

REGISTERED NUMBER: 3601031 (England and Wales)

Report of the Directors and
Financial Statements
for the year ended 30th June 2008
for
Bristol Rugby Club Limited

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Bristol Rugby Club Limited

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for the year ended 30th June 2008

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Bristol Rugby Club Limited

Company Information
for the year ended 30th June 2008

DIRECTORS:

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

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 2008

The directors present their report with the financial statements of the company for the year ended 30th June 2008.

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 finished ninth in the Guinness Premiership.

FUTURE OUTLOOK

The commercial environment and the competitiveness of the Guinness Premiership has resulted in difficult times for the Club but the directors are confident that they are in a stronger position going forward.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk and uncertainty affecting the Club is the current economic climate and its impact on revenue and external funding.

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPI's , other than those already disclosed in the accounts, is not necessary for an understanding of the development, performance or position of the business.

DIVIDENDS

No dividends will be distributed for the year ended 30th June 2008.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st July 2007 to the date of this report.

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

Other changes in directors holding office are as follows:

A J Morley - resigned 29th October 2007
N J Pomphrey - resigned 29th October 2007
D White - appointed 29th October 2007
J Laycock - appointed 26th November 2007

J Kane was appointed as a director after 30th June 2008 but prior to the date of this report.

D White ceased to be a director after 30th June 2008 but prior to the date of this report.

FINANCIAL INSTRUMENTS

The company holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest risks arising from its operations and from its sources of finance; and
- (c) trading purposes.

in addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations.

Bristol Rugby Club Limited

Report of the Directors
for the year ended 30th June 2008

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.

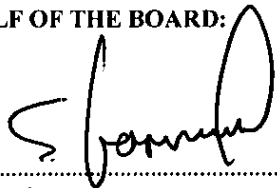
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
S J Gorvett - Director

Date: 9/4/09

**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 2008 on pages six to sixteen. 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 a Report of the Auditors 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 three.

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, of the state of the company's affairs as at 30th June 2008 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 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 £1,869,443 and this, combined with other matters explained in note 1 to the financial statements, may indicate the existence of 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 if the company was unable to continue as a going concern.



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

Date: 27.4.2009

Bristol Rugby Club Limited

Profit and Loss Account
for the year ended 30th June 2008

	Notes	2008 £'000	2007 £'000
TURNOVER	2	5,624	5,780
Cost of sales		5,959	5,105
GROSS (LOSS)/PROFIT		(335)	675
Administrative expenses		844	718
		(1,179)	(43)
Other operating income		26	90
OPERATING (LOSS)/PROFIT	4	(1,153)	47
Interest receivable and similar income		5	5
		(1,148)	52
Interest payable and similar charges	5	19	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,167)	52
Tax on (loss)/profit on ordinary activities	6	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(1,167)	52

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

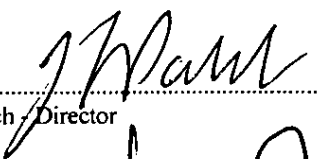
The notes form part of these financial statements

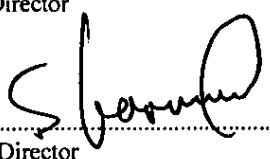
Bristol Rugby Club Limited

Balance Sheet
30th June 2008

	Notes	2008 £'000	2007 £'000	2007 £'000
FIXED ASSETS				
Tangible assets	7		796	353
CURRENT ASSETS				
Stocks	8	71		124
Debtors	9	412		752
Cash at bank and in hand		46		223
		529		1,099
CREDITORS				
Amounts falling due within one year	10	3,194		2,339
NET CURRENT LIABILITIES			(2,665)	(1,240)
TOTAL ASSETS LESS CURRENT LIABILITIES			(1,869)	(887)
CREDITORS				
Amounts falling due after more than one year	11		2,005	1,820
NET LIABILITIES			(3,874)	(2,707)
RESERVES				
Share premium	15		5,896	5,896
Profit and loss account	15		(9,770)	(8,603)
SHAREHOLDERS' FUNDS	19		(3,874)	(2,707)

The financial statements were approved by the Board of Directors on 9/4/09 and were signed on its behalf by:


.....
J L Portch - Director


.....
S J Gorvett - Director

The notes form part of these financial statements

Bristol Rugby Club Limited

Cash Flow Statement
for the year ended 30th June 2008

	Notes	2008 £'000	£'000	2007 £'000	£'000
Net cash (outflow)/inflow from operating activities	1		(560)		851
Returns on investments and servicing of finance	2		(14)		5
Taxation			(4)		-
Capital expenditure	2		(506)		(291)
			(1,084)		565
Financing	2		907		(432)
(Decrease)/Increase in cash in the period			<u>(177)</u>		<u>133</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/Increase in cash in the period		(177)		133	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(906)</u>		<u>419</u>	
Change in net debt resulting from cash flows			(1,083)		552
Movement in net debt in the period			(1,083)		552
Net debt at 1st July			<u>(1,995)</u>		<u>(2,547)</u>
Net debt at 30th June			<u><u>(3,078)</u></u>		<u><u>(1,995)</u></u>

The notes form part of these financial statements

Bristol Rugby Club Limited

Notes to the Cash Flow Statement
for the year ended 30th June 2008

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2008	2007
	£'000	£'000
Operating (loss)/profit	(1,153)	47
Depreciation charges	64	46
Decrease in stocks	53	47
Decrease in debtors	338	277
Increase in creditors	138	434
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(560)	851
	<hr/>	<hr/>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2008	2007
	£'000	£'000
Returns on investments and servicing of finance		
Interest received	5	5
Interest paid	(19)	-
	<hr/>	<hr/>
Net cash (outflow)/inflow for returns on investments and servicing of finance	(14)	5
	<hr/>	<hr/>
Capital expenditure		
Purchase of tangible fixed assets	(507)	(291)
Sale of tangible fixed assets	1	-
	<hr/>	<hr/>
Net cash outflow for capital expenditure	(506)	(291)
	<hr/>	<hr/>
Financing		
New loans in year	1,370	-
Loan repayments in year	(604)	(815)
Loan from parent company	39	395
Capital repayments in year	102	-
Amount withdrawn by directors	-	(12)
	<hr/>	<hr/>
Net cash inflow/(outflow) from financing	907	(432)
	<hr/>	<hr/>

The notes form part of these financial statements

Bristol Rugby Club Limited

Notes to the Cash Flow Statement
for the year ended 30th June 2008

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.7.07 £'000	Cash flow £'000	At 30.6.08 £'000
Net cash:			
Cash at bank and in hand	223	(177)	46
	<u>223</u>	<u>(177)</u>	<u>46</u>
Debt:			
Finance leases	-	(102)	(102)
Debts falling due within one year	(398)	(1,064)	(1,462)
Debts falling due after one year	<u>(1,820)</u>	<u>260</u>	<u>(1,560)</u>
	<u>(2,218)</u>	<u>(906)</u>	<u>(3,124)</u>
Total	<u>(1,995)</u>	<u>(1,083)</u>	<u>(3,078)</u>

The notes form part of these financial statements

Bristol Rugby Club Limited

Notes to the Financial Statements
for the year ended 30th June 2008

1. ACCOUNTING POLICIES

Going concern

The financial statements have been prepared under the historical cost convention.

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 incurred a loss for the year ended 30th June 2008 of £1,166,350 and has net current liabilities of £2,665,064.

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

Assets are not depreciated in the year of acquisition or commission if later.

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 2008

2. TURNOVER

The turnover and loss (2007 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2008	2007
	£'000	£'000
Rugby income	2,554	2,646
Premier Rugby/Central funding	2,117	2,244
Corporate income	953	890
	<u>5,624</u>	<u>5,780</u>

3. STAFF COSTS

	2008	2007
	£'000	£'000
Wages and salaries	4,732	4,120
Social security costs	476	374
	<u>5,208</u>	<u>4,494</u>

The average monthly number of employees during the year was as follows:

	2008	2007
Playing and coaching staff	63	63
Administration and other support staff	58	56
	<u>121</u>	<u>119</u>

4. OPERATING (LOSS)/PROFIT

The operating loss (2007 - operating profit) is stated after charging:

	2008	2007
	£'000	£'000
Depreciation - owned assets	63	46
Auditors' remuneration	9	14
Auditors' remuneration for salary cap audit	3	3
	<u></u>	<u></u>

	2008	2007
	£	£
Directors' emoluments	<u>26,289</u>	<u>44,000</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2008	2007
	£'000	£'000
Interest	<u>19</u>	<u>-</u>

Bristol Rugby Club Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2008

6. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30th June 2008 nor for the year ended 30th June 2007.

