

BRISTOL RUGBY CLUB LIMITED
DIRECTORS REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2003



Registered Number: 3601031

BRISTOL RUGBY CLUB LIMITED

Directors, officers and advisers

A Morley
J L Portch
C A Booy
R Clilverd
N J Pomphrey

Company secretary

G Y Dodds

Auditors

Monahans
Clarks Mill
Stallard Street
Trowbridge
BA14 8HH

Bankers

HSBC plc
45 Milsom Street
Bath
BA1 1DU

Registered Office

The Memorial Stadium
Filton Avenue
Horfield
Bristol
BS7 0AQ

Registered Number

3601031

BRISTOL RUGBY CLUB LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Contents

| | Pages |
|--|--------------|
| Directors' report | 1 |
| Statement of directors' responsibilities | 2 |
| Auditors report | 3 - 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Reconciliation of movements in shareholders' funds | 7 |
| Cash flow statement | 8 |
| Notes to the cash flow statement | 9 |
| Notes to the financial statements | 10 - 17 |

BRISTOL RUGBY CLUB LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2003.

Principal activities

The company's principal objectives are to promote, encourage and foster the game of Rugby Football Union.

Business review

The financial results are summarised in the profit and loss account on page 5.

On 4 September 2002 the company demerged from The Johnson's Group Ltd group of companies and its shares were acquired by Bristol Rugby plc

On 23 January 2003 the company changed its name from Bristol Rugby Limited to Bristol Rugby Club Limited.

Subsequent to the year-end, Bristol Rugby Club has been relegated from the premier league. As a result of this various player and coaching staff contracts were terminated and compromise agreements were negotiated. The Club also became entitled to a "parachute" payment of £742,000 from the RFU as a result of the relegation. The resulting expenditure and income arising from the relegation is included in these financial statements.

On 31 July 2003 the entire share capital of the company was sold to Bristol Rugby Consortium Limited, the strategy of the new owner is for the Company to be restructured with the aim of being promoted to the premier division in the 2005/06 season.

Proposed dividend

The directors do not recommend the payment of a dividend for the year ended 30 June 2003 (Nil 2002).

Directors and directors' interests

The following were directors of the company during the year:

| | |
|--------------|---|
| M V L Pearce | (resigned 1 August 2003) |
| J R Newman | (resigned 1 August 2003) |
| M Rafter | (appointed 4 September 2002) (resigned 1 August 2003) |
| J Rowell | (resigned 28 October 2002) |

None of the directors who held office in the year has any disclosable interest in the shares of the company or its holding company apart from M V L Pearce who held one ordinary share in the company as nominee and is a director of the ultimate holding company. His interests in its share capital and debentures are included in the financial statements of that company. On 4 September 2002 the company demerged from its ultimate holding company and all shares were sold to Bristol Rugby plc.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Monahans as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of directors and signed on its behalf by:

Director



Date 26 APRIL 2004

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 of the profit or loss for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

BRISTOL RUGBY CLUB LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRISTOL RUGBY CLUB LIMITED

We have audited the financial statements of Bristol Rugby Club Limited for the year ended 30 June 2003 on pages 5 to 17. These financial statements have been prepared under the historical cost convention and 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

As described on page 2 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 transactions with the Company is not disclosed.

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

Basis of audit opinion

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

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

Going concern

In forming our opinion we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the adequate funding of the company. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

BRISTOL RUGBY CLUB LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BRISTOL RUGBY CLUB LIMITED (continued)**

