

Registration number: 00034603

GLOUCESTER RUGBY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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GLOUCESTER RUGBY LIMITED
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GLOUCESTER RUGBY LIMITED
COMPANY INFORMATION

Directors	R W J Walkinshaw M G St Quinton D Grainger S Vaughan A Hunt H Morgan J C M Parker
Company secretary	J C M Parker
Registered office	Kingsholm Stadium Kingsholm Road Gloucester GL1 3AX
Bankers	Barclays Bank plc 18 Southgate Street Gloucester Gloucestershire GL1 2DH
Auditors	Hazlewoods LLP Windsor House Barnett Way Barnwood Gloucester GL4 3RT

GLOUCESTER RUGBY LIMITED
STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2014

The directors present their strategic report for the year ended 30 June 2014.

Principal activity

The principal activity of the company is the provision of sporting and social entertainment.

Business review

Fair review of the business

The performance of the playing squad did not meet the expectations of the Board for the 2013/14 season. This resulted in a departure of the Director of Rugby and the non-renewal of other key staff contracts in the Rugby coaching department. The Board took the view to strengthen the squad and its support staff, recruiting proven high quality individuals David Humphreys as Director of Rugby and Laurie Fisher joining as Head Coach. An early highlight in to the new tenure was winning the Premiership 7's competition.

The club maintained its self-sustainable financial footing, with another year of profit (ending June 14) despite the challenging situations the club has been in on the field. The headline numbers include topping £12m turnover, up 3.7% on the previous year, whilst returning a pre tax profit of £512k (up nearly 68% on the prior year), the 4th year of profit in a row. This has been achieved whilst spending at record levels on the team and support staff, and developing the facilities at Kingsholm and Hartpury to provide the supporters and team respectively with a venue that meets the high standards of world class rugby. The club has utilised the excess profits to further invest in a stronger squad and support staff for 2014/15, whilst preparing the stadium for the Rugby World Cup 2015, where Kingsholm will feature 4 times in the group stages.

The club has seen the largest increase in sponsors and partners for some time, with 11 new relationships developed in the season. Hospitality sales were at levels not seen since the opening of the Mira Showers Stand in 2007.

The club has reduced its long term debt by £639k (15%). Direct Debit payments have been offered to season ticket holders at an interest free rate to spread the cost of the season ticket, which in return reduced the year end cash, but has maintained steady and consistent cash flow. This has been well received by the supporters with nearly 30% of season ticket holders taking the option. The club will develop this over the coming months to look to release the 2015/16 along the same lines.

Future developments

Investments in the 2015/16 Squad and Support Staff has stepped up again to a new record level. The likes of Greig Laidlaw, Richie Hibbard, John Afoa, James Hook and Tom Palmer have all added strength and experience to the squad. Season tickets and Hospitality have had a good start to the year and are ahead of 2014/15, a promising start to the financial year.

The club welcomed Japan to play in November 2013, and will welcome the USA and Tonga this year in November. The club will continue to develop its international presence before the 2015 World Cup and in turn promote the culture and partnerships that remain at the core of the club.

Although the club took the decision not to carry out a concert in 2014, concerts will be back at Kingsholm for 2015 and beyond, providing entertainment to all age groups throughout the year. The flexibility to offer alternative entertainment to Rugby in the closed season remains a core objective of the club.

Post balance sheet events

David Humphreys was appointed Director of Rugby at the end of July 2014

Results

The pre tax profit for the year amounted to £512,380 (2013 - £305,336).

GLOUCESTER RUGBY LIMITED
STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2014

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Key performance indicators

Financial

The company measures its financial performance using the following measures:

- Profitability
- Growth in turnover
- Total receipts per match; and
- Monitoring senior and academy squad costs

Non-financial

The company measures its non-financial performance as follows:

- Aviva Premiership league position;
- Number of wins per season;
- Progression in European Cup and Anglo Welsh Cup; and
- Match attendances

Mission

To be a top 4 club whilst remaining profitable and financially self-sustaining. The mission statement is broken into 4 key areas of focus: Profit/Players/Supporters/Partners.

