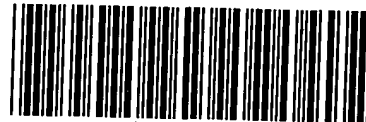


FRIDAY



\*A42L12RN\*

A08

06/03/2015

#241

COMPANIES HOUSE

**BRISTOL ROVERS  
(1883) LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2014

COMPANY NO. 04501223

**BRISTOL ROVERS (1883) LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 30 June 2014

---

Company registration number:	04501223
Registered office:	The Memorial Stadium Filton Avenue Horfield Bristol BS7 0BF
Chairman:	N J Higgs
Other directors:	B W Bradshaw G M H Dunford (Resigned August 2014) R King K Masters E Ware C Jelf B Seymour-Smith
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  Bank of Scotland Bank House Wine Street Bristol BS1 2AN
Solicitors:	Burges Salmon One Glass Wharf Bristol BS2 0ZX
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 2014

---

<b>INDEX</b>	<b>PAGE</b>
Group strategic report	1 - 2
Report of the directors	3 - 4
Report of the auditors	5 - 6
Accounting policies	7 - 9
Consolidated profit and loss account	10
Consolidated balance sheet	11
Balance sheet	12
Consolidated cashflow statement	13
Notes to the financial statements	14 - 27

## **BRISTOL ROVERS (1883) LIMITED**

### **GROUP STRATEGIC REPORT**

---

#### **Strategy**

The strategy for Bristol Rovers (1883) Limited Group is to:

**a) Provide the basis of a sustainable successful football team;**

The team results over the period under review were unacceptable. The Board placed its faith in a manager and team that had recovered so well during the second half of the previous season. This faith was badly misplaced and ended costing the Club its place in the Football League. The Board has previously apologised to the fans for its and the team's failure and it has tried with a new management team and players to provide the basis for a swift return to the Football League. At the time of this report the team is second in the Vanarama Conference and at the very least look set to participate in the play-offs at the end of the season. Failure to achieve promotion will inevitably mean that the Club will have to revisit its cost base again to align it with the loss of its parachute payment from the Football League. Promotion will mean that more resources will be available to the company through central Funding to the tune of c£500,000.

**b) Commensurate stadium facilities for the Bristol Rovers team and fans;**

The Board continues to pursue its strategy of a new stadium at the Frenchay Campus. As had been reported we face a battle to complete the contract with J Sainsbury. By the time of the Annual General Meeting we may well have established a date on which we are able to debate the merits of our position in the High Court. This does mean that the Board are unable to discuss the company's position as much as we would like. Success will mean that we can start the delayed project with the help of our partners U.W.E. Failure will mean that the company will have to return to the drawing board, a position that will be difficult to contemplate.

**c) A financial model that allows the team to have a sustainable financial future;**

We must strive to generate more off field streams of income, and this is why we have spent so much time and energy into the stadium project, it is key to delivering sustainability to the company and to end its reliance on director funding which is only available through directors who are fans of the club.

In summary the Board continues to fight to deliver all of the above and will use all its best efforts to endeavour to deliver the above over the next year.

#### **Business review**

The last twelve months have not gone to plan and fell below all our expectations, both on and off the pitch. The relegation from The Football League has seen the Club enter the Vanarama Conference for the first time in its history, and we are working hard to ensure that our time there remains as short as possible. The management team of Darrell Clark and Marcus Stewart has the team currently in second spot in the League and we hope as a minimum to be competing in the play-offs at the end of the season.

The financial performance of the company was better than the previous year following the windfall of the sell on clause regarding Rickie Lambert at the end of the season. Relegation has meant that a number of long serving employees have had to leave the club, and we would wish to place on record here our thanks for their contribution over the years, and we wish them every success for the future.

Off the field our contract with Sainsbury's has still not been completed, following delays occasioned by both the judicial review forced by Trashorfield, and the need to resolve the delivery times to meet the needs of the contract with Sainsbury's. These issues have now been resolved but we are still unable to complete the contract and our remaining issues are the subject of High Court action.