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Monahans

Chartered Accountants

Registered Auditor

Clarks Mill

Stallard Street

Trowbridge

BA14 8HH

26 April 2004

BRISTOL RUGBY CLUB LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2003**

| | | 30 June 2003 | 30 June 2002 |
|--|--------------|---------------------|---------------------|
| | Notes | £000 | £000 |
| Turnover | <i>1-2</i> | 4,325 | 2,817 |
| | | <hr/> | <hr/> |
| Ground and match expenses | | (414) | (414) |
| Administrative expenses | | 191 | (791) |
| Staff costs | <i>5</i> | (4,108) | (3,316) |
| Depreciation | | (71) | (36) |
| Other operating income | | 41 | 59 |
| | | <hr/> | <hr/> |
| | | (4,361) | (4,498) |
| | | <hr/> | <hr/> |
| Operating loss | | (36) | (1,681) |
| Interest payable and similar charges | <i>6</i> | (11) | (10) |
| | | <hr/> | <hr/> |
| Loss on ordinary activities before taxation | <i>3</i> | (47) | (1,691) |
| Tax on loss on ordinary activities | <i>7</i> | - | - |
| | | <hr/> | <hr/> |
| Loss on ordinary activities after taxation | | (47) | (1,691) |
| | | <hr/> | <hr/> |
| Retained profit brought forward | | (9,422) | (7,731) |
| | | <hr/> | <hr/> |
| Retained profit carried forward | | (9,469) | (9,422) |
| | | <hr/> | <hr/> |

There were no recognised gains or losses other than those included in the profit and loss account.
All activities are derived from continuing operations.

The notes on pages 10 to 17 form part of these financial statements

BRISTOL RUGBY CLUB LIMITED


BALANCE SHEET AT 30 JUNE 2003


| | Notes | 2003 £000 | 2002 £000 |
|--|-------|--------------|--------------|
| Fixed assets | | | |
| Tangible assets | 8 | 58 | 110 |
| | | <hr/> | <hr/> |
| Current assets | | | |
| Stocks | 9 | 16 | 28 |
| Debtors | 10 | 1102 | 333 |
| | | <hr/> | <hr/> |
| | | 1118 | 361 |
| Creditors: amounts falling due within one year | 11 | (2,335) | (9,893) |
| | | <hr/> | <hr/> |
| Net current liabilities | | (1,217) | (9,532) |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | (1,159) | (9,422) |
| | | | |
| Creditors: amounts falling due after more than one year | 12 | (2,414) | - |
| | | <hr/> | <hr/> |
| Net liabilities | | (3,573) | (9,422) |
| | | <hr/> | <hr/> |
| Capital and reserves | | | |
| Called up share capital | 14 | - | - |
| Profit and loss account | 15 | (9,469) | (9,422) |
| Share premium account | 15 | 5,896 | - |
| | | <hr/> | <hr/> |
| Equity shareholders' deficit | | (3,573) | (9,422) |
| | | <hr/> | <hr/> |

These financial statements were approved by the board of directors on
and were signed on its behalf by:

26 APRIL

2004


Director


Director

The notes on pages 10 to 17 form part of these financial statements

BRISTOL RUGBY CLUB LIMITED**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 30 JUNE 2003**

| | 2003 £000 | 2002 £000 |
|--|----------------------------|----------------------------|
| Loss for the financial year | (47) | (1,691) |
| Premium on shares issued | 5,896 | - |
| | <hr/> | <hr/> |
| Net increase /(reduction) in equity shareholders' funds | 5,849 | (1,691) |
| | <hr/> | <hr/> |
| Opening equity shareholders' deficit | (9,422) | (7,731) |
| | <hr/> | <hr/> |
| Closing equity shareholders' deficit | (3,573) | (9,422) |
| | <hr/> | <hr/> |

BRISTOL RUGBY CLUB LIMITED**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2003**

| | Notes | 2003 £000 | 2002 £000 |
|---|-------|--------------|--------------|
| Net cash outflow from operating activities | 1 | (480) | (1,253) |
| Returns on investments and servicing of finance | | | |
| Interest paid | | (11) | (10) |
| Net cash outflow from returns on investments and servicing of finance | | (11) | (10) |
| Capital expenditure and financial investment | | | |
| Purchase of tangible fixed assets | | (19) | (59) |
| Net cash outflow from capital expenditure and financial investment | | (19) | (59) |
| Cash outflow before use of liquid resources and financing | | (510) | (1,322) |
| Financing | | | |
| Loan repayments | | (3,211) | 7,396 |
| Issue of ordinary shares | | 5,896 | - |
| Net cash inflow from financing | | 2,685 | 7,396 |
| Increase in cash in the year | 2 | 2,175 | 6,074 |

BRISTOL RUGBY CLUB LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2003

1. Reconciliation of operating profit to operating cash flows

| | 2003 £000 | 2002 £000 |
|--|--------------|--------------|
| Operating loss | (36) | (1,681) |
| Depreciation | 71 | 36 |
| Decrease/(Increase) in stocks | 12 | (16) |
| Increase in debtors | (769) | (89) |
| Increase in creditors | 242 | 497 |
| | <hr/> | <hr/> |
| Net cash outflow from operating activities | (480) | (1,253) |
| | <hr/> | <hr/> |