Principal risks and uncertainties

The company generates cash from operations ahead of expenditure, and does not have a liquidity risk other than from repaying loans taken out to develop the facilities.

In the event of the club being relegated the company would receive a "parachute" payment and additional income from central funds. The directors believe that this income, in addition to receipts generated from ongoing activities, would ensure the club has sufficient funding to regain Premiership status in the following season, or enable the company to make alternative contingency plans to manage its liquidity exposure.

Approved by the Board on 12/12/14 and signed on its behalf by:



R W J Walkinshaw
Director

GLOUCESTER RUGBY LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The directors present their report and the financial statements for the year ended 30 June 2014.

Directors of the company

The directors who held office during the year were as follows:

R W J Walkinshaw

M G St Quinton

D Grainger

S Vaughan

A Hunt (appointed 29 July 2013)

H Morgan

H Evans (appointed 01 August 2013 and resigned 05 August 2014)

K B Nottage (resigned 31 July 2013)

W S Humphreys (resigned 09 July 2013)

The following director was appointed after the year end:

J C M Parker - Company secretary and director (appointed 01 July 2014)


Disclosure of information to the auditor

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Medium sized company provisions

This report has been prepared in accordance with the special provisions relating to medium-sized companies within Part 15 of the Companies Act 2006.

Approved by the Board on 18/12/14 and signed on its behalf by:


R W J Walkinshaw
Director

GLOUCESTER RUGBY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report, Strategic 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 law). 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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOUCESTER RUGBY LIMITED

We have audited the financial statements of Gloucester Rugby Limited for the year ended 30 June 2014, set out on pages 8 to 19. 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 Statement of Directors' Responsibilities (set out on page 5), 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and the Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GLOUCESTER RUGBY LIMITED**

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

.....
Martin Howard (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditors

Windsor House
Barnett Way
Barnwood
Gloucester
GL4 3RT

Date: 18/12/14.....

GLOUCESTER RUGBY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 £	2013 £
Turnover		12,023,466	11,592,325
Cost of sales		<u>(8,086,158)</u>	<u>(7,830,795)</u>
Gross profit		3,937,308	3,761,530
Administrative expenses		<u>(3,069,504)</u>	<u>(3,031,485)</u>
Operating profit	2	867,804	730,045
Other interest receivable and similar income		125	189
Interest payable and similar charges	5	<u>(355,549)</u>	<u>(424,898)</u>
Profit on ordinary activities before taxation		512,380	305,336
Tax on profit on ordinary activities	6	<u>(265,888)</u>	<u>-</u>
Profit for the financial year	13	<u><u>246,492</u></u>	<u><u>305,336</u></u>


Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

GLOUCESTER RUGBY LIMITED
(REGISTRATION NUMBER: 00034603)
BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible fixed assets	7	9,629,474	9,595,771
Current assets			
Stocks	8	23,670	36,495
Debtors	9	1,965,252	2,039,383
Cash at bank and in hand		485,286	683,206
		2,474,208	2,759,084
Creditors: Amounts falling due within one year	10	(4,335,600)	(4,204,569)
Net current liabilities		(1,861,392)	(1,445,485)
Total assets less current liabilities		7,768,082	8,150,286
Creditors: Amounts falling due after more than one year	11	(3,560,415)	(4,189,111)
Net assets		4,207,667	3,961,175
Capital and reserves			
Called up share capital	12	7,134,434	7,134,434
Share premium account	13	382,655	382,655
Profit and loss account	13	(3,309,422)	(3,555,914)
Shareholders' funds	14	4,207,667	3,961,175

Approved by the Board and authorised for issue on 18/12/14 and signed on its behalf by:


R.W.J. Walkinshaw
Director

GLOUCESTER RUGBY LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

Reconciliation of operating profit to net cash flow from operating activities

	2014	2013
	£	£
Operating profit	867,804	730,045
Depreciation, amortisation and impairment charges	399,059	372,326
Decrease in stocks	12,825	38,233
Increase in debtors	(191,757)	(363,073)
Increase in creditors	59,378	66,107
Net cash inflow from operating activities	<u>1,147,309</u>	<u>843,638</u>

Cash flow statement

	2014	2013
	£	£
Net cash inflow from operating activities	<u>1,147,309</u>	<u>843,638</u>
Returns on investments and servicing of finance		
Interest received	125	189
HP and finance lease interest	(7,882)	(12,474)
Interest paid	<u>(347,667)</u>	<u>(412,424)</u>
	<u>(355,424)</u>	<u>(424,709)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(414,860)</u>	<u>(273,306)</u>
Net cash inflow before management of liquid resources and financing	<u>377,025</u>	<u>145,623</u>
Financing		
Repayment of loans and borrowings	(536,231)	(486,811)
Repayment of capital element of finance leases and HP contracts	<u>(38,714)</u>	<u>(40,800)</u>
	<u>(574,945)</u>	<u>(527,611)</u>
Decrease in cash	<u>(197,920)</u>	<u>(381,988)</u>

Reconciliation of net cash flow to movement in net debt

	Note	2014	2013
		£	£
Decrease in cash		(197,920)	(381,988)
Cash outflow from repayment of loans		536,231	486,811
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		38,714	40,800
Change in net debt resulting from cash flows	16	<u>377,025</u>	<u>145,623</u>
New finance leases		(17,902)	-
Movement in net debt	16	<u>359,123</u>	<u>145,623</u>
Net debt at 1 July	16	<u>(3,870,942)</u>	<u>(4,016,565)</u>
Net debt at 30 June	16	<u>(3,511,819)</u>	<u>(3,870,942)</u>

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1 Accounting policies

Basis of preparation

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

Going concern

The directors have considered the basis of preparation of the financial statements of the company on a going concern basis.

The company made a pre tax profit of £512,380 (2013 - £305,336) during the period and generated a net cash inflow for the period, before financing, of £377,025 (2013 - £145,623). At the year end the company had net current liabilities of £1,861,392 (2013 - £1,445,485). The company has prepared detailed budgets and cash flow forecasts for the period to 30 June 2016. These forecasts show that the company will be able to operate within the level of its current debt facilities and with the continuing support of its bankers and shareholders. The directors therefore believe that the company has sufficient resources to continue its activities for the foreseeable future and as such, consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of value added tax and trade discounts.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Asset class	Depreciation method and rate
Freehold building and ground improvements	2-15% straight line
Motor Vehicles	20% straight line
Fixtures, fittings and equipment	15-33% straight line

As permitted by FRS 15 "Tangible Fixed Assets", the company has opted to capitalise the finance costs in respect of the borrowing incurred on the development of the South Stand up until the time that construction was completed.

Stock

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

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Derivatives

The company utilises interest rate swaps to manage interest rate risk volatility on its bank loans and borrowings. The company is not required to apply FRS 26 Financial Instruments: Recognition and Measurement and as such, interest rate swaps are not revalued to their fair value or shown in the company's balance sheet at the period end.

