

**BRISTOL ROVERS
(1883) LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2008

COMPANY NO. 4501223



BRISTOL ROVERS (1883) LIMITED

FINANCIAL STATEMENTS

For the year ended 30 June 2008

Company registration number:	4501223
Registered office:	The Memorial Stadium Filton Avenue Horfield Bristol BS7 0BF
Chairman:	N J Higgs
Other directors:	B W Bradshaw D Brain R Craig G M H Dunford R King K Masters E Ware
President:	D H A Dunford
Company Secretary:	A J Watola, ACA
Bankers:	Barclays Bank plc Bristol Business Centre PO Box 324 Park House Newbrick Road Stoke Gifford Bristol BS34 8ZJ HBOS plc PO Box 208 21 Prince Street Bristol BS99 7JG
Solicitors:	TLT Solicitors 1 Redcliff Street Bristol BS1 6TP
Auditors:	Grant Thornton UK LLP Registered auditors Chartered accountants Hartwell House 55 - 61 Victoria Street Bristol BS1 6FT

BRISTOL ROVERS (1883) LIMITED

FINANCIAL STATEMENTS

For the year ended 30 June 2008

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BRISTOL ROVERS (1883) LIMITED

CHAIRMAN'S STATEMENT

It gives me great pleasure to give my first Chairman's Report to the shareholders of Bristol Rovers (1883) Limited.

The Club has had much success both on and off the pitch. I am pleased to announce a trading surplus for the year of £447,728 before tax. This result was achieved on the back of a very successful run in the F.A Cup. I am sure that we all appreciated the games against Fulham, Southampton and West Bromwich Albion, although that final result did not fairly reflect our performance on the pitch. The remaining League games were disappointing after such a magnificent run. We have continued to support our management team with the signings of Darryl Duffy, Jeff Hughes and more recently Joe Kuffour. The stability of the partnership in the management team has ensured that we have consolidated our status in League 1, maybe with the number of re-arranged games we can put together a late surge. Unfortunately the lack of a cup run this season will mean that the Club will declare a loss for this financial year. These results will have been financed by your directors in the form of both loans and share purchases (see note 26).

We have continued to invest into the Stadium Development. The withdrawal of Opal at a late stage of our planning was not helpful to the development and the credit crunch has made the financing more difficult, but we have used the intervening period to refine the plans which has resulted in a scheme that allows the Club to continue to play at the ground, which is a major bonus to the Club and its fans. We are cautiously optimistic that our work to resolve the financing will be completed in the near future and we still hope to start work in 2009.

The Club has announced that it is to bring its Under 18s development in house under the umbrella of the Football League apprenticeship scheme starting in the year 2009/2010. I should like to take this opportunity to thank Filton College, and in particular Kevin Hamblin and Billy Clark for all their help and support over the last 5 years and the use of their fantastic facilities. We hope that links with their scholars can be maintained and that there will still be a route for their talented boys to progress through to the Football Club. We are currently looking for a Coach to oversee this important area of the Club.

We have initiated a number of offers in consultation with the Supporters Club to ease the financial strain for fans with three for two offers. We appreciate that times are difficult and we will continue to look at similar schemes in consultation with the Supporters Club.

I must also place on record thanks to my fellow Directors for giving me the honour of being Chairman of our great Club. It is a great responsibility and one which I am thoroughly enjoying. Finally I should like to thank the Board for their support over the last twelve months and I hope to serve through another successful period.

Thank you for your support.



N J Higgs
Chairman
30 March 2009

BRISTOL ROVERS (1883) LIMITED

REPORT OF THE DIRECTORS

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

Principal activities

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

Business review

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

There was a profit for the year after taxation amounting to £442,139 (2007: £739,810).

Financial risk management objectives and policies

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

Interest rate risk

The group finances its operations and manages its exposure to interest rate fluctuations through a mixture of bank borrowings, preference shares, ordinary shares and directors' loans.