The Group suffered a loss during the year of £566,408 (2013 £781,911) and still relies heavily on the support of the directors to continue trading. This position is untenable for the long term, and underlies the reasons for the directors continuing their pursuit of a new Stadium at Frenchay Campus, with £940,653 invested to the date of the accounts.

## BRISTOL ROVERS (1883) LIMITED

### GROUP STRATEGIC REPORT (continued)

---

#### **The group's key performance indicators are:**

##### **Financial**

- revenue by income stream
- payroll cost
- cash/borrowings position against forecast

##### **Non financial**

- league position of football team
- average league attendance

Since the year end the Group has refinanced the club, obtaining a £2.6 million loan facility from MSP Capital Limited. This loan has been used to repay the existing bank debt with Barclays Bank plc of £960,155, £200,000 of its loan from Deltavon Developments Limited and the remainder will be used to fund the working capital requirements of the Club for the remainder of the current season and the 2015-2016 season.

One bright spot for the Club has been the establishment of Tom Lockyer as a first team regular and his strength in covering a number of positions in the squad. It is testament to the great work carried out by our Youth Department. Unfortunately during this year we have lost our Academy Director to the Football Association. We thank him sincerely for all his great work in achieving Cat 3 status for the club which we hope to build on in the future.

#### **Principal risks and uncertainties**

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**

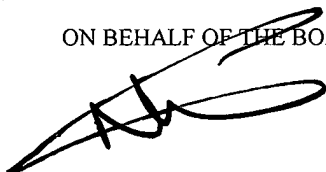
The group finances its operations and manages its exposure to interest rate fluctuations through a mixture of bank borrowings, preference shares, ordinary shares and directors' loans.

##### **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.

Finally we must thank all our loyal fans. We are the envy of teams in the Conference and in the Football League. On behalf of the Board and Darrell we would like to thank you all for your loyalty to the Club and we are all working hard to reward that loyalty with promotion. Thank you all.

ON BEHALF OF THE BOARD



N J Higgs  
Director

5 February 2015

## **BRISTOL ROVERS (1883) LIMITED**

### **REPORT OF THE DIRECTORS**

---

#### **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 Group strategic report 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 loss for the year amounting to £566,408 (2013 loss of £781,911)

#### **Directors**

The directors who served the company during the year were as follows:

	Ordinary shares
B W Bradshaw	938,293
G M H Dunford (resigned August 2014)	1,218,221
N J Higgs	4,419,828
R King	260,000
K Masters	5
E Ware	261,456
C Jelf	132,192
B Seymour-Smith	10

#### **Directors' responsibilities for the financial statements**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company and group 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

## **BRISTOL ROVERS (1883) LIMITED**

### **REPORT OF THE DIRECTORS (continued)**

---

#### **Directors' responsibilities for the financial statements (continued)**

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **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  
Director  
5 February 2015

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

---

We have audited the financial statements of Bristol Rovers (1883) Limited for the year ended 30 June 2014 which comprise the principal accounting policies, the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 and 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2014 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 reporting a loss of £566,408 for the year ended 30 June 2014 and at 30 June 2014 the group's current liabilities exceeded its current assets by £5,480,748. 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.



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

---

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Paul T Putnam  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Bristol  
5 February 2015

## **BRISTOL ROVERS (1883) LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

---

#### **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with United Kingdom 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 2014. 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 group 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. Payments received from the Football League are recognised over the period of the football season to which the payments relate.

#### **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	- 5% 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.

---

**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 the 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**

All 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.

