

**BRISTOL ROVERS
(1883) LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2007

COMPANY NO 4501223

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BRISTOL ROVERS (1883) LIMITED

FINANCIAL STATEMENTS

For the year ended 30 June 2007

Company registration number	4501223
Registered office	The Memorial Stadium Filton Avenue Horfield Bristol BS7 0BF
Chairman	R Craig
Other directors	G M H Dunford B W Bradshaw N J Higgs R King K Masters D Brain E Ware (appointed 03 09 07)
President	D H A Dunford
Company Secretary	A J Watola, ACA
Bankers	Barclays Bank plc HBOS plc
Solicitors	TLT Solicitors
Auditors	Grant Thornton UK LLP Registered auditors Chartered accountants

BRISTOL ROVERS (1883) LIMITED

FINANCIAL STATEMENTS

For the year ended 30 June 2007

INDEX	PAGE
Chairman's statement	1 - 2
Report of the directors	3 - 5
Report of the auditors	6 - 7
Accounting policies	8 - 10
Consolidated profit and loss account	11
Consolidated balance sheet	12
Balance sheet	13
Consolidated cashflow statement	14
Notes to the financial statements	15 - 30

BRISTOL ROVERS (1883) LIMITED

CHAIRMAN'S STATEMENT

I am very pleased to give my first Chairman's Report to you our loyal shareholders

The Club has had a very memorable year. After beating our rivals Bristol City over two legs in the Southern final, the year started with a day out at the Millennium Stadium in the final of the Johnstones Paint Trophy where we were narrowly beaten by Doncaster Rovers. This was followed by a fantastic run in the league until the end of the season which culminated in a wonderful day out at the new Wembley Stadium where we won the 2nd Division play off final against Shrewsbury and achieved a long overdue promotion to League 1.

I am sure that you will agree that the sight of 40,000 blue and white quarters at both the Millennium Stadium and at the New Wembley was a very emotional occasion.

Last year's Chairman's Statement mentioned a faint chance of a play-off place, how prophetic that was. I am being no less prophetic when I say that I believe there is still a chance of achieving a play-off place again this season. As well as all this, the management team of Paul Trollope and Lennie Lawrence have guided the team to the 6th round of the FA Cup with notable wins against higher league opponents Southampton and Fulham.

Appointing a successful management team is a very rewarding experience, as we are now seeing with Paul Trollope and Lennie Lawrence. Their complimentary qualities and the way they get on together is proving to be of great benefit to the club. Their selection and recruitment of players has been quietly deliberate and second to none in terms of building for the future. A process which we as Directors are part of and fully approve. Paul and Lennie are not people to waste our money, and we trust their judgement. We will continue to back them to the hilt in their efforts to strengthen our team to Championship standard with young players who will be of long term benefit to the club. We are now convinced that, at last, equipped with the strong footballing philosophy held by our football management team, we are heading in the right direction and our aim is to make it to the Championship division of the Football League. We hope this will coincide with relocation to our brand new stadium in a couple of years time.

It is also Club policy to develop home grown youngsters into our first team squad and this is beginning to take shape again with a few already in the squad and some promising youngsters following on behind. It is very important we follow this Home Grown policy not only from a financial point of view, but because it is important for supporters to see local faces in the team. Our fans, I know, want to see as many local lads as possible making good with Bristol Rovers. The standard as we progress up the Football League however gets higher and higher and the Club will ensure that the youth staff and standard of coaching keeps pace with, and exceeds, the pace of league progress.

The performances on the pitch have transformed the Company's financial position and I am able to report a profit for the year of £739,810, and I also expect a profit to be declared for the year to June 2008. These returns have been most welcome in a year where the Company has had to make significant investments in the start up costs for the New Stadium. This project is expected to start during 2008 and will require the Club to relocate for its home games. It will be a difficult time for the supporters and the club, but we have to make the best of it whilst looking forward to the ultimate reward of a brand new stadium.

BRISTOL ROVERS (1883) LIMITED

CHAIRMAN'S STATEMENT

Continued

The club will be offering initiatives to make travel to these games as painless as possible and we ask all our supporters to keep the faith during our temporary exile. We expect to start the season 2010/2011 at our new state of the art stadium. You will have read of our revised planning application which should have been determined by the time of the Annual General Meeting, which when granted will be the trigger for the signing of contracts for finance and construction, and will be a busy time for us all.