Liquidity risk

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

Directors

The directors who served the company during the year and their interests in ordinary shares at 30 June 2008 were as follows:

	Ordinary shares
B W Bradshaw	790,487
D Brain	-
R Craig	242,080
G M H Dunford	855,473
N J Higgs	952,632
R King	260,000
K Masters	-
E Ware	142,857

BRISTOL ROVERS (1883) LIMITED

REPORT OF THE DIRECTORS

Continued

Directors' responsibilities for the financial statements

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

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

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

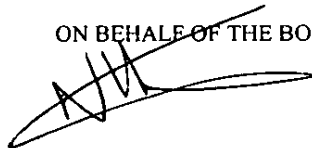
In so far as the directors are aware:

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

Auditors

Grant Thornton UK LLP, have expressed willingness to continue in office. In accordance with s485(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP as auditors will be proposed at the Annual General Meeting.

ON BEHALF OF THE BOARD



N J Higgs
Chairman
30 March 2009

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

We have audited the group and parent company financial statements ("the financial statements") of Bristol Rovers (1883) Limited for the year ended 30 June 2008 which comprise the principal accounting policies, the consolidated profit and loss account, the balance sheets, the consolidated cash flow statement and notes 1 to 29. 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 directors' report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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

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

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

We read the directors' report and consider 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 other information.

Basis of opinion

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

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

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

Emphasis of matter - going concern

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

The group is showing a profit of £442,139 for the year ended 30 June 2008. However, at 30 June 2008 the group's current liabilities exceed its current assets by £2,733,951. This condition, along with other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 30 June 2008 and of the profit of the group for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985;
- the information given in the Report of the Directors is consistent with the financial statements.

Grant Thornton UK LLP

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

BRISTOL
30 March 2009

BRISTOL ROVERS (1883) LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

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

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

BASIS OF CONSOLIDATION

The group financial statements consolidate those of the company and of its subsidiary undertakings drawn up to 30 June 2008. Profits or losses on intra-group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair value reflecting their condition at that date.

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

TURNOVER

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

Gate and other matchday revenue is recognised over the period of the football season as matches are played.

Sponsorship and similar commercial income is recognised over the duration of the respective contracts.

The fixed element of the broadcasting revenues is recognised over the duration of the football season, whilst facility fees for live coverage or highlights are taken when earned.

DEPRECIATION

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

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

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

BRISTOL ROVERS (1883) LIMITED

PRINCIPAL ACCOUNTING POLICIES

Continued

INTANGIBLE FIXED ASSETS

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

STOCKS

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

DEFERRED TAXATION

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

LEASED ASSETS

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

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

FINANCIAL INSTRUMENTS

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

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

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

BRISTOL ROVERS (1883) LIMITED

PRINCIPAL ACCOUNTING POLICIES

Continued

EMPLOYEES' CONTRACTS

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

GRANTS

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

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

CONTRIBUTIONS TO PENSION SCHEME

Defined Contribution Scheme

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

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

For the year ended 30 June 2008

	Note	2008	2007
		£	£
Turnover	2	5,796,793	4,960,699
Operating expenditure	3	<u>(5,016,933)</u>	<u>(4,085,418)</u>
		779,860	875,281
Donations from support organisations		<u>90,739</u>	<u>98,437</u>
Operating profit before amortisation of players		870,599	973,718
Amortisation of players		<u>(183,920)</u>	<u>(88,773)</u>
Operating profit		686,679	884,945
Loss on sale of players		(14,623)	(86,650)
Compensation for loss of youth player		5,000	52,500
Exceptional income	2	<u>-</u>	<u>50,000</u>
Profit on ordinary activities before interest		677,056	900,795
Net interest	4	<u>(229,328)</u>	<u>(159,047)</u>
Profit on ordinary activities before taxation	2	447,728	741,748
Tax on profit on ordinary activities	6	<u>(5,589)</u>	<u>(1,938)</u>
Profit on ordinary activities after taxation		<u>442,139</u>	<u>739,810</u>

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

All operations are classed as continuing.