Factors that may affect future tax charges

The company has corporation tax losses carried forward of £4,750,000.

7. TANGIBLE FIXED ASSETS

	Improvements to property £'000	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST				
At 1st July 2007	165	182	75	422
Additions	497	3	7	507
Disposals	-	(7)	(12)	(19)
Reclassification/transfer	41	(41)	-	-
At 30th June 2008	703	137	70	910
DEPRECIATION				
At 1st July 2007	-	45	24	69
Charge for year	-	37	26	63
Eliminated on disposal	-	(6)	(12)	(18)
At 30th June 2008	-	76	38	114
NET BOOK VALUE				
At 30th June 2008	703	61	32	796
At 30th June 2007	165	137	51	353

8. STOCKS

	2008 £'000	2007 £'000
Stocks	71	124

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Trade debtors	243	443
Other debtors	72	196
Prepayments and accrued income	97	113
	412	752

Bristol Rugby Club Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2008

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£'000	£'000
Other loans (see note 12)	1,462	398
Finance leases (see note 13)	44	-
Trade creditors	820	147
Tax	-	4
Social security and other taxes	285	361
Other creditors	7	20
Accruals and deferred income	576	1,409
	<u>3,194</u>	<u>2,339</u>

The other loan included in creditors (Notes 11 and 12) 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.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008	2007
	£'000	£'000
Other loans (see note 12)	1,560	1,820
Finance leases (see note 13)	58	-
Accruals and deferred income	387	-
	<u>2,005</u>	<u>1,820</u>

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

12. LOANS

An analysis of the maturity of loans is given below:

	2008	2007
	£'000	£'000
Amounts falling due within one year or on demand:		
Other loans	278	398
Amount due to parent company	1,184	-
	<u>1,462</u>	<u>398</u>
Amounts falling due between one and two years:		
Other loans - 1-2 years	134	674
Amount due to parent undertaking	-	1,146
	<u>134</u>	<u>1,820</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	1,426	-
	<u>1,426</u>	<u>-</u>

Bristol Rugby Club Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2008

13. OBLIGATIONS UNDER LEASING AGREEMENTS

	Finance leases	
	2008 £'000	2007 £'000
Gross obligations repayable:		
Within one year	52	-
Between one and five years	60	-
	<u>112</u>	<u>-</u>
Finance charges repayable:		
Within one year	8	-
Between one and five years	2	-
	<u>10</u>	<u>-</u>
Net obligations repayable:		
Within one year	44	-
Between one and five years	58	-
	<u>102</u>	<u>-</u>

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

	Land and buildings	
	2008 £'000	2007 £'000
Expiring:		
Between one and five years	170	170
In more than five years	40	40
	<u>210</u>	<u>210</u>

14. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2008 £'000	2007 £'000
1,000	Ordinary	£1	<u>1</u>	<u>1</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2008 £'000	2007 £'000
102	Ordinary	£1	<u>-</u>	<u>-</u>

Bristol Rugby Club Limited

Notes to the Financial Statements - continued
for the year ended 30th June 2008

15. RESERVES

	Profit and loss account £'000	Share premium £'000	Totals £'000
At 1st July 2007	(8,603)	5,896	(2,707)
Deficit for the year	(1,167)		(1,167)
At 30th June 2008	<u>(9,770)</u>	<u>5,896</u>	<u>(3,874)</u>

16. 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.

17. CAPITAL COMMITMENTS

	2008 £'000	2007 £'000
Contracted but not provided for in the financial statements	-	282

18. RELATED PARTY DISCLOSURES

During the year the directors purchased various tickets and hospitality from the Club at the normal retail price.

Included within other loans of £1,560,178 due after more than one year are amounts advanced to the company by certain directors. These loans are £265,637 by C A Booy, £190,000 by J Laycock, £15,630 by R J Cilverd and £5,000 by D M Powell.

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £'000	2007 £'000
(Loss)/Profit for the financial year	(1,167)	52
Net (reduction)/addition to shareholders' funds	(1,167)	52
Opening shareholders' funds	(2,707)	(2,759)
Closing shareholders' funds	<u>(3,874)</u>	<u>(2,707)</u>