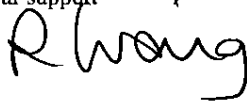
I should like to place on record the Board's thanks to all the help that we have received over the last twelve months from the Supporters Club and Club staff who have coped heroically with the stresses and strains of our success. Their efforts have been magnificent.

I must also place on record thanks to my fellow Directors for giving me the honour of being Chairman of our great Club. It is a great responsibility and one which I thoroughly enjoy.

Finally I should like to thank the Board for their support over the last twelve months and I hope to serve through another successful period.

Thank you for your support

R Craig



Chairman

20 March 2008

BRISTOL ROVERS (1883) LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 30 June 2007

Principal activities

The principal activities of the group are that of a professional football league club and the operation of a sports stadium

Business review

The Chairman's statement includes a review of the development of the business during the year, its position at the year end and likely future developments

There was a profit for the year after taxation amounting to £739,810 (2006 loss of £12,968)

Financial risk management objectives and policies

The group uses various financial instruments, these include loans, cash, preference shares, ordinary shares and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations. The main risks arising from the group's financial instruments are cash flow interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Interest rate risk

The group finances its operations through a mixture of bank borrowings, preference and ordinary shares. The group's exposure to interest fluctuations on its borrowings is managed through fixing the term of its loans.

Liquidity risk

The group seeks to manage the liquidity risk with regular monitoring of cash flow forecasts to ensure that sufficient liquidity is available to meet the group's foreseeable needs.

BRISTOL ROVERS (1883) LIMITED

REPORT OF THE DIRECTORS

Directors

The directors who served the company during the year were as follows -

R Craig
GMH Dunford
B W Bradshaw
N J Higgs
K Masters
R King
D Bram

R Craig was appointed Chairman on 1 April 2007

N J Higgs was appointed Vice Chairman on 1 April 2007

D Bram was appointed to the board on 26 March 2007

E Ware was appointed to the board on 3 September 2007

Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities

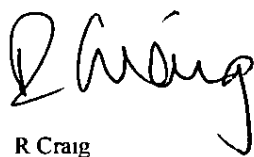
In so far as the directors are aware

- there is no relevant audit information of which the group's auditors are unaware,
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Auditors

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD



R Craig
Chairman

20 March 2008

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
BRISTOL ROVERS (1883) LIMITED**

We have audited the group and parent company financial statements ("the financial statements") of Bristol Rovers (1883) Limited for the year ended 30 June 2007 which comprise the principal accounting policies, the consolidated profit and loss account, the balance sheets, the consolidated cash flow statement and notes 1 to 28. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

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

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

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
BRISTOL ROVERS (1883) LIMITED**

Emphasis of matter - going concern

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern

The group is showing a profit of £739,810 for the year ended 30 June 2007 and is predicting further profit for the year ended 30 June 2008. However, at 30 June 2007 the group's current liabilities still exceeded its current assets by £2,167,441

This condition, along with other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 30 June 2007 and of the profit of the group for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985,
- the information given in the Report of the Directors is consistent with the financial statements

Grant Thornton UK LLP

**GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

BRISTOL

20 March 2008

BRISTOL ROVERS (1883) LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention (see note 1)

The principal accounting policies of the group are set out below. The policies have remained unchanged from the previous year.

BASIS OF CONSOLIDATION

The group financial statements consolidate those of the company and of its subsidiary undertakings drawn up to 30 June 2007. Profits or losses on intra-group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition, are recorded at their fair value reflecting their condition at that date.

Goodwill arising on consolidation, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful economic life.

TURNOVER

Turnover is the total amount receivable by the group for goods supplied and services provided, excluding VAT and trade discounts.

DEPRECIATION

Depreciation is calculated to write down the cost or valuation less the estimated residual value of all tangible fixed assets, other than freehold land and buildings, by equal annual instalments over their expected useful lives. The rates generally applicable are:

Motor vehicles	- 20% to 33%
Plant and machinery	- 10% to 20%
Computer equipment	- 33%
Freehold improvements	- 5% to 33%

No depreciation is provided on freehold properties as it is the group's policy to maintain these assets in a continual state of sound repair. The useful economic lives of these assets are thus so long and residual values so high that any depreciation would not be material. Residual values are based on prices prevailing at the date of acquisition or subsequent valuation. Provision is made in the profit and loss account for any permanent diminution in value.

