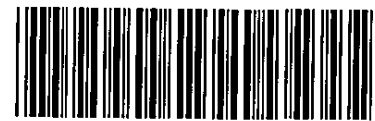


**BOLTON WANDERERS FOOTBALL &
ATHLETIC COMPANY LIMITED**

Report and Financial Statements

1 July 2007

THURSDAY



A24G8W11

A48

03/01/2008

6

COMPANIES HOUSE

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS 2007

CONTENTS

Page

Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Profit and loss account	6
Reconciliation of movements in shareholders' deficit	7
Balance sheet	8
Notes to the financial statements	9

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

REPORT AND FINANCIAL STATEMENTS 2007

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

E Davies
A Duckworth
P A Gartside
D McBain
P M Mulligan (appointed 1 July 2007)
G Seymour
G Warburton
W B Warburton

SECRETARY

P M Mulligan (appointed 1 July 2007)

REGISTERED OFFICE

Reebok Stadium
Burnden Way
Lostock
Bolton
BL6 6JW

BANKERS

Alliance & Leicester plc
298 Deansgate
Manchester
M3 4HH

SOLICITORS

Osborne Clarke
2 Temple Back East
Temple Quay
Bristol
BS1 6EG

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
2 Hardman Street
Manchester
M60 2AT

FINANCIAL ADVISERS

Solomon Hare Corporate Finance
Oakfield House
Oakfield Grove
Clifton
Bristol
BS8 2BN

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 1 July 2007

PRINCIPAL ACTIVITY AND ENHANCED BUSINESS REVIEW

The principal activity of the Group is that of a professional football club together with related commercial activities and there have been no significant changes in Group activities during the year

The reduced number of matches played adversely affected financial performance across most areas of the business, compared to the previous year

Disappointingly, average attendances for FA Premier League matches once again fell year-on-year, down 6% to 23,600 (2006 – 25,200) Falling attendances is now a real concern It is a complex issue with many factors involved, including price, kick-off times and levels of TV coverage (legal and illegal) The situation will be monitored closely, research undertaken and action taken wherever possible to protect our competitive position £43,086,637 of total revenue was generated (2006 – £46,517,838), down 7% on the previous year due mainly to the reduced number of home matches played Strong cost management remains a key objective, particularly when revenue streams are under pressure Operating Costs were contained relative to the number of home matches played, but further investment in the player squad, and bonuses relating to UEFA Cup qualification for 2007/08 resulted in significant increases in player wages and player amortisation costs As a result headline cost of sales increased by 7% to £41,919,230 (2006 – £39,125,722), but if additional player amortisation costs were excluded underlying cost of sales were flat year-on-year, even after absorbing additional player wages costs Finally, Football Administration expenses, which include Stadium running costs, totalled £7,361,660 (2006 – £6,703,674) This increase reflected significant professional fees associated with new funding arrangements, the Quest enquiries initiated by the FA Premier League and taxation advice

The financial position of the Company has been improved by a significant investment of £14,372,635 in the playing squad reflected by the book value of intangible assets which now stands at £15,076,070 (2006 £6,511,491) This increased investment has had a consequential increase in creditors and amounts falling due within one year now stand at £67,229,976 (2006 £51,589,694) Proceeds from player sales due after 1 July 2007, together with £1,500,000 Academy Naming Rights received after the end of the year, caused debtors to rise to £8,977,849 (2006 £5,417,430)

The Board acknowledge there are risks which affect the Group and seek to minimise these risks wherever possible These risks are reviewed regularly through the Company's management and planning processes The primary risk is related to the uncertainty of on-the-field performance Ongoing investment in the playing squad aims to reduce this performance risk but the Board acknowledge that the level of this investment must be managed within the Club's financial constraints Other risks are recognised and managed appropriately, by internal management, through the use of professional advisers, where appropriate, and through regular meetings with the FA Premier League, these include administration, secretarial, financial, commercial, and health and safety issues

Key performance indicators are used to measure and evaluate Group performance and monitor various activities throughout the Company The main key performance indicators employed in the Company are