---

**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 2014

	Note	2014	2013
		£	£
<b>Turnover</b>	2	<b>4,328,341</b>	3,819,633
Operating expenditure	3	<u>(5,325,070)</u>	<u>(4,941,283)</u>
		(996,729)	(1,121,650)
Donations from support organisations		<u>55,059</u>	<u>59,204</u>
<b>Operating loss before amortisation of players</b>		<b>(941,670)</b>	(1,062,446)
Amortisation of players		<u>(69,663)</u>	<u>(92,785)</u>
<b>Operating loss</b>		<b>(1,011,333)</b>	(1,155,231)
Profit on sale of players		470,333	307,841
Net compensation for loss of youth players		<u>151,500</u>	<u>221,400</u>
<b>Loss on ordinary activities before interest</b>		<b>(389,500)</b>	(625,990)
Net interest	4	<u>(176,908)</u>	<u>(155,921)</u>
<b>Loss on ordinary activities before taxation</b>		<b>(566,408)</b>	(781,911)
Tax on loss on ordinary activities	6	<u>-</u>	<u>-</u>
<b>Loss on ordinary activities after taxation</b>		<b><u>(566,408)</u></b>	<b><u>(781,911)</u></b>

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

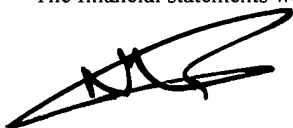
All operations are classed as continuing.

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 2014**

	Note	2014	2013
		£	£
<b>Fixed assets</b>			
Intangible assets	8	50,931	99,860
Tangible assets	9	3,304,241	3,156,118
Investments	10	-	-
		<u>3,355,172</u>	<u>3,255,978</u>
<b>Current assets</b>			
Stocks	11	46,099	36,384
Debtors	12	536,020	443,719
Cash at bank and in hand	13	67,725	27,138
		<u>649,844</u>	<u>507,241</u>
<b>Creditors: amounts falling due within one year</b>			
Shares classed as financial liabilities	14	(356,500)	(356,500)
Other	14	(5,774,092)	(5,843,596)
		<u>(6,130,592)</u>	<u>(6,200,096)</u>
<b>Net current liabilities</b>		<u>(5,480,748)</u>	<u>(5,692,855)</u>
<b>Total assets less current liabilities</b>		<u>(2,125,576)</u>	<u>(2,436,877)</u>
<b>Creditors:</b>			
<b>amounts falling due after more than one year</b>	15	<u>(898,243)</u>	<u>(60,134)</u>
		<u>(3,023,819)</u>	<u>(2,497,011)</u>
<b>Capital and reserves</b>			
Called up share capital	16	815,472	814,032
Share premium account	17	4,716,606	4,678,446
Profit and loss account	17	(9,729,471)	(9,163,063)
Capital reserve	17	1,173,574	1,173,574
<b>Shareholders' deficit</b>	18	<u>(3,023,819)</u>	<u>(2,497,011)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 5 February 2015



N J Higgs

Director

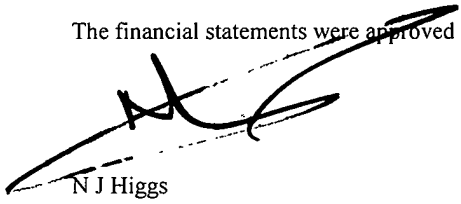
Company no: 04501223

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

**BRISTOL ROVERS (1883) LIMITED**
**BALANCE SHEET AT 30 JUNE 2014**

	Note	2014	2013
		£	£
<b>Fixed assets</b>			
Tangible assets	9	4,058,622	3,913,599
Investments	10	<u>725,462</u>	<u>725,462</u>
		4,784,084	4,639,061
<b>Current assets</b>			
Stocks	11	-	-
Debtors	12	5,675,639	4,963,751
Cash at bank and in hand	13	<u>57,601</u>	<u>3,486</u>
		5,733,240	4,967,237
<b>Creditors: amounts falling due within one year</b>			
Shares classed as financial liabilities	14	(336,500)	(336,500)
Other	14	<u>(5,155,590)</u>	<u>(5,217,816)</u>
		(5,492,090)	(5,554,316)
<b>Net current assets/(liabilities)</b>		<u>241,150</u>	<u>(587,079)</u>
<b>Total assets less current liabilities</b>		5,025,234	4,051,982
<b>Creditors:</b>			
<b>amounts falling due after more than one year</b>	15	<u>(880,597)</u>	<u>(31,183)</u>
		<u>4,144,637</u>	<u>4,020,799</u>
<b>Capital and reserves</b>			
Called up share capital	16	815,472	814,032
Share premium account	17	4,716,606	4,678,446
Profit and loss account	17	(1,759,441)	(1,843,679)
Capital reserve	17	<u>372,000</u>	<u>372,000</u>
<b>Shareholders' funds</b>		<u>4,144,637</u>	<u>4,020,799</u>