2 Operating profit

Operating profit is stated after charging:

	2014	2013
	£	£
Operating leases - other assets	25,980	19,373
Auditor's remuneration - The audit of the company's annual accounts	12,420	9,786
Depreciation of owned assets	<u>399,059</u>	<u>372,326</u>

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

3 Particulars of employees

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

	2014 No.	2013 No.
Administration, commercial and match day staff	176	162
Sports and rugby players	72	65
	<u>248</u>	<u>227</u>

The aggregate payroll costs were as follows:

	2014 £	2013 £
Wages and salaries	6,176,967	5,775,852
Social security costs	768,771	626,033
	<u>6,945,738</u>	<u>6,401,885</u>

4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2014 £	2013 £
Remuneration	<u>184,499</u>	<u>217,897</u>

In respect of the highest paid director:

	2014 £	2013 £
Remuneration	<u>140,697</u>	<u>81,564</u>

5 Interest payable and similar charges

	2014 £	2013 £
Interest on bank borrowings	347,667	412,424
Finance charges	7,882	12,474
	<u>355,549</u>	<u>424,898</u>

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

6 Taxation

Tax on profit on ordinary activities

	2014	2013
	£	£
Deferred tax		
Origination and reversal of timing differences	140,894	-
Deferred tax adjustment relating to previous years	56,893	-
Effect of changes in tax rates	68,101	-
Total deferred tax	<u>265,888</u>	<u>-</u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 22.5% (2013 - 24%).

The differences are reconciled below:

	2014	2013
	£	£
Profit on ordinary activities before taxation	<u>512,380</u>	<u>305,336</u>
Corporation tax at standard rate	115,286	73,281
Capital allowances for the period in excess of depreciation	(77,622)	9,949
Other short term timing differences	(345)	-
Expenses not deductible for tax purposes	858	-
Utilisation of tax losses	(80,549)	(83,230)
Fixed asset differences	42,344	-
Other permanent differences	<u>28</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Factors that may affect future tax charges

The company has tax losses at the year end date of £4,296,300 (2013 - £4,654,274) that are available indefinitely for offset against future taxable profits. A deferred tax asset has been included in the accounts in respect of these losses.

7 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 July 2013	10,907,447	891,443	66,119	11,865,009
Additions	192,026	222,834	17,902	432,762
At 30 June 2014	11,099,473	1,114,277	84,021	12,297,771
Depreciation				
At 1 July 2013	1,704,137	503,750	61,351	2,269,238
Charge for the year	289,586	106,628	2,845	399,059
At 30 June 2014	1,993,723	610,378	64,196	2,668,297
Net book value				
At 30 June 2014	9,105,750	503,899	19,825	9,629,474
At 30 June 2013	9,203,310	387,693	4,768	9,595,771

Included in land and buildings is freehold land at a cost of £480,000 (2013 - £480,000) which is not depreciated.

The cost of the freehold land and buildings included capitalised finance costs of £404,766 of which an amount of £nil was capitalised during the year.

Leased assets

Included within the net book value of tangible fixed assets is £103,175 (2013 - £105,245) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £19,972 (2013 - £19,972).

8 Stocks

	2014 £	2013 £
Stocks	23,670	36,495

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

9 Debtors

	2014 £	2013 £
Trade debtors	823,799	746,440
Other debtors	18,270	31,144
Deferred tax	313,112	579,000
Prepayments and accrued income	810,071	682,799
	<u>1,965,252</u>	<u>2,039,383</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows:

	£
At 1 July 2013	579,000
Deferred tax charged to the profit and loss account	<u>(265,888)</u>
At 30 June 2014	<u>313,112</u>

Analysis of deferred tax

	2014 £	2013 £
Accelerated capital allowances	(548,842)	(551,826)
Other timing differences	2,694	3,450
Tax losses available	859,260	1,127,376
	<u>313,112</u>	<u>579,000</u>

10 Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	700,145	520,797
Bank loans	552,075	516,519
Obligations under finance lease and hire purchase contracts	29,753	34,909
Other taxes and social security	983,592	859,706
Other creditors	42,089	38,612
Accruals and deferred income	2,027,946	2,234,026
	<u>4,335,600</u>	<u>4,204,569</u>

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Obligations under finance leases and hire purchases contracts are secured over the assets to which they relate.

Details of the security over the bank loans and overdraft are disclosed in note 11 to the financial statements.

