin Spires Centre | 155 Northumberland Street | Belfast | BT13 2JF | 150.00 |
| Sports Alliance | c/o Easy Invoice Finance Limited | 4 Regency Chambers | Jubilee Way | Bury, England | BL9 0JW | 2,006.65 |
| Sports Revolution Limited | 11-12 Tottenham Mews | London | England | | W1T 4AG | 5,034.52 |
| Stellar Football Ltd | 16 Stanhope Place | | London | England | W2 2HH | 72,000.00 |
| Stirling Fire Protection Ltd | Unit 43 | Stirling Enterprise Park | Stirling | Scotland | FK7 7RP | 1,149.30 |
| Stockline Plastics Ltd | Grovepark Mills | Hopehill Road | Glasgow | SScotland | G20 7NF | 258.00 |
| Strathclyde Police | Finance Department | 173 Pitt Street | Glasgow | Scotland | G2 4JS | 51,882.00 |
| Striking Imagery Ltd | 76 Telford Road | Lenziemill Industrial Estate | Cumbernauld | Scotland | G67 2NJ | 113.51 |
| Stuart MacMorran | Flat 2/2 | 4 Milton Mains Court | Clydebank, Glasgow | Scotland | G81 3NL | 422.50 |
| Summit Asset Management Limited | Melita House | 124 Bridge Road | Chertsey | Surrey | KT16 8LA | 70,555.88 |
| Susan Thomson | Your Sonsie Face | 9 Ivanhoe Road, Knightwood | Glasgow | Scotland | G13 2ES | 40.00 |
| TNT Post Scotland Ltd | Unit 7B | North Caldeen Road | Coatbridge | Scotland | ML5 4EF | 1,255.39 |
| Tab's FM Ltd | Unit 9 io Centre | The Royal Arsenal | Skeffington Street | Woolwich, England | SE18 6SR | 1,980.00 |
| Telcomm Limited | First Floor, York House | High Street | Amblecote | West Midlands, England | DY8 4BT | 6,435.89 |
| The Arco Group | P.O.Box 21 | Waverley Street | Hull | England | HU1 2SJ | 443.43 |
| The Brité Bulb Co Ltd | Eadie House | 74 Kirkintilloch Road | Bishopbriggs | Glasgow, Scotland | G64 2AH | 3,209.64 |
| The Bumbrae | Milngavie Road | Bearsden | Glasgow | Scotland | G61 3DQ | 1,403.88 |
| The Business & Property Bureau | 47 Milngavie Road | Bearsden | Glasgow | Scotland | G61 2DW | 7,376.00 |
| The Business Incentives Group Ltd | Strathclyde Business Centre | 120 Carstairs Street | Glasgow | Scotland | G40 4JD | 1,893.60 |
| The City of Edinburgh Council | The Director of Finance | Accounts Receivable Section | PO Box 12332 | Edinburgh, Scotland | EH11 3YE | 90.00 |
| The Fees Company Ltd | 350A Lanark Road West | | Edinburgh | Scotland | EH14 6RR | 118.16 |
| The Financial Times Ltd | Cashier Dept | 1 Southwark Bridge | London | England | SE1 9HL | 3,480.00 |
| The Scottish Football League | Hampden Park | Glasgow | Scotland | | G42 9AY | 3,859.92 |
| The Premier Property Group | Accounts Payable | 10 Charlotte Square | Edinburgh | Scotland | EH2 4DR | 103,210.96 |
| Thistle International Freight | Thistle House | Inchinnan Road | Paisley | Scotland | PA3 2RS | 128.42 |
| Thistle Storage Equipment | 2 Deerdykes Court North | Westfield | Cumbernauld | Scotland | G68 9FL | 140.40 |
| Thomas Cook Sport | Parkway 2 | Parkway Business Centre | 300 Princess Parkway | Manchester, England | M14 7QU | 129,216.56 |
| Ticket Team B.V. | Anton Philipsweg 1 | 2171 KX | Sassenheim | The Netherlands | | 873.36 |
| Ticketline Network Ltd | 21-31 Oldham Street | Manchester | England | | M1 1JG | 11,668.67 |
| Trade UK (Screwfix Direct Ltd) | Selectapost 28 | Sheffield | England | | S97 3GE | 77.01 |
| Trident Trust Company Ltd | PO Box 398 | 11 Bath Street | St Helier | Jersey | JE4 8UT | 40,689.90 |
| UK Fast | City Tower | Piccadilly Circus | Manchester | England | M1 4BT | 689.78 |
| US Citta di Palermo SPA | 90146 Palermo | Viale del Fante, 11 | PALERMO | ITALY | | 205,513.04 |
| Umbro International Limited | Umbro House | Lakeside | Cheshire, England | | SK8 3GQ | 1,756.05 |
| University of the West of Scotland | Finance Department | Paisley | | Scotland | PA1 2BE | 135.00 |
| Vodafone | Towers Business Park | Wilmslow Road | Didsbury | England | M20 2RY | 204.00 |
| Voicescape Limited | Sun House | 2 - 4 Little Peter Street | Manchester | England | M15 4PS | 786.84 |
| William Henderson | 25 Bullwood Avenue | Crookston | Glasgow | Scotland | G53 7PL | 275.00 |
| Yull & Kyle Solicitors | 79 West Regent Street | Glasgow | Scotland | | G2 2AR | 1,486.80 |
| Celtic Football Club | Celtic Park | Parkhead | Glasgow | | G40 3RE | 40,337.00 |
| Dundee United FC | Tannadice Park | Tannadice Street | Dundee | DD3 7JW | | 65,981.49 |
| Dunfermline Athletic FC | Halbeath Road | Dunfermline | | | KY12 7RB | 83,370.13 |
| Heart of Midlothian FC | Tynecastle Stadium | Gorgie Road | Edinburgh | | EH11 2NL | 800,000.00 |
| Inverness Caledonian Thistle FC | Tulloch Caledonian Stadium | Stadium Road | Inverness | IV1 1FF | | 39,805.00 |
| Scottish Premier League Limited | Hampden Park | Glasgow | Scotland | | G42 9DE | 22,500.00 |
| The Scottish Football Association | Hampden Park | Glasgow | Scotland | | G42 9AY | 11,089.04 |
| HM Revenue & Customs | Enforcement & Insolvency Service | Durrington Bridge House | Worthing | West Sussex | BN12 4SE | 14,372,042.00 |
| Ticketus LLP | 20 Old Bailey | London | EC4M 7AN | | | 26,700,000.00 |
| Debenture Holders | Various | | | | | 7,736,000.00 |
| Season Ticket Holders | Various | | | | | TBC |
| Employees | Various | | | | | TBC |