The financial statements were approved by the Board of Directors and authorised for issue on 5 February 2015

  
N J Higgs

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 2014

	Note	2014 £	2013 £
<b>Net cash outflow from operating activities</b>	19	<u>(1,264,304)</u>	<u>(850,311)</u>
<b>Returns on investments and servicing of finance</b>			
Interest paid		(165,136)	(144,149)
Finance charge on shares classed as financial liabilities		<u>(11,772)</u>	<u>(11,772)</u>
<b>Net cash outflow from returns on investments and servicing of finance</b>		<u>(176,908)</u>	<u>(155,921)</u>
		(1,441,212)	(1,006,232)
<b>Corporation tax received/(paid)</b>		-	-
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(180,625)	(301,391)
Purchase of players and agents' fees		(20,735)	(225,547)
Sale of players		470,333	390,000
Compensation for loss of youth players		<u>151,500</u>	<u>221,400</u>
<b>Net cash inflow from capital expenditure and financial investment</b>		<u>420,473</u>	<u>84,462</u>
		(1,020,739)	(921,770)
<b>Financing</b>			
Issue of shares		39,600	39,600
Issue of Directors' bonds		985,200	789,421
Repayment of borrowing		-	-
Receipts from borrowing		<u>253</u>	<u>4,752</u>
<b>Net cash inflow from financing</b>		<u>1,025,053</u>	<u>833,773</u>
<b>Increase/(decrease) in cash</b>	20	<u><u>4,314</u></u>	<u><u>(87,997)</u></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 2014

### 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 made a loss after taxation of £566,408 for the year ended 30 June 2014 and at 30 June 2014 the group's current liabilities exceeded its current assets by £5,480,748. In addition, operating losses are expected for the year ending 30 June 2015.

The group is funded via external borrowings and directors' loans. The directors do not expect to withdraw their loans in the foreseeable future unless the club has generated sufficient funds or found an alternative source of finance that allows it to make such a repayment without impacting its operations. Since the year end the bank borrowings of £960,155 have been repaid out of the proceeds of the new £2.6 million loan facility from MSP Capital Limited. This additional facility from MSP Capital Limited has provided the group with further working capital towards the funding of its operating costs into the 2015-16 season and also further costs in its action against J Sainsbury plc.

In addition the directors continue to review the cost base of the Club 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 manage 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 funds.

### 2 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	2014 £	2013 £
Football receipts	2,282,606	1,995,861
Other receipts	2,045,735	1,823,772
	<u>4,328,341</u>	<u>3,819,633</u>

The loss on ordinary activities is stated after:

	2014 £	2013 £
Auditors' remuneration:		
Audit services	12,500	11,500
Depreciation and amortisation:		
Other intangible assets	69,664	92,785
Tangible fixed assets, owned	32,502	25,994
Operating lease rentals:		
Land and buildings	35,000	35,000
Other	7,321	9,879
Grants credited	(12,963)	(12,963)

### LIABILITY LIMITATION AGREEMENT WITH THE AUDITOR

The directors have agreed that the company enter 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 2014. 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 2014

