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REGISTERED NUMBER: 3601031 (England and Wales)

Report of the Directors and
Financial Statements
for the year ended 30th June 2007
for
Bristol Rugby Club Limited



Bristol Rugby Club Limited

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for the year ended 30th June 2007

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Bristol Rugby Club Limited

Company Information
for the year ended 30th June 2007

DIRECTORS:

C A Booy
R J Clilverd
S J Gorvett
J L Portch
D M Powell
D White
J Laycock

SECRETARY:

G Y Dodds

REGISTERED OFFICE:

Station Road
Cribbs Causeway
Bristol
BS10 7TT

REGISTERED NUMBER

3601031 (England and Wales)

AUDITORS:

Monahans
Registered Auditors
Chartered Accountants
Clarks Mill
Stallard Street
Trowbridge
Wiltshire
BA14 8HH

Bristol Rugby Club Limited

Report of the Directors **for the year ended 30th June 2007**

The directors present their report with the financial statements of the company for the year ended 30th June 2007

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of operating a professional Rugby Football Union Club. Its principal objectives are to promote, encourage and foster the game of Rugby Football Union.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The Club had a successful season finishing third in the Guinness Premiership.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st July 2006 to the date of this report.

C A Booy
R J Chilverd
S J Gorvett
J L Portch
D M Powell

Other changes in directors holding office are as follows:

D White and J Laycock were appointed as directors after 30th June 2007 but prior to the date of this report.

A J Morley and N J Pomphrey ceased to be directors after 30th June 2007 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 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 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

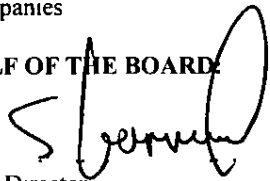
The auditors, Monahans, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Bristol Rugby Club Limited

Report of the Directors
for the year ended 30th June 2007

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

ON BEHALF OF THE BOARD


S J Gorvett - Director

Date

25/3/08

Report of the Independent Auditors to the Shareholders of
Bristol Rugby Club Limited

We have audited the financial statements of Bristol Rugby Club Limited for the year ended 30th June 2007 on pages six to twelve. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 on page two.

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 Report of the Directors 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 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 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 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 applicable to Smaller Entities, of the state of the company's affairs as at 30th June 2007 and of its profit 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 Report of the Directors is consistent with the financial statements.

Report of the Independent Auditors to the Shareholders of
Bristol Rugby Club Limited

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. At the year end the company's current liabilities exceeded its total assets by £887,479 and this combined with other matters explained in note 1 to the financial statements indicates the existence of significant doubt about the ability of the company to continue to operate as a going concern. The financial statements do not include any adjustments that would result from a withdrawal of support of the parent company and was therefore unable to continue as a going concern.



Monahans
Registered Auditors
Chartered Accountants
Clarks Mill
Stallard Street
Trowbridge
Wiltshire
BA14 8HH

Date

29.4.2008

Bristol Rugby Club Limited

Profit and Loss Account
for the year ended 30th June 2007

	Notes	2007 £'000	2006 £'000
TURNOVER	2	5,780	4,840
Cost of sales		<u>5,105</u>	<u>3,907</u>
GROSS PROFIT		675	933
Administrative expenses		<u>718</u>	<u>662</u>
		(43)	271
Other operating income		<u>90</u>	<u>45</u>
OPERATING PROFIT	3	47	316
Interest receivable and similar income		<u>5</u>	<u>26</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		52	342
Tax on profit on ordinary activities	4	<u>-</u>	<u>4</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>52</u>	<u>338</u>

The notes form part of these financial statements

Bristol Rugby Club Limited**Balance Sheet**
30th June 2007

	Notes	2007 £'000	2006 £'000	£'000
FIXED ASSETS				
Tangible assets	5		353	108
CURRENT ASSETS				
Stocks		124		171
Debtors	6	752		1,028
Cash at bank and in hand		223		90
		<u>1,099</u>		<u>1,289</u>
CREDITORS				
Amounts falling due within one year	7	<u>2,339</u>		<u>1,949</u>
NET CURRENT LIABILITIES			<u>(1,240)</u>	<u>(660)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(887)</u>	<u>(552)</u>
CREDITORS				
Amounts falling due after more than one year	8		<u>1,820</u>	<u>2,207</u>
NET LIABILITIES			<u>(2,707)</u>	<u>(2,759)</u>
RESERVES				
Share premium	11		5,896	5,896
Profit and loss account	11		<u>(8,603)</u>	<u>(8,655)</u>
SHAREHOLDERS' FUNDS			<u>(2,707)</u>	<u>(2,759)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The financial statements were approved by the Board of Directors on its behalf by

25/3/08

and were signed on

D White - Director

S J Gorvett - Director

The notes form part of these financial statements

Bristol Rugby Club Limited

Notes to the Financial Statements
for the year ended 30th June 2007

1 ACCOUNTING POLICIES

Going concern

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

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. The company has suffered losses in previous years and had net current liabilities at the year end of £1,239,902

Since the year end the turnover of the company has been below expectation and therefore the directors have prepared budgets and cash flow forecasts for the period ended 12 months from the date of approval of these financial statements. On the basis of these forecasts and the ongoing support of its parent company and its investors, the directors consider that it is appropriate to prepare the financial statements on a going concern basis.