BRISTOL ROVERS (1883) LIMITED

PRINCIPAL ACCOUNTING POLICIES

Continued

INTANGIBLE FIXED ASSETS

The group capitalises as an intangible asset the element of a player's transfer fee which relates to his registration together with associated costs and amortises that element over the period of his contract. No provision is made for the value of players developed within the group.

STOCKS

Stocks are stated at the lower of cost and net realisable value.

DEFERRED TAXATION

Deferred tax is recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

BRISTOL ROVERS (1883) LIMITED

PRINCIPAL ACCOUNTING POLICIES

Continued

EMPLOYEES' CONTRACTS

Provision is made for all liabilities in respect of employees' contracts signed before the balance sheet date

GRANTS

Grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account by equal annual instalments over the expected useful lives of the relevant assets

Grants of a revenue nature are credited to the profit and loss account in the same period as the related expenditure

CONTRIBUTIONS TO PENSION SCHEME

Defined Contribution Scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period

FINANCIAL INSTRUMENTS

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

BRISTOL ROVERS (1883) LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

For the year ended 30 June 2007

	Note	2007	2006
		£	£
Turnover	2	4,960,699	3,664,956
Operating expenditure	3	<u>(4,085,418)</u>	<u>(3,923,182)</u>
		875,281	(258,226)
Donations from support organisations		<u>98,437</u>	<u>38,000</u>
Operating profit/(loss) before amortisation of players		973,718	(220,226)
Amortisation of players		<u>(88,773)</u>	<u>(55,946)</u>
Operating profit/(loss)		884,945	(276,172)
(Loss) / profit on sale of players		(86,650)	288,000
Compensation for loss of youth player		52,500	200,000
Exceptional income	2	<u>50,000</u>	<u>-</u>
Profit on ordinary activities before interest		900,795	211,828
Net interest	4	<u>(159,047)</u>	<u>(224,796)</u>
Profit / (loss) on ordinary activities before taxation	2	741,748	(12,968)
Tax on profit / (loss) on ordinary activities	6	<u>(1,938)</u>	<u>-</u>
Profit / (loss) on ordinary activities after taxation		<u><u>739,810</u></u>	<u><u>(12,968)</u></u>

There were no recognised gains or losses other than the profit for the financial year

All operations are classed as continuing

The accompanying accounting policies and notes form an integral part of these financial statements

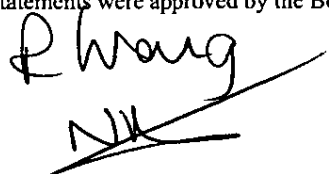
BRISTOL ROVERS (1883) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2007

	Note	2007	2006
		£	£
Fixed assets			
Intangible assets	8	175,082	42,696
Tangible assets	9	3,765,028	2,492,140
Investments	10	<u>1</u>	<u>1</u>
		3,940,111	2,534,837
Current assets			
Stocks	11	13,560	12,553
Debtors	12	495,695	226,968
Cash at bank and in hand	13	<u>77,427</u>	<u>248,046</u>
		586,682	487,567
Creditors amounts falling due within one year			
Shares classed as financial liabilities	14	(491,000)	(712,000)
Other	14	<u>(2,263,123)</u>	<u>(1,905,536)</u>
		(2,754,123)	(2,617,536)
Net current liabilities		<u>(2,167,441)</u>	<u>(2,129,969)</u>
Total assets less current liabilities		1,772,670	404,868
Creditors amounts falling due after more than one year			
	15	<u>(1,285,890)</u>	<u>(1,343,851)</u>
		486,780	(938,983)
Capital and reserves			
Called up share capital	17	317,211	183,640
Share premium account	18	1,216,107	663,725
Profit and loss account	18	(2,005,612)	(2,674,422)
Capital reserve	18	<u>959,074</u>	<u>888,074</u>
Shareholders' funds	19	<u>486,780</u>	<u>(938,983)</u>

The financial statements were approved by the Board of Directors on 20 March 2008

R Craig



Director

N Higgs



Director

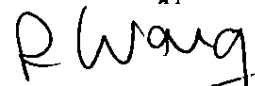
The accompanying accounting policies and notes form an integral part of these financial statements