Appendix 4

Analysis of Time Charged and Expenses Incurred

The Rangers Football Club Plc (In Administration)

Analysis of Pre-Administration time costs

| Classification of Work | Hours | | | | | Total Hours | Time Cost | Av hourly Rate |
|---------------------------------------------|------------------|------------------|-----------------|--------------|-------------|--------------|------------------|----------------|
| | Partner | Manager | Senior | Assistant | Support | | | |
| Administration and Planning | | | | | | | £ | £ |
| Strategy Planning & Control | 34.40 | 30.90 | 2.30 | | | 67.60 | 32,741.50 | 484.34 |
| Dealings with Directors and Management | 14.50 | | | | | 14.50 | 6,960.00 | 480.00 |
| Financial Review | | 3.60 | | | | 3.60 | 1,566.00 | 435.00 |
| Dealing with Notice of Intention to Appoint | | | 1.80 | | | 1.80 | 432.00 | 240.00 |
| Cashiering & Accounting | | | 0.20 | 0.10 | | 0.30 | 79.50 | 265.00 |
| Case Specific Matters | | | | | | | | |
| Legal Matters | 1.80 | | | | | 1.80 | 981.00 | 545.00 |
| Total Hours | 50.70 | 34.50 | 4.30 | 0.10 | 0.00 | 89.60 | | 477.23 |
| Total Fees Claimed (£) | 26,689.00 | 15,007.50 | 1,042.00 | 21.50 | 0.00 | | 42,760.00 | |

Category 2 Disbursements:

There are no category 2 disbursements for this case to date.