2. Reconciliation of net cash flow to movement in net debt

| | 2003 £000 | 2002 £000 |
|------------------------------------|--------------|--------------|
| Increase in cash in period | 2,175 | 6,074 |
| Cash outflow from decrease in debt | 3,211 | (7,396) |
| | <hr/> | <hr/> |
| Movement in net debt in the year | 5,386 | (1,322) |
| Net debt at 1 July 2002 | (8,702) | (7,380) |
| | <hr/> | <hr/> |
| Net debt at 30 June 2003 | (3,316) | (8,702) |
| | <hr/> | <hr/> |

3. Analysis of net debt

| | At 01.07.02 £000 | Cash flow £000 | Other non cash changes £000 | At 30.06.03 £000 |
|--------------------------|---------------------|-------------------|-----------------------------------|---------------------|
| Bank overdrafts | (1,306) | 1,117 | - | (189) |
| Debt due within one year | (7,396) | 3,211 | 3,472 | (713) |
| Debt due after one year | - | - | (2,414) | (2,414) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | (8,702) | 4,328 | 1,058 | (3,316) |
| | <hr/> | <hr/> | <hr/> | <hr/> |

The major non cash movements is:

| | £000 |
|-------------|-------|
| Loan waived | 1,058 |
| | <hr/> |

BRISTOL RUGBY CLUB LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2003

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. This may not be appropriate because as at 30 June 2003 the company suffered a loss for the year of £47,000 (2002 loss £1,691,000) and had net current liabilities at the year-end of £1,217,000 (2002 £9,532,000). The directors have prepared forecasts that indicate adequate resources will be available to continue operations for the foreseeable future.

Fixed assets and depreciation

Depreciation is provided on all tangible fixed assets to write off the cost by equal instalments over their estimated useful economic lives as follows:

| | | |
|---------------------|---|----------|
| Computer Equipment | - | 3 years |
| Fixtures & Fittings | - | 10 years |

Leases

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the period of the lease.

Pension scheme

The company contributes to a defined contribution personal pension scheme for various players. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Stocks

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

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax in respect of all timing differences that have originated but not reversed at the balance sheet date.

Turnover

Turnover represents the amounts (excluding value added tax) derived from match tickets, executive boxes, sponsorship, Premier Rugby Limited income, gate takings and the provision of goods and services by the company. Income that is receivable under contracts relating to the playing season is recognised in full in the period.

BRISTOL RUGBY CLUB LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2003 (continued)

2. Analysis of turnover

| | Year ended 30 June 2003 £000 | Year ended 30 June 2002 £000 |
|----------------------------|------------------------------------|------------------------------------|
| Turnover comprises: | | |
| Rugby income | 1,097 | 843 |
| Premier Rugby income | 2,111 | 1,697 |
| Corporate income | 375 | 277 |
| Parachute payment | 742 | - |
| | <hr/> | <hr/> |
| | 4,325 | 2,817 |
| | <hr/> | <hr/> |

The profit or loss on each of the above activities is not separately identifiable.

3. Loss on ordinary activities before taxation

| | Year ended 30 June 2003 £000 | Period ended 30 June 2002 £000 |
|--|------------------------------------|--------------------------------------|
| Loss on ordinary activities before taxation is stated after charging/crediting: | | |
| Auditors' remuneration: | | |
| Audit | 11 | 8 |
| Other services | 18 | - |
| Depreciation and other amounts written off tangible fixed assets | 71 | 36 |
| Operating lease rentals – Plant & Machinery | 46 | 46 |
| Operating lease rentals – Land & Buildings | 202 | 166 |
| Loan waived | (1,058) | - |
| | <hr/> | <hr/> |

The loan waived of £1,058,000 represents an element of the amount due to the company's former holding company, The Johnsons Group. The amount was waived as a result of the sale of the company's shares to Bristol Rugby Consortium Limited after the year-end.

4. Remuneration of directors

| | Year ended 30 June 2003 £000 | Year ended 30 June 2002 £000 |
|-----------------------|------------------------------------|------------------------------------|
| Directors' emoluments | - | 112 |
| | <hr/> | <hr/> |

None of the directors who served during the period had any retirement benefits accruing.