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

BRISTOL ROVERS (1883) LIMITED
CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2008

	Note	2008	2007
		£	£
Fixed assets			
Intangible assets	8	413,706	175,082
Tangible assets	9	5,227,081	3,765,028
Investments	10	<u>1</u>	<u>1</u>
		5,640,788	3,940,111
Current assets			
Stocks	11	9,184	13,560
Debtors	12	474,775	495,695
Cash at bank and in hand	13	<u>7,438</u>	<u>77,427</u>
		491,397	586,682
Creditors: amounts falling due within one year			
Shares classed as financial liabilities	14	(370,000)	(491,000)
Other	14	<u>(2,855,348)</u>	<u>(2,263,123)</u>
		(3,225,348)	(2,754,123)
Net current liabilities		<u>(2,733,951)</u>	<u>(2,167,441)</u>
Total assets less current liabilities		2,906,837	1,772,670
Creditors:			
amounts falling due after more than one year	15	<u>(1,530,928)</u>	<u>(1,285,890)</u>
		<u>1,375,909</u>	<u>486,780</u>
Capital and reserves			
Called up share capital	17	371,624	317,211
Share premium account	18	1,608,684	1,216,107
Profit and loss account	18	(1,684,473)	(2,005,612)
Capital reserve	18	<u>1,080,074</u>	<u>959,074</u>
Shareholders' funds	19	<u>1,375,909</u>	<u>486,780</u>

The financial statements were approved by the Board of Directors on 30 March 2009

N J Higgs

Director

G M H Dunford

Director

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

BRISTOL ROVERS (1883) LIMITED

BALANCE SHEET AT 30 JUNE 2008

	Note	2008	2007
		£	£
Fixed assets			
Tangible assets	9	5,904,508	4,433,960
Investments	10	<u>725,364</u>	<u>725,364</u>
		6,629,872	5,159,324
Current assets			
Stocks	11	-	-
Debtors	12	87,070	90,880
Cash at bank and in hand	13	<u>-</u>	<u>67,077</u>
		87,070	157,957
Creditors: amounts falling due within one year			
Shares classed as financial liabilities	14	(350,000)	(471,000)
Other	14	<u>(2,788,648)</u>	<u>(1,862,816)</u>
		(3,138,648)	(2,333,816)
Net current liabilities		<u>(3,051,578)</u>	<u>(2,175,859)</u>
Total assets less current liabilities		3,578,294	2,983,465
Creditors:			
amounts falling due after more than one year	15	<u>(1,167,940)</u>	<u>(866,595)</u>
		<u>2,410,354</u>	<u>2,116,870</u>
Capital and reserves			
Called up share capital	17	371,624	317,211
Share premium account	18	1,608,684	1,216,107
Profit and loss account	18	151,546	426,052
Capital reserve	18	<u>278,500</u>	<u>157,500</u>
Shareholders' funds		<u>2,410,354</u>	<u>2,116,870</u>

The financial statements were approved by the Board of Directors on 30 March 2009

N J Higgs

Director

G M H Dunford

Director

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

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

For the year ended 30 June 2008

	Note	£	2008 £	2007 £
Net cash inflow from operating activities	20		1,086,154	<u>423,483</u>
Returns on investments and servicing of finance				
Interest received		15,148		9,433
Interest paid		(207,392)		(127,037)
Finance charge on shares classed as financial liabilities		<u>(37,084)</u>		<u>(41,443)</u>
Net cash outflow from returns on investments and servicing of finance			<u>(229,328)</u>	<u>(159,047)</u>
			856,826	264,436
Corporation tax paid			<u>(1,938)</u>	-
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(1,824,850)		(1,300,929)
Proceeds on sale of fixed assets		302,125		-
Purchase of players and agents' fees		(476,517)		(346,388)
Sale of players		36,227		38,580
Compensation for loss of youth player		<u>5,000</u>		<u>52,500</u>
Net cash outflow from capital expenditure and financial investment			<u>(1,958,015)</u>	<u>(1,556,237)</u>
			(1,103,127)	(1,291,801)
Financing				
Issue of shares		446,990		685,953
Repurchase of shares classed as financial liabilities		(121,000)		(171,000)
Repayment of borrowing		(45,000)		(62,184)
Receipts from borrowing		<u>536,868</u>		<u>633,964</u>
Net cash inflow from financing			<u>817,858</u>	<u>1,086,733</u>
Decrease in cash	21		<u>(285,269)</u>	<u>(205,068)</u>

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

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2008

1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The group is showing a profit of £442,139 for the year ended 30 June 2008. However, at 30 June 2008 the group's current liabilities exceeded its current assets by £2,733,951 and operating losses are indicated for the year ending 30 June 2009.