BRISTOL ROVERS (1883) LIMITED

BALANCE SHEET AT 30 JUNE 2007

	Note	2007	2006
		£	£
Fixed assets			
Tangible assets	9	4,433,960	3,162,104
Investments	10	<u>725,364</u>	<u>725,364</u>
		5,159,324	3,887,468
Current assets			
Stocks	11	-	-
Debtors	12	90,880	374,594
Cash at bank and in hand	13	<u>67,077</u>	<u>25,133</u>
		157,957	399,727
Creditors amounts falling due within one year			
Shares classed as financial liabilities	14	(471,000)	(542,000)
Other	14	<u>(1,862,816)</u>	<u>(1,435,747)</u>
		(2,333,816)	(1,977,747)
Net current liabilities		<u>(2,175,859)</u>	<u>(1,578,020)</u>
Total assets less current liabilities		2,983,465	2,309,448
Creditors:			
amounts falling due after more than one year	15	<u>(866,595)</u>	<u>(868,249)</u>
		<u>2,116,870</u>	<u>1,441,199</u>
Capital and reserves			
Called up share capital	17	317,211	183,640
Share premium account	18	1,216,107	663,725
Profit and loss account	18	426,052	507,334
Capital reserve	18	<u>157,500</u>	<u>86,500</u>
Shareholders' funds		<u>2,116,870</u>	<u>1,441,199</u>

The financial statements were approved by the Board of Directors on 20 March 2008

R Craig  Director

N Higgs  Director

The accompanying accounting policies and notes form an integral part of these financial statements

BRISTOL ROVERS (1883) LIMITED**CONSOLIDATED CASHFLOW STATEMENT**

For the year ended 30 June 2007

	Note	£	2007 £	2006 £
Net cash inflow / (outflow) from operating activities	20		423,483	<u>(718,292)</u>
Returns on investments and servicing of finance				
Interest received		9,433		12,074
Interest paid		(127,037)		(178,169)
Finance charge on shares classed as financial liabilities		<u>(41,443)</u>		<u>(56,144)</u>
Net cash outflow from returns on investments and servicing of finance			<u>(159,047)</u>	<u>(222,239)</u>
			264,436	<u>(940,531)</u>
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(1,300,929)		(12,295)
Proceeds on sale of fixed assets		-		300,000
Purchase of players and agents' fees		(346,388)		(121,556)
Sale of players		38,580		360,000
Compensation for loss of youth player		<u>52,500</u>		<u>200,000</u>
Net cash (outflow) / inflow from capital expenditure and financial investment			<u>(1,556,237)</u>	<u>726,149</u>
			(1,291,801)	(214,382)
Financing				
Issue of shares		685,953		258,501
Repurchase of shares classed as financial liabilities		(171,000)		(86,500)
Repayment of borrowing		(62,184)		(597,977)
Receipts from borrowing		<u>633,964</u>		<u>480,000</u>
Net cash inflow from financing			<u>1,086,733</u>	<u>54,024</u>
Decrease in cash	21		<u>(205,068)</u>	<u>(160,358)</u>

The accompanying accounting policies and notes form an integral part of these financial statements

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on the going concern basis which assumes that the company and its subsidiaries will continue in operational existence for the foreseeable future

The group is showing a profit of £739,810 for the year ended 30 June 2007 and is predicting further profit for the year ended 30 June 2008. However, at 30 June 2007 the group's current liabilities still exceeded its current assets by £2,167,441

The subsidiary has no bank overdraft facilities and operating losses are indicated for the year ending 30 June 2009

The directors continue to implement a series of measures to reduce costs and as in previous years, expect to realise further funds from non-operating sources. The directors consider that on this basis it is appropriate to prepare the financial statements on the going concern basis. The validity of the going concern assumption depends on the group's ability to reduce its cost base and realise such further funds. The financial statements do not include any adjustments that would result from a failure to achieve sufficient cost reductions and raise the necessary further funds.