**3 OPERATING EXPENDITURE**

	2014 £	2013 £
Products purchased for resale	525,789	467,556
Players and staff costs	3,484,188	3,255,011
Match and ground expenses	1,077,050	982,421
Administrative expenses	238,043	236,295
	<u>5,325,070</u>	<u>4,941,283</u>

**4 NET INTEREST**

	2014 £	2013 £
Interest on loans and overdrafts	165,136	144,149
Finance charge on shares classed as financial liabilities	11,772	11,772
	<u>176,908</u>	<u>155,921</u>

**5 DIRECTORS AND EMPLOYEES**

Staff costs during the year were as follows:

	2014 £	2013 £
Wages and salaries	3,197,608	2,988,197
Social security costs	277,513	259,057
Other pension costs	9,067	7,757
	<u>3,484,188</u>	<u>3,255,011</u>

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

	2014 Number	2013 Number
Playing staff	43	41
Management and administration staff	37	33
Commercial staff	3	4
Centre of Excellence	24	19
Bar/catering staff	36	44
Matchday Stewards	143	142
	<u>286</u>	<u>283</u>

The directors received £Nil remuneration for their services in the year (2013: £Nil).

For the year ended 30 June 2014

**6 TAX ON LOSS ON ORDINARY ACTIVITIES**

The tax charge represents:

	2014 £	2013 £
Corporation tax @ 20% (2013: 20%)	-	-
Adjustment re prior year	-	-
	<u>-</u>	<u>-</u>

Unrelieved tax losses of £5,794,317 (2013: £5,296,854) remain available to offset against future taxable trading profits.

Factors affecting the tax charge for the period:

	2014 £	2013 £
Loss on ordinary activities before tax	<u>(566,408)</u>	<u>(781,911)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax at 20% (2013: 20%)	(113,282)	(156,382)
Expenses not deductible for tax purposes	5,896	2,146
Capital allowances for the period (greater than)/less than depreciation	(1,619)	2,533
Short term timing differences	9,512	20,243
Increase in tax losses	99,493	131,460
Current tax charge for period	<u>-</u>	<u>-</u>

**7 LOSS FOR THE FINANCIAL YEAR**

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The group loss for the year includes a profit of £84,238 (2013: profit of £96,609) which is dealt with in the financial statements of the company.

For the year ended 30 June 2014

**8 INTANGIBLE FIXED ASSETS****The group**

	<b>Goodwill on consolidation £</b>	<b>Players £</b>	<b>Total £</b>
Cost			
At 1 July 2013	38,069	209,224	247,293
Additions	-	20,735	20,735
Disposals	-	(94,940)	(94,940)
30 June 2014	38,069	135,019	173,088
Amortisation			
At 1 July 2013	38,069	109,364	147,433
Provided in the year	-	69,664	69,664
Disposals	-	(94,940)	(94,940)
30 June 2014	38,069	84,088	122,157
Net book amount at 30 June 2014	-	50,931	50,931
Net book amount at 30 June 2013	-	99,860	99,860

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

For the year ended 30 June 2014

**9 TANGIBLE FIXED ASSETS****The group**

	<b>Plant, equipment &amp; motor vehicles</b>	<b>Freehold property and improvements</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cost			
At 1 July 2013	677,253	3,499,455	4,176,708
Additions	2,023	178,602	180,625
Disposals	-	-	-
At 30 June 2014	<u>679,276</u>	<u>3,678,057</u>	<u>4,357,333</u>
Depreciation			
At 1 July 2013	630,525	390,065	1,020,590
Provided in the year	<u>12,869</u>	<u>19,633</u>	<u>32,502</u>
At 30 June 2014	<u>643,394</u>	<u>409,698</u>	<u>1,053,092</u>
Net book amount at 30 June 2014	<u><u>35,882</u></u>	<u><u>3,268,359</u></u>	<u><u>3,304,241</u></u>
Net book amount at 30 June 2013	<u><u>46,728</u></u>	<u><u>3,109,390</u></u>	<u><u>3,156,118</u></u>

Included under freehold property for both the group and the company are professional fees of £940,653 (2013: £790,531).