The Rangers Football Club Plc (In Administration)

Analysis of Joint Administrators' time costs for the period 14 February 2012 to 30 March 2012

| Classification of Work Function | Hours | | | | | Total Hours | Time Cost | Avg Hourly Rate |
|--------------------------------------------------|-------------------|-------------------|-------------------|-----------------|---------------|-----------------|---------------------|-----------------|
| | Partner | Manager | Senior | Assistant | Support | | | |
| Administration and Planning | | | | | | | £ | £ |
| Case Review and Case Diary Management | - | 1.30 | 14.50 | 0.50 | - | 16.30 | 4,125.50 | 253.10 |
| Cashiering & Accounting | 3.20 | - | 30.10 | 1.80 | 0.20 | 35.30 | 10,261.00 | 290.68 |
| Dealings with Directors and Management | 63.20 | 1.10 | 4.80 | - | 1.60 | 70.70 | 32,503.50 | 459.74 |
| IPS Set Up & Maintenance | - | - | 1.00 | - | - | 1.00 | 240.00 | 240.00 |
| Statement of Affairs | - | - | - | - | 1.30 | 1.30 | 221.00 | 170.00 |
| Statutory Matters (Meetings & Reports & Notices) | 53.60 | 74.00 | 54.10 | 2.60 | 0.90 | 185.20 | 69,257.00 | 373.96 |
| Strategy Planning & Control | 497.70 | 104.90 | 91.10 | 3.20 | 0.50 | 697.40 | 333,070.50 | 477.59 |
| Tax Compliance/Planning | 3.50 | - | 0.20 | - | - | 3.70 | 1,728.00 | 467.03 |
| Creditors | | | | | | | | |
| Communications with Creditors/Employees | 15.40 | 2.50 | 8.00 | - | - | 25.90 | 11,015.00 | 425.29 |
| Non Pref Creditor Claims Adjudication | - | - | 0.20 | - | - | 0.20 | 58.00 | 290.00 |
| Non Pref Creditors/Employee Claims | - | 1.10 | 35.00 | - | 0.20 | 36.30 | 10,662.50 | 293.73 |
| Secured Creditors | 12.00 | - | 2.50 | - | - | 14.50 | 6,464.00 | 445.79 |
| Investigations | | | | | | | | |
| CDDA & Reports & Communication | 1.00 | - | 6.90 | - | - | 7.90 | 2,546.00 | 322.28 |
| Financial Review and Investigations (S238/239) | 90.10 | 35.40 | 4.60 | - | - | 130.10 | 62,069.00 | 477.09 |
| Realisation of Assets | | | | | | | | |
| Book debts | 5.50 | - | 5.20 | - | - | 10.70 | 3,898.00 | 364.30 |
| Freehold and Leasehold Property | 2.00 | - | 9.20 | - | - | 11.20 | 3,588.00 | 320.36 |
| Hire Purchase and Lease Assets | 1.20 | - | 3.80 | - | - | 5.00 | 1,678.00 | 335.60 |
| Other Intangible Assets | 1.20 | 1.60 | - | - | - | 2.80 | 1,272.00 | 454.29 |
| Other Tangible Assets | - | - | 6.90 | - | - | 6.90 | 1,991.00 | 288.55 |
| Plant & Machinery & Fixtures & Motor Vehicles | - | - | 3.60 | - | - | 3.60 | 1,014.00 | 281.67 |
| Sale of Business | 120.00 | 99.90 | 185.70 | 2.30 | - | 407.90 | 148,354.50 | 363.70 |
| Trading | | | | | | | | |
| Trading - Accounting | 10.50 | 17.70 | 116.90 | - | - | 145.10 | 41,443.00 | 285.62 |
| Trading - Employees | 104.40 | 81.20 | 49.40 | - | - | 235.00 | 100,533.50 | 427.80 |
| Trading - Hire Purchase Matters | - | 0.90 | 0.20 | - | - | 1.10 | 439.50 | 399.55 |
| Trading - Insurance | - | 0.20 | 3.90 | - | - | 4.10 | 1,175.00 | 286.59 |
| Trading - Operations | 62.30 | 424.10 | 496.80 | 0.80 | - | 984.00 | 349,748.00 | 355.43 |
| Total Hours: | 1,046.80 | 845.90 | 1,134.60 | 11.20 | 4.70 | 3,043.20 | | 394.11 |
| Total Fees Claimed: | 536,576.00 | 357,263.50 | 302,582.00 | 2,135.00 | 799.00 | | 1,199,355.50 | |