2 TURNOVER AND PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit / (loss) before taxation are attributable to the running of a professional football league club and the operation of a sports stadium

	2007	2006
	£	£
Football receipts	2,933,626	1,684,630
Other receipts	2,027,073	1,980,326
	<u>4,960,699</u>	<u>3,664,956</u>

The profit/(loss) on ordinary activities is stated after

	2007	2006
	£	£
Auditors' remuneration		
Audit services	12,000	11,650
Depreciation and amortisation		
Other intangible assets	88,773	55,947
Tangible fixed assets, owned	28,041	39,829
Operating lease rentals		
Land and buildings	9,000	-
Other	7,565	9,908
Grants credited	(186,015)	(110,295)
Profit on redemption of preference shares in The Memorial Stadium Company Limited	50,000	-
	<u>50,000</u>	<u>-</u>

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

3 OPERATING EXPENDITURE

	2007	2006
	£	£
Products purchased for resale	358,936	387,156
Players and staff costs	2,546,144	2,486,314
Match and ground expenses	869,314	726,477
Administrative expenses	311,024	323,235
	<u>4,085,418</u>	<u>3,923,182</u>

4 NET INTEREST

	2007	2006
	£	£
Interest on loans and overdrafts	127,037	178,169
Other interest receivable and similar income	(9,433)	(12,074)
Finance charge on shares classed as financial liabilities	41,443	58,701
	<u>159,047</u>	<u>224,796</u>

5 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows

	2007	2006
	£	£
Wages and salaries	2,324,332	2,277,024
Social security costs	214,998	201,356
Other pension costs	6,814	7,934
	<u>2,546,144</u>	<u>2,486,314</u>

The average number of employees of the group during the year was as follows

	2007	2006
	Number	Number
Playing staff	25	26
Management and administration staff	21	22
Commercial staff	2	3
Centre of Excellence	18	12
Bar/catering staff	40	28
	<u>106</u>	<u>91</u>

The directors received no remuneration for their services in the year (2006 £nil)

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

6 TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES

The tax charge represents

	2007	2006
	£	£
Corporation tax @ 20% (2006 19%)	<u>1,938</u>	<u>-</u>
	<u>1,938</u>	<u>-</u>

Unrelieved tax losses of £1 416,453 (2006 £2,196,616) remain available to offset against future taxable trading profits

Factors affecting the tax charge for the period

	2007	2006
	£	£
Profit / (loss) on ordinary activities before tax	<u>741,748</u>	<u>(12,968)</u>
Profit/ (loss) on ordinary activities multiplied by the standard rate of corporation tax at 20% (2006 19%)	148,350	(2,464)
Expenses not deductible for tax purposes	10,215	7,655
Capital allowances for the period more than depreciation	(2,028)	(12,264)
Non taxable income	(10,451)	(6,270)
Movement in provisions	(187)	(925)
Income in nil band	(76)	-
(Use of)/increase in tax losses	(150,033)	11,896
Additional deductions for tax purposes	(2,592)	(4,476)
Deduction not allowable for tax purposes	8,740	11,153
Consolidation adjustment	-	(4,305)
Current tax charge for period	<u>1,938</u>	<u>-</u>

7 PROFIT FOR THE FINANCIAL YEAR

The parent company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The group profit for the year includes a loss of £10 282 (2006 profit of £2,817) which is dealt with in the financial statements of the company.

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

8 INTANGIBLE FIXED ASSETS**The group**

	Goodwill on consolidation	Players	Total
	£	£	£
Cost			
At 1 July 2006	38,069	172,231	210,300
Additions	-	239,738	239,738
Disposals	-	(126,968)	(126,968)
30 June 2007	38,069	285,001	323,070
Amortisation			
At 1 July 2006	38,069	129,535	167,604
Provided in the year	-	88,773	88,773
Disposals	-	(108,388)	(108,388)
30 June 2007	38,069	109,920	147,988
Net book amount at 30 June 2007	-	175,081	175,082
Net book amount at 30 June 2006	-	42,696	42,696

Goodwill on consolidation has been written off in the year of acquisition as in the directors' opinion, this accurately reflects its useful economic life

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

9 TANGIBLE FIXED ASSETS**The group**

	Plant, equipment & motor vehicles	Fixtures & fittings	Freehold property and improvements	Total
	£	£	£	£
Cost				
At 1 July 2006	625,216	3,318	2,695,467	3,324,001
Additions	-	2,200	1,298,729	1,300,929
At 30 June 2007	<u>625,216</u>	<u>5,518</u>	<u>3,994,196</u>	<u>4,624,930</u>
Depreciation				
At 1 July 2006	558,168	3,318	270,375	831,861
Provided in the year	9,196	-	18,845	28,041
At 30 June 2007	<u>567,364</u>	<u>3,318</u>	<u>289,220</u>	<u>859,902</u>
Net book amount at 30 June 2007	<u>57,852</u>	<u>2,200</u>	<u>3,704,976</u>	<u>3,765,028</u>
Net book amount at 30 June 2006	<u>67,048</u>	<u>-</u>	<u>2,425,092</u>	<u>2,492,140</u>