Turnover

Turnover represents the amounts excluding value added tax derived from the sale of match tickets, executive boxes, sponsorship, Premier Rugby, 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and fittings	- 20% on straight line basis
Computer equipment	- 33% on straight line basis

Property improvements have not been depreciated because the property was not completed at the year end.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Deferred income

Deferred income primarily represents amounts received in relation to sponsorship, executive boxes and season tickets. Deferred income is released to the profit and loss account in the season to which the income relates.

Agents and similar professional fees

Players' contracts are not valued for the purpose of the balance sheet.

The costs of inception, transfer and other related professional fees whether paid to players, agents or other third parties are included within prepayments and are written off over the duration of the players' contracts.

Grants received

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

Bristol Rugby Club Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2007

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company

An analysis of turnover by class of business is given below

	2007	2006
	£'000	£'000
Rugby income	2,646	2,148
Premier Rugby/Central funding	2,244	1,919
Corporate income	890	773
	<u>5,780</u>	<u>4,840</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	2007	2006
	£'000	£'000
Depreciation - owned assets	46	35
Auditors' remuneration	17	9
	<u></u>	<u></u>

	2007	2006
	£	£
Directors' emoluments and other benefits etc	<u>44,000</u>	<u>42,000</u>

4 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2007	2006
	£'000	£'000
Current tax		
UK corporation tax	-	4
	<u></u>	<u></u>
Tax on profit on ordinary activities	<u>-</u>	<u>4</u>

Factors that may affect future tax charges

The company has corporation tax losses carried forward of £3,300,000 and due to uncertainty about the future recoverability of these losses a deferred tax asset has not been recognised

Bristol Rugby Club Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2007

5 TANGIBLE FIXED ASSETS

	Improvements to property £'000	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST				
At 1st July 2006	-	147	40	187
Additions	165	86	40	291
Disposals	-	(51)	(5)	(56)
	<u>165</u>	<u>182</u>	<u>75</u>	<u>422</u>
At 30th June 2007				
DEPRECIATION				
At 1st July 2006	-	62	17	79
Charge for year	-	30	16	46
Eliminated on disposal	-	(51)	(5)	(56)
Reclassification/transfer	-	4	(4)	-
	<u>-</u>	<u>45</u>	<u>24</u>	<u>69</u>
At 30th June 2007				
NET BOOK VALUE				
At 30th June 2007	<u>165</u>	<u>137</u>	<u>51</u>	<u>353</u>
At 30th June 2006	<u>-</u>	<u>85</u>	<u>23</u>	<u>108</u>

6 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £'000	2006 £'000
Trade debtors	443	821
Other debtors	196	117
Prepayments and accrued income	113	90
	<u>752</u>	<u>1,028</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £'000	2006 £'000
Other loans	398	430
Trade creditors	147	329
Tax	4	4
Social security and other taxes	361	289
Other creditors	20	40
Directors' loan accounts	-	12
Accruals and deferred income	1,409	845
	<u>2,339</u>	<u>1,949</u>

The other loan included in creditors (Notes 7 and 8) represents amounts 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. The Johnsons Group Limited ceased to be the company's holding company on 4th September 2002.

Bristol Rugby Club Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2007

8 CREDITORS' AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007	2006
	£'000	£'000
Other loans - 1-2 years	674	1,457
Amount due to parent undertaking	1,146	750
	<u>1,820</u>	<u>2,207</u>

The loan due to the parent company is not interest bearing and has no fixed repayment terms

9 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	2007	2006
	£'000	£'000
Expiring		
Between one and five years	170	170
In more than five years	40	-
	<u>210</u>	<u>170</u>

10 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	2007	2006
			£'000	£'000
1,000	Ordinary	£1	<u>1</u>	<u>1</u>

Allotted, issued and fully paid Number	Class	Nominal value	2007	2006
			£'000	£'000
102	Ordinary	£1	<u>-</u>	<u>-</u>

11 RESERVES

	Profit and loss account £'000	Share premium £'000	Totals £'000
At 1st July 2006	(8,655)	5,896	(2,759)
Profit for the year	52		52
At 30th June 2007	<u>(8,603)</u>	<u>5,896</u>	<u>(2,707)</u>

12 ULTIMATE PARENT COMPANY

The company is a wholly-owned subsidiary of Bristol Rugby Consortium Limited. The accounts of the parent company are available to the public and may be obtained from Companies House, Cardiff

Bristol Rugby Club Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2007

13 CAPITAL COMMITMENTS

	2007 £'000	2006 £'000
Contracted but not provided for in the financial statements	282	-

14 RELATED PARTY DISCLOSURES

During the year the directors purchased various tickets and hospitality from the Club at the normal retail price. The Club also paid commercial commission of £Nil (2006 £25,000) to BLM Chilverd Limited (a company of which R J Chilverd is a director) for acquiring major sponsorship for the Club.