11 Creditors: Amounts falling due after more than one year

	2014	2013
	£	£
Bank loans	3,375,771	3,947,558
Obligations under finance lease and hire purchase contracts	39,506	55,162
Deferred income	145,138	186,391
	<u>3,560,415</u>	<u>4,189,111</u>

Bank loans included above and in note 10 includes a loan, bearing interest at 7.8%, secured by way of a legal charge over the freehold property of the company, a first ranking fixed charge over the P shares and a deed of priority to ensure that the security ranks as a first priority security interest over the P shares.

The bank overdraft is secured by way of a fixed charge over the freehold property of the company and certain assets subject to finance leases.

The remaining amount shown within bank loans of £1,637,282 is secured by way of a charge over distribution rights, a second fixed charge over the freehold property of the company.

Obligations under finance leases and HP contracts

Amounts repayable:

	2014	2013
	£	£
In one year or less on demand	29,753	34,909
Between two and five years	39,506	55,162
	<u>69,259</u>	<u>90,071</u>

12 Share capital

Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary shares of £1 each	5,467,767	5,467,767	5,467,767	5,467,767
Preference shares of £1 each	1,666,667	1,666,667	1,666,667	1,666,667
	<u>7,134,434</u>	<u>7,134,434</u>	<u>7,134,434</u>	<u>7,134,434</u>

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

13 Reserves

	Share premium account £	Profit and loss account £	Total £
At 1 July 2013	382,655	(3,555,914)	(3,173,259)
Profit for the year	-	246,492	246,492
At 30 June 2014	<u>382,655</u>	<u>(3,309,422)</u>	<u>(2,926,767)</u>

14 Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Profit attributable to the members of the company	246,492	305,336
Net addition to shareholders' funds	<u>246,492</u>	<u>305,336</u>
Shareholders' funds at 1 July	3,961,175	3,655,839
Shareholders' funds at 30 June	<u>4,207,667</u>	<u>3,961,175</u>

15 Commitments

Operating lease commitments

As at 30 June 2014 the company had annual commitments under non-cancellable operating leases as follows:
Operating leases which expire:

	2014 £	2013 £
Land and buildings		
Within two and five years	<u>180,000</u>	<u>180,000</u>
Other		
Within one year	3,130	21,811
Within two and five years	<u>11,300</u>	-
	<u>14,430</u>	<u>21,811</u>

GLOUCESTER RUGBY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

16 Analysis of net debt

	At 1 July 2013 £	Cash flow £	Other non-cash changes £	At 30 June 2014 £
Cash at bank and in hand	683,206	(197,920)	-	485,286
Debt due within one year	(516,519)	(35,556)	-	(552,075)
Debt due after more than one year	(3,947,558)	571,787	-	(3,375,771)
Finance leases and hire purchase contracts	(90,071)	38,714	(17,902)	(69,259)
Net debt	<u>(3,870,942)</u>	<u>377,025</u>	<u>(17,902)</u>	<u>(3,511,819)</u>

17 Related party transactions

During the period the company made the following related party transactions:

Gloucester Rugby Community Foundation CIC

(a company limited by guarantee in which S Vaughan and J C M Parker are directors)

During the year the company made sales to Gloucester Rugby Community Foundation CIC of £52,261 (2013 - £nil) and purchases of £2,000 (2013 - £nil). At the balance sheet date the amount due to Gloucester Rugby Community Foundation CIC was £2,000 (2013 - £nil) and the amount due from Gloucester Rugby Community Foundation CIC was £16,812 (2013 - £nil).

Walkinshaw Performance Limited

During the prior year the company made sales of £285 to Walkinshaw Performance Limited, of which R W J Walkinshaw, a director of the company, is also a director. There were no transactions with Walkinshaw Performance Limited during the current year and there were no amounts outstanding at the balance sheet date, in either the current or prior year.

18 Control

The directors regard Try Investments Limited, a company registered in England and Wales, as the ultimate parent undertaking and controlling party.