BRISTOL RUGBY CLUB LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2003 (continued)

5. Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

| | Number of employees | |
|--|---------------------|-------|
| | 2003 | 2002 |
| Playing and coaching staff | 57 | 47 |
| Administration and other support staff | 20 | 20 |
| | <hr/> | <hr/> |
| | 77 | 67 |
| | <hr/> | <hr/> |

The aggregate payroll costs of these persons were as follows:

| | Year ended 30 June 2003 £000 | Year ended 30 June 2002 £000 |
|-----------------------|------------------------------------|------------------------------------|
| Wages and salaries | 3,774 | 3,004 |
| Social security costs | 287 | 244 |
| Other pension costs | 47 | 68 |
| | <hr/> | <hr/> |
| | 4,108 | 3,316 |
| | <hr/> | <hr/> |

6. Interest payable and similar charges

| | Year ended 30 June 2003 £000 | Year ended 30 June 2002 £000 |
|-------------------------|------------------------------------|------------------------------------|
| Bank overdraft interest | 11 | 10 |
| | <hr/> | <hr/> |

7. Taxation

No provision for corporation tax has been made due to the losses incurred in the year. The company has losses of £4,000,000 available to carry forward subject to group relief.

BRISTOL RUGBY CLUB LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2003 (continued)

8. Tangible fixed assets

| | Computer Equipment £000 | Fixtures & Fittings £000 | Total £000 |
|---------------------------------------|-------------------------------|--------------------------------|---------------|
| Cost at 1 July 2002 | 57 | 121 | 178 |
| Additions | 15 | 4 | 19 |
| | <hr/> | <hr/> | <hr/> |
| At end of year | 72 | 125 | 197 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation at beginning of the year | 37 | 31 | 68 |
| Charge for year | 19 | 52 | 71 |
| | <hr/> | <hr/> | <hr/> |
| At end of year | 56 | 83 | 139 |
| | <hr/> | <hr/> | <hr/> |
| Net book value | | | |
| At 30 June 2003 | 16 | 42 | 58 |
| | <hr/> | <hr/> | <hr/> |
| Net book value | | | |
| At 30 June 2002 | 20 | 90 | 110 |
| | <hr/> | <hr/> | <hr/> |

There are no assets held under finance leases or hire purchase agreements.

9. Stocks

| | 2003 £000 | 2002 £000 |
|------------------|--------------|--------------|
| Goods for resale | 16 | 28 |
| | <hr/> | <hr/> |

BRISTOL RUGBY CLUB LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2003 (continued)

10. Debtors

| | 2003 £000 | 2002 £000 |
|--------------------------------|--------------|--------------|
| Trade debtors | 56 | 192 |
| Other debtors | 1,034 | 80 |
| Prepayments and accrued income | 12 | 61 |
| | <hr/> | <hr/> |
| | 1,102 | 333 |
| | <hr/> | <hr/> |

11. Creditors: amounts falling due within one year

| | 2003 £000 | 2002 £000 |
|--------------------------------|--------------|--------------|
| Bank loans and overdrafts | 189 | 1,306 |
| Trade creditors | 512 | 443 |
| Taxation and social security | 167 | 95 |
| Other creditors | 223 | 68 |
| Accruals and deferred income | 531 | 585 |
| Other loan | 713 | - |
| Amount owed to group companies | - | 7,396 |
| | <hr/> | <hr/> |
| | 2,335 | 9,893 |
| | <hr/> | <hr/> |

The company's bankers have granted overdraft facilities to companies within The Johnsons Group Limited group of companies, which are secured by a fixed and floating charge on the assets of the companies in the group. During the year this company demerged from The Johnsons Group Limited group of companies. However the charge on the assets of the companies in the group remained in place. Subsequent to the year-end, a consortium purchased the company and the charge on the Johnsons Group was released.

The other loan included in creditors (Notes 11 and 12) represents the maximum amount repayable to The Johnsons Group Limited, the company's previous parent company. The loan is not interest bearing and the level of repayments to be made are dependent on the level of future revenue received by the company. Any amount remaining unpaid at the close of the 2009/10 season will be waived.