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

2 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	2008 £	2007 £
Football receipts	3,696,097	2,933,626
Other receipts	2,100,696	2,027,073
	<u>5,796,793</u>	<u>4,960,699</u>

The profit on ordinary activities is stated after:

	2008 £	2007 £
Auditors' remuneration:		
Audit services	13,750	13,250
Depreciation and amortisation:		
Other intangible assets	183,920	88,773
Tangible fixed assets, owned	23,316	28,041
Operating lease rentals:		
Land and buildings	9,000	9,000
Other	6,242	7,565
Grants credited	(141,961)	(186,015)
Profit on redemption of preference shares in The Memorial Stadium Company Limited	-	50,000

LIABILITY LIMITATION AGREEMENT WITH THE AUDITOR

The directors have agreed that the company enters into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 30 June 2008. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and will be proposed for approval at the forthcoming Annual General Meeting.

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

3 OPERATING EXPENDITURE

	2008	2007
	£	£
Products purchased for resale	418,688	358,936
Players and staff costs	3,199,403	2,546,144
Match and ground expenses	1,040,610	869,314
Administrative expenses	358,232	311,024
	<u>5,016,933</u>	<u>4,085,418</u>

4 NET INTEREST

	2008	2007
	£	£
Interest on loans and overdrafts	207,392	127,037
Other interest receivable and similar income	(15,148)	(9,433)
Finance charge on shares classed as financial liabilities	37,084	41,443
	<u>229,328</u>	<u>159,047</u>

5 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2008	2007
	£	£
Wages and salaries	2,916,043	2,324,332
Social security costs	276,418	214,998
Other pension costs	6,942	6,814
	<u>3,199,403</u>	<u>2,546,144</u>

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

	2008	2007
	Number	Number
Playing staff	30	25
Management and administration staff	23	21
Commercial staff	6	5
Centre of Excellence	21	18
Bar/catering staff	31	37
	<u>111</u>	<u>106</u>

The directors received no remuneration for their services in the year (2007: £nil).

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

6 TAX ON LOSS ON ORDINARY ACTIVITIES

The tax charge represents:

	2008 £	2007 £
Corporation tax @ 20.25% (2007: 20%)	2,881	1,938
Adjustment re prior year	2,708	-
	<u>5,589</u>	<u>1,938</u>

Unrelieved tax losses of £812,245 (2007: £1,416,453) remain available to offset against future taxable trading profits.

Factors affecting the tax charge for the period:

	2008 £	2007 £
Profit on ordinary activities before tax	<u>447,728</u>	<u>741,748</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax at 20.25% (2007: 20%)	90,661	148,350
Expenses not deductible for tax purposes	13,193	10,215
Capital allowances for the period less than depreciation	9,486	(2,028)
Non taxable income	-	(10,451)
Short term timing differences	5,883	-
Losses carried back	5,439	-
Use of tax losses	(121,781)	(150,033)
Adjustment re prior year	2,708	-
Deduction not allowable for tax purposes	-	5,885
Current tax charge for period	<u>5,589</u>	<u>1,938</u>

7 PROFIT FOR THE FINANCIAL YEAR

The parent company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The group profit for the year includes a loss of £150,798 (2007: £10,282) which is dealt with in the financial statements of the company.

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

8 INTANGIBLE FIXED ASSETS**The group**

	Goodwill on consolidation £	Players £	Total £
Cost			
At 1 July 2007	38,069	285,001	323,070
Additions	-	425,667	425,667
Disposals	-	(36,326)	(36,326)
30 June 2008	<u>38,069</u>	<u>674,342</u>	<u>712,411</u>
Amortisation			
At 1 July 2007	38,069	109,919	147,988
Provided in the year	-	183,920	183,920
Disposals	-	(33,203)	(33,203)
30 June 2008	<u>38,069</u>	<u>260,636</u>	<u>298,705</u>
Net book amount at 30 June 2008	<u>-</u>	<u>413,706</u>	<u>413,706</u>
Net book amount at 30 June 2007	<u>-</u>	<u>175,082</u>	<u>175,082</u>

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

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

9 TANGIBLE FIXED ASSETS**The group**

	Plant, equipment & motor vehicles £	Fixtures & fittings £	Freehold property and improvements £	Total £
Cost				
At 1 July 2007	625,216	5,518	3,994,196	4,624,930
Additions	8,621	469	1,815,760	1,824,850
Disposals	-	-	(339,481)	(339,481)
At 30 June 2008	633,837	5,987	5,470,475	6,110,299
Depreciation				
At 1 July 2007	567,364	3,318	289,220	859,902
Provided in the year	9,021	-	14,295	23,316
At 30 June 2008	576,385	3,318	303,515	883,218
Net book amount at 30 June 2008	57,452	2,669	5,166,960	5,227,081
Net book amount at 30 June 2007	57,852	2,200	3,704,976	3,765,028

Included under freehold property for both the group and the company are professional fees of £2,005,982 (2007: £605,888) and strategic property acquisitions of £748,291 (2007: £672,958) relating to the stadium regeneration project.