- Revenue levels
- Profit levels (gross and net)
- Staff costs (player related and other)
- Attendance levels
- Average ticket prices
- Levels of net debt

The Board monitor these on a monthly basis

RESULTS AND DIVIDENDS

The company's loss for the period before taxation was £2,087,467 (52 weeks ended 2 July 2006 - £34,255 profit) No dividend can be paid (52 weeks ended 2 July 2006 – £nil) The directors consider that the future prospects of the company are positive

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

DIRECTORS' REPORT (continued)

POST BALANCE SHEET EVENTS

Subsequent events are disclosed in note 22

DIRECTORS AND THEIR INTERESTS

The present membership of the Board is set out on page 1

The directors who held office at 1 July 2007 had the following interests in the shares of the ultimate parent company, Burden Leisure plc

The directors do not have any interests in the shares of group companies required to be disclosed under schedule 7 of the Companies Act 1985

FIXED ASSETS

At the balance sheet date, an amount of £15.1 million (2 July 2006 - £6.5 million) is carried forward in intangible fixed assets, representing the unamortised cost of players' registrations. The directors estimate the current value of the playing squad to be approximately £39.1 million (2 July 2006 - £36 million)

INFORMATION GIVEN TO AUDITORS

Each of the directors at the date of approval of this report confirms that

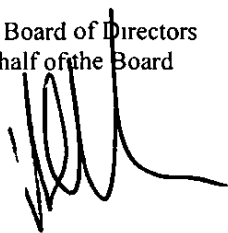
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint Deloitte & Touche LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board



A Duckworth
Director
19 December 2007

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

We have audited the financial statements of Bolton Wanderers Football and Athletic Company Limited for the year ended 1 July 2007 which comprise the Profit and Loss Account, the Reconciliation of Movements in Shareholders' Deficit, the Balance Sheet, and the related notes 1 to 22. 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 auditors' 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

Basis of audit opinion

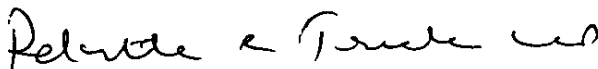
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the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

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

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 1 July 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Manchester

19 December 2007

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 1 July 2007

	Note	1 July 2007			2 July
		Operations excluding player trading	Player Trading	Total	2006
		£	£	£	£
TURNOVER	2	43,086,637	-	43,086,637	46,517,838
Cost of sales		(36,588,357)	(5,330,873)	(41,919,230)	(39,125,722)
GROSS PROFIT/(LOSS)		6,498,280	(5,330,873)	1,167,407	7,392,116
Administrative expenses		(7,361,660)	-	(7,361,660)	(6,703,674)
OPERATING (LOSS)/PROFIT		(863,380)	(5,330,873)	(6,194,253)	688,442
Profit on transfer of players' registrations	3	-	2,756,517	2,756,517	351,999
Profit on sale of academy naming rights	20	3,500,000	-	3,500,000	-
Profit/(loss) on disposal of tangible fixed assets	6	3,500	-	3,500	(38,318)
Investment income	4	576,202	-	576,202	618,838
Finance charges	5	(2,729,433)	-	(2,729,433)	(1,586,706)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	6	486,889	(2,574,356)	(2,087,467)	34,255
Tax on profit on ordinary activities	7	-	-	-	(15,565)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL PERIOD	18	486,889	(2,574,356)	(2,087,467)	18,690
Retained loss brought forward				(8,008,770)	(8,027,460)
Retained loss carried forward				(10,096,237)	(8,008,770)

Player trading consists of the amortisation of the costs of acquiring player registrations and the profit on disposal of player registrations

All results relate to continuing operations

There are no recognised gains or losses other than those reported above for the current and previous period, and consequently a statement of total recognised gains and losses has not been prepared

The accompanying notes are an integral part of this profit and loss account

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

Year ended 1 July 2007

	1 July 2007	2 July 2006
	£	£
(Loss)/profit for the financial period	(2,087,467)	18,690
Net (increase)/reduction in shareholders' deficit	(2,087,467)	18,690
Opening shareholders' deficit	(7,621,629)	(7,640,319)
Closing shareholders' deficit	<u>(9,709,096)</u>	<u>(7,621,629)</u>