In the opinion of the directors, the capitalised development costs of £940,653 are relevant to the new stadium project. If for any reason this plan should change and an alternative option be followed these capitalised professional fees would be written off.

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

For the year ended 30 June 2014

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

	<b>Plant and equipment £</b>	<b>Freehold properties £</b>	<b>Total £</b>
Cost			
At 1 July 2013	475,998	3,891,663	4,367,661
Additions	-	150,122	150,122
At 30 June 2014	475,998	4,041,785	4,517,783
Depreciation			
At 1 July 2013	454,062	-	454,062
Provided in the year	5,099	-	5,099
At 30 June 2014	459,161	-	459,161
Net book amount at 30 June 2014	<u>16,837</u>	<u>4,041,785</u>	<u>4,058,622</u>
Net book amount at 30 June 2013	<u>21,936</u>	<u>3,891,663</u>	<u>3,913,599</u>

**10 FIXED ASSET INVESTMENTS****The group**

	<b>£</b>
Cost and net book amount at 1 July 2013 and at 30 June 2014	<u>-</u>

During the year South Gloucestershire Arenas Limited, in which the group held 33% of the equity, was dissolved.

There were no other fixed asset investments within the group.

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

For the year ended 30 June 2014

**10 FIXED ASSET INVESTMENTS (continued)****The company**

	Shares in subsidiary undertakings £
Cost	
At 30 June 2014	725,462
Amounts written off	
At 30 June 2014	-
Net book amount at 30 June 2014 (2013:£725,462)	725,462

At 30 June 2014 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	Ordinary shares	100%
Filton Avenue Guarantee Company Limited	Stadium development (dormant)	-	100%
Filton Avenue Developments Limited	Stadium development (dormant)	Ordinary shares	74%
The Memorial Stadium Development Company Limited	Stadium development (dormant)	Ordinary shares	80%

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

**11 STOCKS**

	2014 £	The group 2013 £	2014 £	The company 2013 £
Goods for resale	46,099	36,384	-	-

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

For the year ended 30 June 2014

**12 DEBTORS**

	2014	The group	2014	The company
	£	2013	£	2013
		£		£
Trade debtors	169,441	215,299	95,883	65,883
Amounts due from group undertakings	-	-	5,571,033	4,896,685
Social security and other taxes	8,723	1,183	8,723	1,183
Corporation tax	-	-	-	-
Other debtors	294,461	144,580	-	-
Prepayments and accrued income	63,395	82,657	-	-
	<u>536,020</u>	<u>443,719</u>	<u>5,675,639</u>	<u>4,963,751</u>

**13 CASH AT BANK AND IN HAND**

	2014	The group	2014	The company
	£	2013	£	2013
		£		£
Cash and bank	<u>67,725</u>	<u>27,138</u>	<u>57,601</u>	<u>3,486</u>

**14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	The group	2014	The company
	£	2013	£	2013
		£		£
Bank loan & overdraft	981,175	944,902	944,902	944,902
Unsecured directors' loans	1,539,737	1,564,560	1,539,737	1,564,560
1 Year Bonds	923,552	789,421	923,552	789,421
Payments received in advance	649,292	832,831	-	-
Trade creditors	164,424	411,059	73,540	307,944
Social security and other taxes	238,836	132,760	-	-
Corporation tax	700	700	700	700
Amounts due to group undertakings	-	-	666,812	666,812
Loans from related parties	726,380	701,304	726,380	701,304
Other creditors	217,318	180,020	140,562	138,387
Accruals and deferred income	319,716	273,077	137,750	102,131
Other deferred income: grants	12,962	12,962	1,655	1,655
	<u>5,774,092</u>	<u>5,843,596</u>	<u>5,155,590</u>	<u>5,217,816</u>
Shares classed as financial liabilities	<u>356,500</u>	<u>356,500</u>	<u>336,500</u>	<u>336,500</u>
	<u>6,130,592</u>	<u>6,200,096</u>	<u>5,492,090</u>	<u>5,554,316</u>