12. Creditors: amounts falling due after more than one year

| | 2003 £000 | 2002 £000 |
|------------|--------------|--------------|
| Other loan | 2,414 | - |
| | <hr/> | <hr/> |

BRISTOL RUGBY CLUB LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2003 (continued)

13. Provisions for liabilities and charges

| | 2003 Unprovided £000 | 2002 Unprovided £000 |
|--------------------------------|----------------------------|----------------------------|
| Accelerated capital allowances | 4 | 6 |
| Tax losses available | (4) | (6) |
| | <hr/> | <hr/> |
| | - | - |
| | <hr/> | <hr/> |

14. Called up share capital

| | 2003 £ | 2002 £ |
|---|-----------|-----------|
| Allotted, called up and fully paid | | |
| 102 ordinary shares of £1 each | 102 | 2 |
| | <hr/> | <hr/> |
| Authorised | | |
| 1,000 ordinary shares of £1 each | 1,000 | 1,000 |
| | <hr/> | <hr/> |

During the year 100 £1 ordinary shares were issued at a premium of £5,896,000.

15. Reserves

| | Profit & Loss Account £000 | Share Premium Account £000 |
|--|----------------------------------|-------------------------------------|
| At 1 July 2002 | (9,422) | - |
| Retained loss for the year taken to reserves | (47) | - |
| Shares issued at a premium | - | 5,896 |
| | <hr/> | <hr/> |
| At 30 June 2003 | (9,469) | 5,896 |
| | <hr/> | <hr/> |

On 4th September 2002 Bristol Rugby Club Ltd demerged from The Johnsons Group Ltd group of companies and its shares were acquired by Bristol Rugby plc. As part of this demerger process £1.5 million of the money due from Bristol Rugby Club Limited to The Johnsons Group Limited was formalised into a loan. The balance of the money due from Bristol Rugby Club Ltd to The Johnsons Group Ltd was used to purchase an additional 100 shares at a premium of £5,896,000.

BRISTOL RUGBY CLUB LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2003 (continued)

16. Commitments

Annual commitments under non-cancellable operating leases are as follows:

| | 2003 | | | 2002 | | |
|--|-------------------------------|---------------|---------------|-------------------------------|---------------|---------------|
| | Land and buildings £000 | Other £000 | Total £000 | Land and buildings £000 | Other £000 | Total £000 |
| Operating leases which expire: | | | | | | |
| Within one year | 57 | - | 57 | 21 | - | 21 |
| In the second to fifth years inclusive | 106 | 46 | 152 | 140 | 46 | 186 |
| Over five years | 15 | - | 15 | 15 | - | 15 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 178 | 46 | 224 | 176 | 46 | 222 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

17. Pension scheme

The pension cost charge for the period represents contributions payable by the company to the fund and amounted to £47,118 (2002 £67,559) and the balance owing at the year-end to the fund was £5,113 (2002 £4,691).

18. Contingent liabilities

At the year end the assets of the company were subject to a fixed and floating charge as security for the bank loan and overdraft facilities of The Johnson's Group Limited group of companies. Since the year end the charge has been released.

19. Ultimate parent company

Until 4 September 2002 the company was a subsidiary undertaking of The Johnson's Group Limited incorporated in the United Kingdom and registered in England and Wales and subsequently became a wholly owned subsidiary of Bristol Rugby plc. The accounts of the parent company are available to the public and may be obtained from Companies House, Cardiff.

20. Related party transactions

Mr J Rowell a director, until 28 October 2002, was employed on a consultancy basis representing Turleigh Limited. The fees payable to Turleigh Limited in the year were £Nil (2002 £112,000) and the balance owing at the year-end was £Nil (2002 £28,000). All fees were paid on an arms length basis in line with the consultancy contract.

The shareholders of Bristol Rugby plc and the shareholders of the Johnsons Group Limited are identical.

21. Post Balance Sheet Events

Subsequent to the year-end, Bristol Rugby Club has been relegated from the premier league. As a result of this various player and coaching staff contracts were terminated and compromise agreements were negotiated. The Club also became entitled to a "parachute" payment of £742,000 from the RFU as a result of the relegation. The resulting expenditure and income arising from the relegation is included in these financial statements.

On 31 July 2003 the entire share capital of the company was sold to Bristol Rugby Consortium Limited.