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

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

	Plant and equipment £	Freehold properties £	Fixtures and fittings £	Total £
Cost				
At 1 July 2007	465,069	4,379,978	3,318	4,848,365
Additions	-	1,815,758	-	1,815,758
Disposals	-	(339,482)	-	(339,482)
At 30 June 2008	<u>465,069</u>	<u>5,856,254</u>	<u>3,318</u>	<u>6,324,641</u>
Depreciation				
At 1 July 2007	411,087	-	3,318	414,405
Provided in the year	<u>5,728</u>	<u>-</u>	<u>-</u>	<u>5,728</u>
At 30 June 2008	<u>416,815</u>	<u>-</u>	<u>3,318</u>	<u>420,133</u>
Net book amount at 30 June 2008	<u><u>48,254</u></u>	<u><u>5,856,254</u></u>	<u><u>-</u></u>	<u><u>5,904,508</u></u>
Net book amount at 30 June 2007	<u><u>53,982</u></u>	<u><u>4,379,978</u></u>	<u><u>-</u></u>	<u><u>4,433,960</u></u>

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

10 FIXED ASSET INVESTMENTS**The group**

	£
Cost and net book amount at 1 July 2007 and at 30 June 2008	<u><u>1</u></u>

At 30 June 2008 the group held 33% of the equity of South Gloucestershire Arenas Limited, set up for the development of a mixed use sports stadium. At 30 June 2008 the aggregate capital and reserves of South Gloucestershire Arenas Limited was £3 (2007: £3).

The company

	Shares in subsidiary undertakings £
Cost	
At 1 July 2007 and at 30 June 2008	<u>725,364</u>
Amounts written off	
At 1 July 2007 and at 30 June 2008	<u>-</u>
Net book amount at 30 June 2008 and at 30 June 2007	<u><u>725,364</u></u>

At 30 June 2008 the company held 20% or more of the equity of the following:

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

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

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

11 STOCKS

	The group		The company	
	2008	2007	2008	2007
	£	£	£	£
Goods for resale	<u>9,184</u>	<u>13,560</u>	<u>-</u>	<u>-</u>

12 DEBTORS

	The group		The company	
	2008	2007	2008	2007
	£	£	£	£
Trade debtors	137,552	203,058	110	54,031
Amounts due from group undertakings	-	-	-	36,007
Social security and other taxes	200	3,643	200	-
Other debtors	248,268	258,882	86,458	842
Prepayments and accrued income	<u>88,755</u>	<u>30,112</u>	<u>302</u>	<u>-</u>
	<u>474,775</u>	<u>495,695</u>	<u>87,070</u>	<u>90,880</u>

13 CASH AT BANK AND IN HAND

	The group		The company	
	2008	2007	2008	2007
	£	£	£	£
Cash and bank	<u>7,438</u>	<u>77,427</u>	<u>-</u>	<u>67,077</u>

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	The group 2007	2008	The company 2007
	£	£	£	£
Bank loans and overdraft	1,234,792	774,716	996,069	740,267
Brewery loan	45,000	45,000	-	-
Unsecured directors' loans	204,082	228,577	204,082	192,660
Payments received in advance	434,142	315,873	-	-
Trade creditors	238,189	275,744	1,443	54
Social security and other taxes	118,789	137,208	8,536	13,217
Corporation tax	5,589	1,938	2,708	122
Amounts due to group undertakings	-	-	1,308,878	673,914
Loans from related parties	245,682	232,115	245,682	232,115
Other creditors	168,891	134,695	19,175	-
Accruals and deferred income	147,230	104,295	420	8,812
Other deferred income: grants	12,962	12,962	1,655	1,655
Shares classed as financial liabilities	370,000	491,000	350,000	471,000
	<u>3,225,348</u>	<u>2,754,123</u>	<u>3,138,648</u>	<u>2,333,816</u>

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

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

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

Shares classed as financial liabilities (group) includes £20,000 (2007: £20,000) redeemable preference shares in The Memorial Stadium Company Limited which carry an entitlement to a fixed cumulative dividend at a rate of 9% per annum.