For the year ended 30 June 2014

**14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)**

The bank loans 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 original bank loan to purchase the stadium (£944,902 at 30 June 2014) bears interest at a rate of 2.5% above LIBOR. This loan was repaid on 5 December 2014, and replaced with a loan from MSP Capital Limited at a rate of 1.2% per month. Loans from related parties includes £200,000 which is secured on proceeds from specific non-trading transactions. This loan was repaid on 5 December 2014.

Shares classed as financial liabilities (group) includes £20,000 (2013: £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.

Interest is charged on 1 Year Bonds at 3.5% above base rate.

**15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2014</b>	<b>The group 2013</b>	<b>2014</b>	<b>The company 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred income: grants	47,174	60,134	29,528	31,183
3 Year Bonds	851,069	-	851,069	-
	<u>898,243</u>	<u>60,134</u>	<u>880,597</u>	<u>31,183</u>

Interest is charged on 3 Year Bonds at 3.5% above base rate.

**16 SHARE CAPITAL**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Allotted, called up and fully paid		
<b>Equity</b>		
8,154,720 ordinary shares of 10p each	<u>815,472</u>	<u>814,032</u>
<b>Shares classed as financial liabilities</b>		
135,500 'A' preference shares of £1 each	135,500	135,500
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>336,500</u>	<u>336,500</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

**16 SHARE CAPITAL (continued)**

Allotments during the year:

During the year the company issued 14,400 ordinary shares at a premium of £2.65.

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.

**17 SHARE PREMIUM ACCOUNT AND RESERVES**

<b>The group</b>	<b>Share premium account £</b>	<b>Capital reserve £</b>	<b>Profit and loss account £</b>
At 1 July 2013	4,678,446	1,173,574	(9,163,063)
Retained loss for the year	-	-	(566,408)
Premium on allotment during the year	38,160	-	-
At 30 June 2014	<u>4,716,606</u>	<u>1,173,574</u>	<u>(9,729,471)</u>
<b>The company</b>	<b>Share premium account £</b>	<b>Capital reserve £</b>	<b>Profit and loss account £</b>
At 1 July 2013	4,678,446	372,000	(1,843,679)
Retained Profit for the year	-	-	84,238
Premium on allotment during the year	38,160	-	-
At 30 June 2014	<u>4,716,606</u>	<u>372,000</u>	<u>(1,759,441)</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2014

**18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2014	2013
	£	£
Loss for the financial year	(566,408)	(781,911)
Issue of shares	39,600	768,199
Shareholders' funds at 1 July 2013	<u>(2,497,011)</u>	<u>(2,483,299)</u>
Shareholders' funds at 30 June 2014	<u><u>(3,023,819)</u></u>	<u><u>(2,497,011)</u></u>

**19 NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	2014	2013
	£	£
Operating loss	(1,011,333)	(1,155,231)
Depreciation charges	32,502	25,994
Amortisation of grants	(12,960)	(12,963)
Amortisation and impairment of players	69,664	92,785
(Profit) / loss on disposal of intangible assets	-	2,669
(Increase) / decrease in stock	(9,715)	23,551
(Increase) / decrease in debtors	(92,301)	222,688
Decrease in creditors	<u>(240,161)</u>	<u>(49,804)</u>
Net cash outflow from operating activities	<u><u>(1,264,304)</u></u>	<u><u>(850,311)</u></u>

**20 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2014	2013
	£	£
Increase in cash in the year	4,314	(87,997)
Cash inflow from increase in debt financing	(985,453)	(794,173)
Non Cash Items	<u>-</u>	<u>728,599</u>
Movement in net debt in the year	(981,139)	(153,571)
Net debt at 1 July 2013	<u>(3,973,049)</u>	<u>(3,819,478)</u>
Net debt at 30 June 2014	<u><u>(4,954,188)</u></u>	<u><u>(3,973,049)</u></u>