Included under freehold property additions for both the group and the company are professional fees of £605,888 and strategic property acquisitions of £672,958 relating to the stadium regeneration project

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

9 TANGIBLE FIXED ASSETS (CONTINUED)**The company**

	Plant and equipment £	Freehold properties £	Fixtures and fittings £	Total £
Cost				
At 1 July 2006	465,069	3,101,132	3,318	3,569,519
Additions	-	1,278,846	-	1,278,846
At 30 June 2007	<u>465,069</u>	<u>4,379,978</u>	<u>3,318</u>	<u>4,848,365</u>
Depreciation				
At 1 July 2006	404,097	-	3,318	407,415
Provided in the year	6,990	-	-	6,990
At 30 June 2007	<u>411,087</u>	<u>-</u>	<u>3,318</u>	<u>414,405</u>
Net book amount at 30 June 2007	<u>53,982</u>	<u>4,379,978</u>	<u>-</u>	<u>4,433,960</u>
Net book amount at 30 June 2006	<u>60,972</u>	<u>3,101,132</u>	<u>-</u>	<u>3,162,104</u>

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

10 FIXED ASSET INVESTMENTS**The group**

	£
Cost and net book amount at 1 July 2006 and at 30 June 2007	<u><u>1</u></u>

At 30 June 2007 the group held 33% of the equity of South Gloucestershire Arenas Limited, set up for the development of a mixed use sports stadium. At 30 June 2007 the aggregate capital and reserves of South Gloucestershire Arenas Limited was £3 (2006: £3).

The company

	Shares in subsidiary undertakings
	£
Cost	
At 1 July 2006 and at 30 June 2007	<u>725,364</u>
Amounts written off	
At 1 July 2006 and at 30 June 2007	<u>-</u>
Net book amount at 30 June 2007 and at 30 June 2006	<u><u>725,364</u></u>

At 30 June 2007 the company held 20% or more of the equity of the following

Subsidiary undertakings	Nature of business	Class of capital held	Proportion held
Bristol Rovers Football Club Limited	Professional football league club and the operation of a sports stadium	Ordinary shares	100%
The Memorial Stadium Company Limited	Sports stadium leasing & catering facilities provision (now dormant)	Ordinary shares	100%

The Memorial Stadium Company Limited's shares are held by Bristol Rovers Football Club Limited

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

11 STOCKS

	The group		The company	
	2007	2006	2007	2006
	£	£	£	£
Goods for resale	<u>13,560</u>	<u>12,553</u>	<u>-</u>	<u>-</u>

12 DEBTORS

	The group		The company	
	2007	2006	2007	2006
	£	£	£	£
Trade debtors	203,058	146,476	54,031	30,992
Amounts due from group undertakings	-	-	36,007	343,602
Social security and other taxes	3,643	-	-	-
Other debtors	258,882	44,320	842	-
Prepayments and accrued income	30,112	36,172	-	-
	<u>495,695</u>	<u>226,968</u>	<u>90,880</u>	<u>374,594</u>

13 CASH AT BANK AND IN HAND

	The group		The company	
	2007	2006	2007	2006
	£	£	£	£
Cash and bank	77,427	74,993	67,077	25,133
Capital improvement fund	-	173,053	-	-
	<u>77,427</u>	<u>248,046</u>	<u>67,077</u>	<u>25,133</u>

The capital improvement fund represented monies held by a subsidiary company which were grants that were applied to stadium improvements as designated under the planning consent granted by Bristol City Council in respect of the car park development on 18 January 1999

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

14 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	The group		The company	
	2007	2006	2007	2006
	£	£	£	£
Bank loans and overdraft	774,716	119,417	740,267	119,417
Brewery loan	45,000	45,000	-	-
Unsecured directors' loans	228,577	245,761	192,660	245,761
Payments received in advance	315,873	545,975	-	-
Trade creditors	275,744	60,600	54	69
Social security and other taxes	137,208	187,101	13,217	13,138
Corporation tax	1,938	-	122	-
Amounts due to group undertakings	-	-	673,914	775,714
Loans from related parties	232,115	219,001	232,115	219,001
Other creditors	134,695	315,153	-	-
Accruals and deferred income	104,295	152,009	8,812	60,992
Other deferred income grants	12,962	12,962	1,655	1,655
Shares classed as financial liabilities	491,000	712,000	471,000	542,000
Finance charge due on shares classed as financial liabilities	-	2,557	-	-
	<u>2,754,123</u>	<u>2,617,536</u>	<u>2,333,816</u>	<u>1,977,747</u>