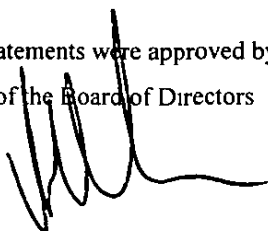
BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

BALANCE SHEET 1 July 2007

	Note	1 July 2007 £	2 July 2006 £
FIXED ASSETS			
Intangible assets	9	15,076,070	6,511,491
Tangible assets	10	40,551,857	39,469,812
Investments	11	2,164,221	2,164,221
		<u>57,792,148</u>	<u>48,145,524</u>
CURRENT ASSETS			
Stocks	12	248,872	495,771
Debtors	13	8,977,849	5,417,430
Cash at bank and in hand		158,112	246,845
		<u>9,384,833</u>	<u>6,160,046</u>
CREDITORS: amounts falling due within one year	14	<u>(67,229,976)</u>	<u>(51,589,694)</u>
NET CURRENT LIABILITIES		<u>(57,845,143)</u>	<u>(45,429,648)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(52,995)	2,715,876
CREDITORS: amounts falling due after more than one year	15	<u>(9,656,101)</u>	<u>(10,337,505)</u>
NET LIABILITIES		<u>(9,709,096)</u>	<u>(7,621,629)</u>
CAPITAL AND RESERVES			
Called up share capital	17	123,750	123,750
Share premium account	18	206,626	206,626
Capital reserves	18	31,418	31,418
Other reserves	18	25,347	25,347
Profit and loss account	18	(10,096,237)	(8,008,770)
EQUITY SHAREHOLDERS' DEFICIT		<u>(9,709,096)</u>	<u>(7,621,629)</u>

These financial statements were approved by the Board of Directors on 19 December 2007

Signed on behalf of the Board of Directors



A Duckworth

Director

The accompanying notes are an integral part of this balance sheet

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

1. ACCOUNTING POLICIES

The particular accounting policies adopted are described below

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 on the basis that it is a wholly owned subsidiary undertaking of Burnden Leisure plc which prepares financial statements which are publicly available. The company is also, on this basis, exempt from the requirement of FRS 1 (Revised 1996) Cash Flow Statements to present a cash flow

Intangible assets – Players’ Registrations

In accordance with FRS 10 Goodwill and Intangible Assets, fees payable on the transfer of players’ registrations are capitalised at cost and written off over the length of the players’ contracts. Profit or loss on the sale of players’ registrations is based on transfer fees receivable and the amortised cost of the players and is recognised in the period in which the transfers are made

Signing on fees

Signing on fees are charged evenly to the profit and loss account over the period of the players’ contracts. Where a player’s registration is transferred any signing on fees payable in respect of future periods are charged against the profit/loss on disposal of player registrations in the period in which the disposal is recognised

Tangible fixed assets

Tangible fixed assets are stated at historical cost, net of accumulated depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land and the assets in the course of construction, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over the expected useful economic life, as follows

Stadium	50 years
Fixtures and fittings	3 to 10 years
Plant, equipment and motor vehicles	3 to 10 years

Residual value is calculated on prices prevailing at the date of acquisition

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks

Finance costs

The finance costs of debt are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount

Debt

Debt is initially stated at the amount of the net proceeds after deduction of issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the period

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

Turnover

Turnover consists of sales in the ordinary course of business to external customers for goods and services supplied, net of trade discounts and VAT. Turnover is recognised as the services are provided and matches and events take place

Pension costs and other retirement benefits

The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions to the staff and directors' defined contribution private pension schemes that are payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet

The company provides pension facilities to certain members of staff through The Football League Limited Players Retirement Scheme and The Football League Limited Pension and Life Assurance Scheme, both of which are defined contribution schemes. The amounts charged to the profit and loss account are the contributions payable in the period

Foreign currencies

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rates ruling when the transaction was entered into. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date. Exchange gains or losses are included in operating profit

Leases and hire purchase obligations

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchases transactions are dealt with similarly, except that assets are depreciated over their useful lives

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used

Government grants

Government grants and other grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