For the year ended 30 June 2014

**21 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 July 2013	Cash flow	Non-cash items	At 30 June 2014
	£	£	£	£
Cash at bank and in hand	27,138	40,587	-	67,725
Overdrafts	-	(36,273)	-	(36,273)
	27,138	4,314	-	31,452
Debt due within one year	(4,000,187)	(134,384)	-	(4,134,571)
Debt falling due after more than one year	-	(851,069)	-	(851,069)
Total	<u>(3,973,049)</u>	<u>(981,139)</u>	<u>-</u>	<u>(4,954,188)</u>

**22 CAPITAL COMMITMENTS**

The group and the company had capital commitments at 30 June 2014 of £356,000 (30 June 2013: £356,000).

**23 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.

**24 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.

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

For the year ended 30 June 2014

**25 LEASING COMMITMENTS**

Operating lease payments amounting to £42,321 (2013: £57,026) due within one year.

**The group**

	2014		2013	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	-	1,723	-	9,879
Between two and five years	35,000	5,598	35,000	12,147
	<u>35,000</u>	<u>7,321</u>	<u>35,000</u>	<u>22,026</u>

**The company**

	2014		2013	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	-	-	-	-
Between one and five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**26 RELATED PARTIES AND TRANSACTIONS WITH DIRECTORS**

The group had loans outstanding of £677,054 (2013: £653,912) from Deltavon Developments Limited at the year end a company in which G M H Dunford is a director. £200,000 of this was repaid 5 December 2014.

The group had loans outstanding of £Nil (2013: £47,392) from Bradshaw Leisure Limited at the year end a company in which B Bradshaw is a director.

The group also had the following loans outstanding from other related parties:

G Bradshaw - £19,715 (2013: £Nil)

I Bradshaw - £29,611 (2013: £Nil)

The group also had the following loans outstanding from other directors.

N J Higgs - £792,083 (2013: £840,964)

B Bradshaw - £409,952 (2013: £395,751)

R King - £186,346 (2013: £179,940)

G M H Dunford - £143,066 (2013: £138,326)

E Ware - £8,290 (2013: £8,290)

C Jelf - £Nil (2013: £1,289)

Interest was charged on these loans at rates ranging from 2.5% to 4%.

For the year ended 30 June 2014

---

The group also had the following Directors 1 Year Bonds outstanding

N J Higgs - £159,162 (2013: £153,162)  
B Bradshaw - £156,649 (2013: £150,650)  
C Jelf - £131,967 (2013: £152,205)  
E Ware - £147,579 (2013: £141,979)  
G M H Dunford - £51,134 (2013: £Nil)

The group also had the following 1 Year Bonds with Related Parties

Barrs Court - £147,983 (2013: £191,425)  
Deltavon Developments Limited - £102,758 (2013: £Nil)  
J Jelf - £26,320 (2013: £Nil)

The group also had the following Directors 3 Year Bonds outstanding

N J Higgs - £407,600 (2013: £Nil)  
B Bradshaw - £152,288 (2013: £Nil)  
C Jelf - £86,254 (2013: £Nil)  
E Ware - £153,327 (2013: £Nil)

The group also had the following 3 Year Bonds with Related Parties

Barrs Court - £51,600 (2013: £Nil)

Interest was charged on 1 and 3 year Bonds at 4%.

During the year sales of £15,497 (2013: £5,960) were made to companies in which G M H Dunford is a director. At the year end £Nil (2013: £805) was included in debtors.

During the year sales of £2,077 (2013: £9,862) were made to the Jelf Group plc, a company in which C Jelf is a director. Purchases amounting to £32,689 (2013: £29,248) were made from the Jelf Group plc during the year. At the year end £763 (2013: £3,630) was included in debtors.

## **27 CONTROLLING RELATED PARTIES**

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