Category 2 Disbursements:

There are no category 2 disbursements for this case to date.

Appendix 5

Joint Administrators' Agents and Solicitors

| Company | Role |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sweeney Kincaid | Chattels agents – Preparing a valuation of the chattel assets. Fixed fee basis. |
| Lambert Smith Hampton | Property agents – Preparing a valuation of Ibrox Stadium and Murray Park. Fixed fee basis. |
| Biggart Baillie | Solicitors – Assist with placing the Company into Administration, statutory issues and legal matters including the Ticketus Direction. Time cost basis. |
| Taylor Wessing | Solicitors – Assisting with legal matters in English law including action regarding Collyer Bristow. Time cost basis. |
| Accurate Mailing | Mailing agent – Print and send by post correspondence to the Company's creditors. Fixed fee basis. |
| Ansarada | Data room provider – Provide an online data room for the purposes of delivering details in relation to the sale process to interested parties quickly, cost effectively and securely. Fixed fee basis. |

The Joint Administrators' choice of those instructed was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangement with them.

Appendix 6

Notice of Conduct of Meeting by Correspondence

Rule 2.28 (Scot)

Notice of conduct of business by correspondence

| | |
|---------------------------------------------------------------|--------------------------------------|
| Name of Company The Rangers Football Club Plc | Company number SC004276 |
| In the Court of Session (full name of court) | Court case number P221/12. |

(a) Insert full name(s) and address(es) of administrator(s)

Notice is hereby given by (a) Paul John Clark and David John Whitehouse of Duff and Phelps of 43-45 Portman Square, London, W1H 6LY and The Chancery, 58 Spring Gardens, Manchester M2 1EW respectively.

(b) Insert full name and address of registered office of the company

To the creditors of (b) The Rangers Football Club Plc of Ibrox Stadium, 150 Edmiston Drive, Glasgow G51 2XD

(c) Insert number of resolutions enclosed

That, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed are (c) five resolutions for your consideration. Please indicate below whether you are in favour or against each resolution.

(d) Insert address to which form is to be delivered

This form must be received at (d) c/o Duff & Phelps, 43-45 Portman Square, London W1H 6LY

(e) Insert closing date

By 12.00 noon on (e) 20 April 2012 in order to be counted. It must be accompanied by details in writing of your claim. Failure to do so will lead to your vote(s) being disregarded.

* For each resolution please circle 'in Favour' if you are in favour and 'Against' if you do not support the resolution.

Resolution (1) I am * in Favour / Against
Resolution (2)I am * in Favour / Against
Resolution (3)I am * in Favour / Against
Resolution (4)I am * in Favour / Against
Resolution (5)I am * in Favour / Against

** A creditors' committee is constituted of a minimum of 3 and no more than 5 creditors. Enter the name of your nomination (which may be you) and the organisation which they work for (if relevant).

I wish to nominate ** _____ of _____ to be on the creditors' committee.

***Contact details for nominated creditors committee member:

Telephone:

Email Address:

Postal Address:

***Please also ensure that contact details are provided for the person you have chosen to nominate as your creditors' committee representative.

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor: _____

Signature of creditor : _____
(if signing on behalf of creditor, state capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your votes, please contact me/us at the address above.