2. TURNOVER

Turnover arose entirely from football activities in the United Kingdom

3. ITEMS REPORTED AFTER OPERATING PROFIT

The profit on transfer of players' registrations relates to the disposal of certain players' registrations

There is no effect on the amounts charged to the profit and loss account for taxation due to the availability of losses

4. INVESTMENT INCOME

	1 July 2007 £	2 July 2006 £
Interest receivable and similar income	576,202	618,838

5. FINANCE CHARGES

	1 July 2007 £	2 July 2006 £
Bank loans, overdrafts and other loans	2,724,616	1,586,166
Finance leases and hire purchase contracts	4,817	540
	<u>2,729,433</u>	<u>1,586,706</u>

6. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	1 July 2007 £	2 July 2006 £
Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting):		
Amortisation of intangible assets	5,330,873	2,223,353
Depreciation		
Owned assets	1,535,921	1,402,607
Leased assets	14,355	18,501
Amortisation of grants	(180,192)	(184,822)
(Profit)/loss on disposal of tangible fixed assets	(3,500)	38,318
Auditors' remuneration	30,996	30,591
	<u> </u>	<u> </u>

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1 July 2007 £	2 July 2006 £
Current tax		
United Kingdom corporation tax 30% (2006 – 30%)	-	-
Overseas tax	-	15,565
	<u>-</u>	<u>15,565</u>
	<u>-</u>	<u>15,565</u>

Factors affecting the tax charge for the period

The difference between the tax charge of nil and the amount calculated by applying the standard rate of corporation tax is as follows

	1 July 2007 £	2 July 2006 £
Profit on ordinary activities before tax	(2,087,467)	34,255
United Kingdom corporation tax at 30% (2006 – 30%)	(626,240)	10,277
Effects of		
Expenses not deductible for tax purposes	580,011	508,118
Non-taxable items	(226,918)	(245,766)
Depreciation in excess of capital allowances	111,454	(315,601)
Unrelieved tax losses and other deductions arising in the period	161,693	-
Group relief surrendered	-	42,972
Overseas tax	-	15,565
	<u>-</u>	<u>15,565</u>
	<u>-</u>	<u>15,565</u>

At 1 July 2007, the company had trading losses to carry forward of £22 million (2 July 2006 - £21 million)

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

8. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Fees in respect of P A Gartside were paid to Arley Partnership LLP of which he is a member (see note 20)

	1 July 2007	2 July 2006
	No.	No.
Average number of persons employed		
Football players	45	47
Management and administration	159	144
	<u>204</u>	<u>191</u>
Staff costs during the period	£	£
Wages and salaries	26,952,460	24,555,669
Social security costs	2,830,954	3,096,802
Pension costs (see note 19c)	180,758	280,650
	<u>29,964,172</u>	<u>27,933,121</u>

Directors remuneration is borne by the parent company

Certain staff of the company are members of either the Football League Limited Players Retirement Income Scheme, a defined contribution scheme, or the Football League Limited Pension and Life Assurance Scheme ("FLLPLAS"), a defined benefit scheme. As the company is one of a number of participating employers in the FLLPLAS, the scheme actuary has indicated that it would be impractical to allocate any actuarial surplus or deficit. The company has therefore adopted the multi-employer scheme exemption under FRS 17 and expensed contributions in the profit and loss account as they become payable. The assets of the schemes are held separately from those of the company, being invested with insurance companies.

Following a review of the Minimum Funding Requirement ("MFR") of the FLLPLAS, accrual of benefits of the final salary section of the scheme was suspended as at 31 August 1999. In light of the exceptional circumstances affecting the scheme, the trustees of the scheme commissioned an independent actuary's report on the MFR position and a substantial deficit was identified. Under the Pensions Act 1985 participating employers will be required to contribute to the deficiency. The Club was advised by the FA Premier League that a basis of apportionment of the deficit had been approved by the trustees and their advisors, although a number of important issues remain to be resolved that could impact on the final quantification of this liability. The latest, provisional allocation notified in 2006 was £101,264, which is now being repaid at £1,247 per month. The remaining deficit has been calculated to be £87,446 and is included in other creditors.

Contributions payable by the company to employees' (including Executive Directors) personal pension schemes are charged to the profit and loss account in the period to which they relate. The schemes are defined contribution schemes, the assets of which are held separately from the company.

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 1 July 2007

9. INTANGIBLE FIXED ASSETS

	Player transfer and agents fees £
Cost	
At 2 July 2006	12,411,022
Additions	14,372,635
Disposals	(2,810,137)
At 1 July 2007	<u>23,973,520</u>
Accumulated depreciation	
At 2 July 2006	5,899,531
Charge for the period	5,330,873
Disposals	(2,332,954)
At 1 July 2007	<u>8,897,450</u>
Net book value	
At 1 July 2007	<u>15,076,070</u>
At 2 July 2006	<u>6,511,491</u>

10. TANGIBLE FIXED ASSETS

	Stadium £	Freehold land £	Fixtures and fittings £	Plant, equipment and vehicles £	Assets in the course of construction £	Total £
Cost						
At 2 July 2006	41,389,452	804,000	2,105,288	1,723,353	571,840	46,593,933
Additions	111,966	-	415,178	346,963	1,758,214	2,632,321
Reclassification	-	-	306,575	15,305	(321,880)	-
At 1 July 2007	<u>41,501,418</u>	<u>804,000</u>	<u>2,827,041</u>	<u>2,085,621</u>	<u>2,008,174</u>	<u>49,226,254</u>
Accumulated depreciation						
At 2 July 2006	5,868,140	-	546,746	709,235	-	7,124,121
Charge for the period	831,457	-	405,377	313,442	-	1,550,276
At 1 July 2007	<u>6,699,597</u>	<u>-</u>	<u>952,123</u>	<u>1,022,677</u>	<u>-</u>	<u>8,674,397</u>
Net book value						
At 1 July 2007	<u>34,801,821</u>	<u>804,000</u>	<u>1,874,918</u>	<u>1,062,944</u>	<u>2,008,174</u>	<u>40,551,857</u>
At 2 July 2006	<u>35,521,312</u>	<u>804,000</u>	<u>1,558,542</u>	<u>1,014,118</u>	<u>571,840</u>	<u>39,469,812</u>
Leased assets included in the above						
Net book value						
At 1 July 2007	<u>-</u>	<u>-</u>	<u>1,103</u>	<u>44,895</u>	<u>-</u>	<u>45,998</u>
Net book value						
At 2 July 2006	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,697</u>	<u>-</u>	<u>46,697</u>

Freehold land amounting to £804,000 (2 July 2006 - £804,000) has not been depreciated £321,880 relates to amounts transferred out of assets in the course of construction

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

11. INVESTMENTS HELD AS FIXED ASSETS

	Shares in subsidiaries £	Medals £	Total £
Cost and net book value			
At 2 July 2006 and 1 July 2007	2,150,002	14,219	2,164,221

The company has two wholly owned dormant subsidiary undertakings, incorporated in England and Wales, being Bolton Sports Village Limited and Bolton Wanderers (Holdings) Limited. The company also has a 50% interest in the ordinary share capital and a 32.5% interest in the preference share capital of Bolton Whites Hotel Limited, a company registered in England and Wales. The principal activity of this subsidiary undertaking is the provision of hotel and catering services.

12. STOCKS

	1 July 2007 £	2 July 2006 £
Goods for resale	248,872	495,771

13. DEBTORS

	1 July 2007 £	2 July 2006 £
Amounts falling due within one year		
Trade debtors	3,278,564	1,226,362
Amounts owed by group undertakings	2,200,309	1,601,635
Amounts owed by related parties	1,500,000	-
Other debtors	-	10,012
Prepayments and accrued income	1,998,976	2,579,421
	<u>8,977,849</u>	<u>5,417,430</u>

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1 July 2007 £	2 July 2006 £
Bank overdrafts	2,744,292	1,948,474
Bank loans	4,064,768	3,986,695
Trade creditors	2,211,344	1,542,394
Obligations under finance leases	23,027	29,556
Other loans	483,111	208,337
Directors' loans	400,000	400,000
Amounts owed to group undertakings	36,909,048	24,055,843
Corporation tax creditor	19,000	19,000
Other taxation and social security	1,811,412	1,920,809
Other creditors	1,230,724	1,980,628
Accruals	13,467,827	9,829,482
Deferred income	3,865,423	5,668,476
	<u>67,229,976</u>	<u>51,589,694</u>

Deferred income consists of season tickets, sponsorship and other monies which were received prior to the period end but which were in respect of future periods. Also included in deferred income are grants and other contributions to the cost of the stadium of £181,503 (2 July 2006 - £180,503)

15. CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1 July 2007 £	2 July 2006 £
Bank loans	2,545,581	3,267,416
Obligations under finance leases	20,001	27,586
Other loans	381,145	111,858
Deferred income	6,641,779	6,848,086
Other creditors	67,595	82,559
	<u>9,656,101</u>	<u>10,337,505</u>

Deferred income consists of grants and other contributions to the cost of the stadium of £6,641,779 (2 July 2006 -£6,848,086)

Borrowings excluding obligations under finance leases and hire purchase contracts included in creditors due within one year and after more than one year are payable as follows

	1 July 2007 £	2 July 2006 £
Bank loans, overdrafts and other loans		
Between one and two years	1,192,203	1,132,156
Between two and five years	1,138,575	1,625,385
After five years	595,948	621,733
	<u>2,926,726</u>	<u>3,379,274</u>
On demand or within one year	7,692,171	6,543,506
	<u>10,618,897</u>	<u>9,922,780</u>

The company has granted a floating charge on its assets to secure bank loans, overdrafts and other loans of £9,469,026 (2 July 2006 - £9,422,780)

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Amounts payable after 5 years are linked to an interest rate of 7.81% repayable to October 2014

	1 July 2007 £	2 July 2006 £
Finance leases and hire purchase contracts		
Between one and two years	18,469	16,072
Between two and five years	1,532	11,514
	<u>20,001</u>	<u>27,586</u>
On demand or within one year	23,027	29,556
	<u>43,028</u>	<u>57,142</u>
	1 July 2007 £	2 July 2006 £
Total borrowings including finance leases and hire purchase contracts		
Between one and two years	1,210,672	1,148,228
Between two and five years	1,140,107	1,636,899
After five years	595,948	621,733
	<u>2,946,727</u>	<u>3,406,860</u>
On demand or within one year	7,715,198	6,573,062
	<u>10,661,925</u>	<u>9,979,922</u>

16. DEFERRED TAXATION

The net deferred tax asset not recognised can be analysed as follows

	1 July 2007 £	2 July 2006 £
Accelerated capital allowances	519,373	691,000
Other timing differences	557,563	597,000
Tax losses	(6,039,951)	(6,310,000)
	<u>(4,963,015)</u>	<u>(5,022,000)</u>

No deferred tax has been provided in the current or prior period

A net deferred tax asset amounting to £5.0 million (2 July 2006 - £5.0 million) has not been recognised as at present it is not envisaged that sufficient trading profits will be generated in the foreseeable future

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

17. CALLED UP SHARE CAPITAL

	1 July 2007 £	2 July 2006 £
Authorised		
4,000 special ordinary shares of £1 each	4,000	4,000
40,000 ordinary shares of £3 each	120,000	120,000
	<u>124,000</u>	<u>124,000</u>
Called up, allotted and fully paid		
3,750 special ordinary shares of £1 each	3,750	3,750
40,000 ordinary shares of £3 each	120,000	120,000
	<u>123,750</u>	<u>123,750</u>

All shares rank pari-passu as if one class of shares were in issue

18. RESERVES

Of total reserves shown in the company's balance sheet, the following amounts are regarded as distributable or otherwise

	1 July 2007 £	2 July 2006 £
Non-distributable		
- profit and loss account	(10,096,237)	(8,008,770)
- share premium account	206,626	206,626
- capital reserve	31,418	31,418
- other reserves	25,347	25,347
	<u>(9,832,846)</u>	<u>(7,745,379)</u>