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008	The group 2007	2008	The company 2007
	£	£	£	£
Bank loans	1,128,485	825,485	1,128,485	825,485
Brewery loan	277,500	322,500	-	-
Deferred income: grants	124,943	137,905	39,455	41,110
	<u>1,530,928</u>	<u>1,285,890</u>	<u>1,167,940</u>	<u>866,595</u>

The bank and Brewery loans are secured as disclosed under note 14.

The original bank loan to purchase the stadium is repayable in equal quarterly instalments and bears interest at a rate of 2.5% above LIBOR. In August 2008 this bank loan (£962,210 at 30 June 2008) was renegotiated and is now repayable in one amount in June 2013. This renegotiation is not reflected in note 16.

The remaining bank loans acquired to purchase strategic properties and to fund stadium redevelopment to date are repayable in under two years and bear interest at a rate of 2.5% above LIBOR.

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

16 BORROWINGS

Borrowings are repayable as follows:

	2008	The group 2007	2008	The company 2007
	£	£	£	£
Within one year				
Bank and other borrowings	1,483,874	1,048,293	1,200,151	932,927
After one and within two years				
Bank and other borrowings	467,417	164,417	422,417	119,417
After two and within five years				
Bank and other borrowings	493,251	493,251	358,251	358,251
After five years				
Bank and other borrowings	<u>445,317</u>	<u>490,317</u>	<u>347,817</u>	<u>347,817</u>
	<u>2,889,859</u>	<u>2,196,278</u>	<u>2,328,636</u>	<u>1,758,412</u>

BRISTOL ROVERS (1883) LIMITED*Continued***NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2008

17 SHARE CAPITAL

	2008 £	2007 £
Authorised		
5,000,000 ordinary shares of 10p each	500,000	500,000
500,000 'A' preference shares of £1 each	500,000	500,000
500,000 'B' preference shares of £1 each	500,000	500,000
500,000 'C' preference shares of £1 each	500,000	500,000
	<u>2,000,000</u>	<u>2,000,000</u>
 Allotted, called up and fully paid		
Equity		
3,716,240 ordinary shares of 10p each	<u>371,624</u>	<u>317,211</u>
 Shares classed as financial liabilities		
149,000 'A' preference shares of £1 each	149,000	270,000
41,000 'B' preference shares of £1 each	41,000	41,000
160,000 'C' preference shares of £1 each	<u>160,000</u>	<u>160,000</u>
	<u>350,000</u>	<u>471,000</u>

Allotments during the year

During the year the company issued 57,070 ordinary shares at a premium of £0.40.

During the year the company issued 18,100 ordinary shares at a premium of £4.90.

During the year the company issued 468,431 ordinary shares at a premium of £0.60.

Preference shares

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

BRISTOL ROVERS (1883) LIMITED*Continued***NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 June 2008

18 SHARE PREMIUM ACCOUNT AND RESERVES

The group	Share premium account £	Capital reserve £	Profit and loss account £
At 1 July 2007	1,216,107	959,074	(2,005,612)
Retained profit for the year	-	-	442,139
Redemption of preference shares	-	121,000	(121,000)
Premium on allotment during the year	<u>392,577</u>	<u>-</u>	<u>-</u>
At 30 June 2008	<u>1,608,684</u>	<u>1,080,074</u>	<u>(1,684,473)</u>
The company	Share premium account £	Capital reserve £	Profit and loss account £
At 1 July 2007	1,216,107	157,500	426,052
Retained loss for the year	-	-	(153,506)
Redemption of preference shares	-	121,000	(121,000)
Premium on allotment during the year	<u>392,577</u>	<u>-</u>	<u>-</u>
At 30 June 2008	<u>1,608,684</u>	<u>278,500</u>	<u>151,546</u>