Signed _____
Joint Administrator

Dated 5 April 2012

Appendix 7

Creditors' Request for a Meeting

Rule 2.31 (Scot)

Creditor's request for a meeting

| |
|---------------------------------------------------------|
| Name of Company The Rangers Football Club Plc |
|---------------------------------------------------------|

| |
|-----------------------------------|
| Company number SC004276 |
|-----------------------------------|

| |
|-----------------------------------|
| In the Court of Session |
|-----------------------------------|

| |
|-------------------------------------|
| Court case number P221/12 |
|-------------------------------------|

(a) Insert full name and address of the creditor making the request

I (a)

(b) Insert full name and address of registered office of the company

request a meeting of the creditors of The Rangers Football Club Plc

(b) Registered Office: Ibrox Stadium, 150 Edmiston Drive, Glasgow G51 2XD

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the Requesting creditor's claim is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of concurrence.

(e) Insert details of the purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated

Appendix 8

Statement of Claim Form

STATEMENT OF CLAIM BY CREDITOR

Pursuant to Rule 4.15(2)(a) and Rule 2.41(1) of the Insolvency (Scotland) Rules 1986

WARNING

It is a criminal offence:

• For a creditor to produce a statement of claim, account, voucher or other evidence which is false, unless he shows that he neither knew nor had reason to believe that it was false; or

• For a director or other officer of the company who knows or becomes aware that it is false to fail to report it to the Administrator within one month of acquiring such knowledge.

On conviction either the creditor or such director or other officer of the company may be liable to a fine and/or imprisonment.

Notes:

(a) Insert name of company:

(a) **THE RANGERS FOOTBALL CLUB PLC**
(Registered Number SC004276) having its registered office at Ibrox Stadium, Glasgow G51 2XD

(b) Insert name and address of creditor:

(b) _____

(c) Insert name and address, if applicable, of authorised person acting on behalf of the creditor:

(c) _____

(d) Insert total amount as at the due date (**14 February 2012**) claimed in respect of all the debts, the particulars of which are set out overleaf.

I submit a claim of (d) £ _____ in the administration of the above company and certify that the particulars of the debt or debts making up the claim, which are set out overleaf, are true, complete and accurate to the best of my knowledge and belief.

Signed _____
Creditor/person acting on behalf of creditor

Date _____

PARTICULARS OF EACH DEBT**Notes**

A separate set of particulars should be made out in respect of each debt

1. Describe briefly the debt, giving details of its nature, the date when it was incurred and when payment became due.

Attach any documentary evidence of the debt, if available.

2. Insert total amount of the debt, showing separately the amount of principal and any interest which is due on the debt as at the due date (see note (e)). Interest may only be claimed if the creditor is entitled to it. Show separately the VAT on the debt and indicate whether the VAT is being claimed back from HM Customs and Excise.

3. Insert the nature and amount of any preference under Schedule 6 to the Act claimed in respect of the debt.

4. Specify and give details of the nature of any security held in respect of the debt including -

(a) The subjects covered and the date when it was given.

(b) The value of the security.

Security is defined in section 248(b) of the Insolvency Act 1986 as meaning "any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off)". For claims in administration procedure security also includes a hire purchase agreement for the hire of goods for more than three months and a conditional sale agreement (see Rule 2.33)

1. Particulars of debt

2. Amount of Debt

3. Preference Claimed for debt

4. Security for Debt

Instructions on how to complete Page 1 of a Statement of Claim form

THIS PAGE IS FOR GUIDANCE ONLY

Rule 4.13 (ASSET) (THE INSOLVENCY ACT 1986) Form 4.1 (2002)

STATEMENT OF CLAIM BY CREDITOR

Pursuant to Rule 4.13(2)(a) of the Insolvency (Scotland) Rules 1986

WARNING

It is a criminal offence.

* For a creditor to produce a statement of claim, account, voucher or other evidence which is false, unless he shows that he neither knew nor had reason to believe that it was false, is

* For a director or other officer of the company who knows or becomes aware that it is false to fail to report it to the Administrator within one month of acquiring such knowledge.