The bank loans and overdrafts of the group are secured by fixed and floating charges over the assets of the group and a fixed charge over the freehold property of the group

The brewery loan is secured by a fixed charge over the property of the company

Loans from related parties includes £150,000 which is secured on proceeds from specific non-trading transactions

Other creditors (group) includes £nil (2006 £173,053) relating to the capital improvement fund (see note 13)

Shares classed as financial liabilities (group) includes £20,000 (2006 £170,000) redeemable preference shares in The Memorial Stadium Company Limited which carry an entitlement to a fixed cumulative dividend at a rate of 9% per annum

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

15 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007	The group 2006	2007	The company 2006
	£	£	£	£
Bank loan	825,485	825,485	825,485	825,485
Brewery loan	322,500	367,500	-	-
Deferred income grants	137,905	150,866	41,110	42,764
	<u>1,285,890</u>	<u>1,343,851</u>	<u>866,595</u>	<u>868,249</u>

The bank and brewery loans are secured as disclosed under note 14

The bank loan is repayable in equal quarterly instalments and bears interest at a rate of 2.5% above base lending rate

The brewery loan is repayable in equal monthly instalments and bears interest at a rate of 0.75% below base rate

16 BORROWINGS

Borrowings are repayable as follows	2007	The group 2006	2007	The company 2006
	£	£	£	£
Within one year				
Bank and other borrowings	1,048,293	410,178	932,927	365,178
After one and within two years				
Bank and other borrowings	164,417	164,417	119,417	119,417
After two and within five years				
Bank and other borrowings	493,251	493,251	358,251	358,251
After five years				
Bank and other borrowings	490,317	535,317	347,817	347,817
	<u>2,196,278</u>	<u>1,603,163</u>	<u>1,758,412</u>	<u>1,190,663</u>

BRISTOL ROVERS (1883) LIMITED*Continued*

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

17 SHARE CAPITAL

	2007	2006
	£	£
Authorised		
2,500,000 (2006 2 500,000) ordinary shares of 10p each	250,000	250,000
500 000 'A' preference shares of £1 each	500,000	500,000
500 000 'B' preference shares of £1 each	500,000	500,000
500 000 'C' preference shares of £1 each	500,000	500 000
	<u>1,750,000</u>	<u>1,750,000</u>
Allotted, called up and fully paid		
Equity		
3,172,106 ordinary shares of 10p each	<u>317,211</u>	<u>183,640</u>
Shares classed as financial liabilities		
270 000 'A' preference shares of £1 each	270,000	291,000
41,000 'B' preference shares of £1 each	41,000	41,000
160 000 'C' preference shares of £1 each	<u>160,000</u>	<u>210,000</u>
	<u>471,000</u>	<u>542,000</u>

Allotments during the year

During the year the company issued 1,331 707 ordinary shares at a premium of £0 40

During the year the company issued 4,000 ordinary shares at a premium of £4 90

During the year the company issued 5 ordinary shares at a premium of £19 90

Preference shares

A, B and C preference shares carry an entitlement to a fixed cumulative dividend at 3%, 2.5% and 2% above the base rate respectively. A, B and C preference shares may be redeemed on or after the 3rd, 2nd and 1st anniversaries of issue respectively. Holders of preference shares have no entitlement to vote. Preference shareholders have the right, on a winding-up, to receive repayment of capital in priority to ordinary shareholders.

BRISTOL ROVERS (1883) LIMITED

Continued

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2007

18 SHARE PREMIUM ACCOUNT AND RESERVES

The group	Share premium account £	Capital reserve £	Profit and loss account £
At 1 July 2006	663,725	888,074	(2,674,422)
Retained profit for the year	-	-	739,810
Redemption of preference shares	-	71,000	(71,000)
Premium on allotment during the year	<u>552,382</u>	-	-
At 30 June 2007	<u>1,216,107</u>	<u>959,074</u>	<u>(2,005,612)</u>

The company	Share premium account £	Capital reserve £	Profit and loss account £
At 1 July 2006	663,725	86,500	507,334
Retained loss for the year	-	-	(10,282)
Redemption of preference shares	-	71,000	(71,000)
Premium on allotment during the year	<u>552,382</u>	-	-
At 30 June 2007	<u>1,216,107</u>	<u>157,500</u>	<u>426,052</u>

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit / (loss) for the financial year	739,810	(12,968)
Issue of shares	685,953	208,501
Shareholders' funds at 1 July 2006	<u>(938,983)</u>	<u>(1,134,516)</u>
Shareholders' funds at 30 June 2007	<u>486,780</u>	<u>(938,983)</u>

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

20 NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating profit / (loss)	884,945	(276,172)
Depreciation charges	28,041	39,829
(Profit)/loss on sale of tangible fixed assets	-	(92,657)
Amortisation of grants	(12,961)	(23,377)
Amortisation and impairment of players	88,773	55,947
(Increase) / decrease in stock	(1,007)	5,910
(Increase)/decrease in debtors	(268,727)	(7,744)
(Decrease) / increase in creditors	(295,581)	(420,028)
Net cash inflow / (outflow) from operating activities	<u>423,483</u>	<u>(718,292)</u>

21 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2007 £	2006 £
Decrease in cash in the year	(205,068)	(160,358)
Cash inflow from increase in debt financing	<u>(350,780)</u>	<u>151,920</u>
Movement in net debt in the year	(555,848)	(8,438)
Net debt at 1 July 2006	<u>(2,286,118)</u>	<u>(2,277,680)</u>
Net debt at 30 June 2007	<u>(2,841,966)</u>	<u>(2,286,118)</u>

22 ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2006 £	Cash flow £	Non-cash items £	At 30 June 2007 £
Cash at bank and in hand	248,046	(170,619)	-	77,427
Overdrafts	-	(34,449)	-	(34,449)
Debt	248,046	(205,068)	-	42,978
	<u>(2,534,164)</u>	<u>(350,780)</u>	<u>-</u>	<u>(2,884,944)</u>
Total	<u>(2,286,118)</u>	<u>(555,848)</u>	<u>-</u>	<u>(2,841,966)</u>

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

23 CAPITAL COMMITMENTS

The group and the company had capital commitments of 30 June 2007 of £1,901,295 (30 June 2006 £nil)

24 CONTINGENT ASSETS AND LIABILITIES

The group may receive, under transfer agreements, further amounts for players already sold dependent on whether these players are sold on again for a profit. No reliable estimate can be made on the likelihood of these players being transferred or their potential transfer values.

The group and the company have, under transfer agreements, a liability to pay additional sums dependent on players' attainment and any subsequent transfer value. No provision has been made in these accounts for such liabilities and no reliable estimates can be made of any subsequent transfer values.

25 PENSIONS

The group operates a defined contribution pension scheme for the benefit of employees. The assets of the scheme are administered by trustees in a fund independent from those of the group.

The group has in the past contributed to The Football League Limited Pension and Life Assurance Scheme – a defined contribution pension scheme operated on behalf of all league clubs.

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

26 LEASING COMMITMENTS

Operating lease payments amounting to £25,565 (2006 £9,909) are due within one year

The leases to which these amounts relate expire as follows

The group

	2007		2006	
	Land and buildings	Other £	Land and buildings	Other £
In one year or less	-	-	-	937
Between one and five years	18,000	7,565	-	8,972
	18,000	7,565	-	9,909

The company

	2007		2006	
	Land and buildings	Other £	Land and buildings	Other £
In one year or less	-	-	-	937
Between one and five years	-	1,323	-	4,169
	-	1,323	-	5,106

27 RELATED PARTIES AND TRANSACTIONS WITH DIRECTORS

During the year the group made purchases of £17 500 (2006 £18,750) from Deltavon Limited, a company of which G M H Dunford is a director

At the year end the company owed a balance of £nil (2006 £nil) to Deltavon Limited

The group has loans outstanding of £232 115 (2006 £219,001) to Deltavon Limited

During the year sales of £59,069 were made to Cowlin Construction of which Mr N Higgs is a director

At the year end a balance of £nil (2006 £nil) was owed

There are no other material related party transactions in the year

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2007

28 CONTROLLING RELATED PARTIES

The directors consider that there is no single controlling related party