The movement on reserves during the period was as follows

	Share premium account £	Capital reserve £	Other reserves £	Profit and loss account £	Total £
At 2 July 2006	206,626	31,418	25,347	(8,008,770)	(7,745,379)
Loss for the period	-	-	-	(2,087,467)	(2,087,467)
At 1 July 2007	<u>206,626</u>	<u>31,418</u>	<u>25,347</u>	<u>(10,096,237)</u>	<u>(9,832,846)</u>

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

19. FINANCIAL COMMITMENTS

a) Capital commitments

	1 July 2007 £	2 July 2006 £
Contracted for but not provided	511,129	338,000

A commitment of £511,129 has been made to enhance the pitches at the Reebok Stadium and fit LED Perimeter Advertising Boards

b) Contingent liabilities

The terms of certain contracts with other football clubs and players agents in respect of players' registrations transferred include the payment of additional amounts upon fulfilment of specific conditions in the future. The maximum amount that could be payable as at 1 July 2007 is £2,631,000 (2 July 2006 - £1,492,000)

c) Pension commitments

The pension cost charge for the period was £180,758 (2 July 2006 - £280,650)

20. RELATED PARTY TRANSACTIONS

During the period Bolton Whites Hotel Limited purchased goods and services in the ordinary course of business from Bolton Wanderers Football and Athletic Company Limited, a subsidiary undertaking, at a cost of £1,554,548 (2 July 2006 - £1,200,840)

During the period Bolton Wanderers Football and Athletic Company Limited purchased goods and services in the ordinary course of business from Bolton Whites Hotel Limited, the majority shareholder, valued at £967,953 (2 July 2006 - £981,552)

At the period end amounts owed from Bolton Wanderers Football and Athletic Company Limited to its subsidiary undertaking amounted to £nil (2 July 2006 - £398)

During the year Arley Partnership LLP (a limited liability partnership of which P Gartside is a member) purchased goods and services from Bolton Wanderers Football and Athletic Company Limited in the ordinary course of business, valued at £24,380 (53 weeks ended 2 July 2006 - £38,000)

At the period end the amount owed to Bolton Wanderers Football and Athletic Company Limited by Arley Partnership in respect of corporate hospitality amounted to £nil (2006 - £21,604)

During the year Strix Group Limited (a company of which E Davies was Executive Chairman until retirement in December 2006) purchased goods and services from Bolton Wanderers Football and Athletic Company Limited in the ordinary course of business, valued at £22,194 (53 weeks ended 2 July 2006 - £22,750)

At the period end £nil (3 July 2005 - £25,204) was owed to Bolton Wanderers Football and Athletic Company Limited from Strix Group Limited (a company of which E Davies was Executive Chairman until retirement in December 2006) in respect of corporate hospitality

BOLTON WANDERERS FOOTBALL & ATHLETIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 1 July 2007

20. RELATED PARTY TRANSACTIONS (continued)

During the year £3,500,000 (2006 £nil) of Academy Naming Rights income was received in the period from E Davies

At the period end £1,500,000 (2006 £nil) was owed to Bolton Wanderers Football and Athletic Company Limited from E Davies

As a subsidiary undertaking of Burnden Leisure plc, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" from disclosing other transactions with other members of the group headed by Burnden Leisure plc

21. SUBSEQUENT EVENTS

Acquisition of intangible assets

Since the balance sheet date the club has purchased intangible fixed assets amounting to £5,064,227 relating to players' registrations

Revision of banking facilities

On 31 August 2007 the Group entered into a new fifteen year banking arrangement with Alliance and Leicester plc. This facility was used to repay all Co-operative Bank plc outstanding loans, and the Group is now in the process of transferring its day to day banking transactions from the Co-operative Bank plc to Alliance and Leicester plc

22. ULTIMATE PARENT COMPANY

The directors regard Burnden Leisure plc, a company incorporated in England, as the ultimate parent and controlling company. The ultimate controlling party of Burnden Leisure plc is Fildraw Private Trust Company Limited

Burnden Leisure plc is the parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements are available from Reebok Stadium, Burnden Way, Lostock, Bolton, BL6 6JW