On conviction either the creditor or such director or other officer of the company may be liable to a fine and/or imprisonment.

Notes:

(a) (cred name of company): (a) THE RANGERS FOOTBALL CLUB PLC (Registered Number SC004276) having its registered office at Ibrox Stadium, Glasgow G51 2LD

(b) (cred name and address of creditor):

(c) (cred name and address, if applicable, of authorized person acting on behalf of the creditor):

(d) (cred total amount as at the due date (24 February 2012) claimed in respect of all the debts, the particulars of which are set out overleaf):

I submit a claim of (d) £_____ in the administration of the above company and certify that the particulars of the debt or debts making up the claim, which are set out overleaf, are true, complete and accurate to the best of my knowledge and belief.

Signed _____
 Creditor/person acting on behalf of creditor

Date _____

C:\Documents & Settings\A.M.L. Co\Local Settings\Temporary Internet Files\Content.IE5\64\GOL404\Forms\TSc of Statement Of Clubs\20660 (T_1111).doc

Note 1 - Enter the name of your company here. If you are an individual, please enter your full name.

Note 2 - Enter the total amount owed to you by the Club here.

-If you are a bondholder, please claim what you originally paid for the bond(s) -

-If you are a season ticket holder, please claim £1 for each season ticket you hold.

-If you are an employee, please write 'TBD' and we will calculate your claim.

-If you are any other class of creditor, please claim the total amount owed to you.

Instructions on how to complete Page 2 of a Statement of Claim form

THIS PAGE IS FOR GUIDANCE ONLY

Note 3 - Please detail how the debt was incurred, for example, state:

- 'trade creditor' if you have unpaid goods and services
- 'bondholder' if you are a bondholder
- 'season ticket holder' if you are a season ticket holder
- 'employee' if you are an employee

If your claim falls into a different category not listed here, please clearly state your relationship to the Company.

Note 4 - Please list the documents you possess which verify your claim here, for example:

- If you are a bondholder - copy bonds and reference numbers.
- If you are a season ticket holder – copy season ticket and reference numbers
- If you are an employee – copy employment contract.
- If you are a trade creditor – copy unpaid invoices.

If your claim falls into a different category not listed here, please clearly make reference to the documentation you will be relying upon in support of your claim.

Rule 4.15 THE INSOLVENCY ACT 1986 Form 4.1 (Continued)

PARTICULARS OF EACH DEBT

Notes
 A separate set of particulars should be made out in respect of each debt.

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|
| 1. Describe briefly the debt, giving details of its nature, the date when it was incurred and when payment became due. Attach any documentary evidence of the debt, if available. | 1. Particulars of debt |
| 2. (a) Total amount of the debt, showing separately the amount of principal and any interest which is due on the debt as at the due date (see note (a)). (Interest may only be claimed if the creditor is entitled to it. Show separately the VAT on the debt and indicate whether the VAT is being claimed back from HM Customs and Excise.) | 2. Amount of Debt |
| 3. (a) The nature and amount of any preference under Schedule 6 to the Act claimed in respect of the debt. | 3. Preference Claimed for debt |
| 4. Specify and give details of the nature of any security held in respect of the debt including - (a) the subjects covered and the date when it was given. (b) the value of the security. Security is defined in section 248(b) of the Insolvency Act 1986 as meaning 'any security (whether visible or invisible), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off)'. For claims in administration procedure security also includes a hire purchase agreement for the hire of goods for more than three months and a conditional sale agreement (see Rule 2.33) | 4. Security for Debt |

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Note 5 - Please state the amount you are claiming here in accordance with Note 2 above. If the amount includes any interest, please include the interest separately in this box.

Note 6 – This is only relevant for employees who should mark this box TBD if they have a claim.

Note 7 - Please detail any security you may hold over any of the Company's assets if any.

This is not relevant for bondholders, season ticket holders or employees.

This includes goods supplied to the Company which were subject to a reservation of title.