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008	2007
	£	£
Profit for the financial year	442,139	739,810
Issue of shares	446,990	685,953
Shareholders' funds at 1 July 2007	<u>486,780</u>	<u>(938,983)</u>
Shareholders' funds at 30 June 2008	<u>1,375,909</u>	<u>486,780</u>

BRISTOL ROVERS (1883) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
Continued

For the year ended 30 June 2008

20 NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2008 £	2007 £
Operating profit	686,679	884,945
Depreciation charges	23,316	28,041
Loss on sale of tangible fixed assets	40,479	-
Amortisation of grants	(12,962)	(12,961)
Amortisation and impairment of players	183,920	88,773
Decrease/(increase) in stock	4,376	(1,007)
Decrease/(increase) in debtors	20,920	(268,727)
Increase/ (decrease) in creditors	139,426	(295,581)
Net cash inflow from operating activities	1,086,154	423,483

21 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2008 £	2007 £
Decrease in cash in the year	(285,269)	(205,068)
Cash inflow from increase in debt financing	(370,868)	(350,780)
Movement in net debt in the year	(656,137)	(555,848)
Net debt at 1 July 2007	(2,841,966)	(2,286,118)
Net debt at 30 June 2008	(3,498,103)	(2,841,966)

22 ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2007 £	Cash flow £	Non-cash items £	At 30 June 2008 £
Cash at bank and in hand	77,427	(69,989)	-	7,438
Overdrafts	(34,449)	(215,280)	-	(249,729)
Debt	42,978	(285,269)	-	(242,291)
	(2,884,944)	(370,868)		(3,255,812)
Total	(2,841,966)	(656,137)	-	(3,498,103)

BRISTOL ROVERS (1883) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Continued

For the year ended 30 June 2008

23 CAPITAL COMMITMENTS

The group and the company had capital commitments at 30 June 2008 of £53,000 (30 June 2007 £1,901,295)

24 CONTINGENT ASSETS AND LIABILITIES

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

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

25 PENSIONS

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

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

26 POST BALANCE SHEET EVENTS

Since the year end the directors have subscribed for new share capital and have made further loans to the company totalling £1,210,545.

BRISTOL ROVERS (1883) LIMITED**NOTES TO THE FINANCIAL STATEMENTS***Continued*

For the year ended 30 June 2008

27 LEASING COMMITMENTS

Operating lease payments amounting to £24,242 (2007: £25,565) are due within one year.
The leases to which these amounts relate expire as follows:

The group

	2008		2007	
	Land and buildings	Other £	Land and buildings	Other £
In one year or less	-	-	-	-
Between two and five years	18,000	6,242	18,000	7,565
	<u>18,000</u>	<u>6,242</u>	<u>18,000</u>	<u>7,565</u>

The company

	2008		2007	
	Land and buildings	Other £	Land and buildings	Other £
In one year or less	-	-	-	-
Between one and five years	-	-	-	1,323
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,323</u>

28 RELATED PARTIES AND TRANSACTIONS WITH DIRECTORS

During the year the group made purchases of £14,769 (2007: £17,500) from Deltavon Limited, and purchases of £19,624 (2007:nil) from Barrs Court Holdings Limited, companies of which G M H Dunford was/is a director. At the year end the company owed a balance of £23,048 (2007: £nil) to Barrs Court Holdings Limited.

The group was loaned £245,682 by Deltavon Developments Limited (2007:£232,115 by Deltavon Limited).

During the year sales of £41,166 (2007:£59,069) were made to Cowlin Construction and purchases of £28,000 (2007:nil) from Cowlin Construction of which N Higgs was a director. At the year end a balance of £nil (2007:nil) was owed.

There are no other material related party transactions in the year.

29 CONTROLLING RELATED PARTIES

The directors consider that there is no single controlling related party.

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

For the year ended 30 June 2008

	2008 £	2007 £
Turnover	139,221	144,257
Cost of sales	(4,073)	(5,335)
Gross profit	135,148	138,922
Loss on sale of fixed assets	(46,333)	
Administrative expenses	(19,370)	-
	69,445	138,922
Donations from support organisations	-	-
Operating profit	69,445	138,922
Net interest	(220,243)	(149,082)
Loss on ordinary activities before taxation	(150,798)	(10,160)
Tax on loss on ordinary activities	(2,708)	(122)
Profit retained	<u>(153,506)</u>	<u>(10,282)</u>

THIS PAGE DOES NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS