Financial Statements
Bristol Rovers Football Club Limited

For the Year Ended 30 June 2016

Registered number: 00051828

Company Information

Directors	W Al Qadi (appointed 18 February 2016) S C Hamer (appointed 18 February 2016) K A W Masters B Seymour-Smith
Company secretary	Taylor Wessing Secretaries Limited (appointed 18 February 2016)
Registered number	00051828
Registered office	The Memorial Stadium Filton Avenue Horfield Bristol BS7 0BF
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Hartwell House 55-61 Victoria Street Bristol BS1 6FT
Bankers	Bank of Scotland Plc Bank House Wine Street Bristol BS1 2AN
Solicitors	Taylor Wessing LLP 5 New St Square London EC4A 3TW

Contents

Directors' Report
For the Year Ended 30 June 2016

The directors present their report and the financial statements for the year ended 30 June 2016.

Directors

The directors who served during the year were:

W Al Qadi (appointed 18 February 2016)
S C Hamer (appointed 18 February 2016)
K A W Masters
B Seymour-Smith
L Atkins (appointed 18 February 2016, resigned 21 November 2016)
B W Bradshaw (resigned 18 February 2016)
N J Higgs (resigned 18 February 2016)
C Jelf (resigned 18 February 2016)
C L Sextone (appointed 21 September 2015, resigned 18 February 2016)
E Ware (resigned 18 February 2016)

Principal activity

The principal activities of the company are that of a professional football league club.

Business review

It gives me great pleasure to present my first Chairman's Report to the shareholders of Bristol Rovers Football Club Limited.

What a year it has been. On the pitch, Darrell Clarke and his team have been outstanding again. I must on behalf of the Board and the supporters express my gratitude and thanks for all the hard work that he and his team has put into the Club. The success that he continues to achieve is well deserved. The Club having gained promotion back to the Football League at the end of season 2014/2015 has carried on that momentum and achieved back to back promotions at the end of season 2015/2016 in dramatic fashion.

None of us will forget that day against Dagenham & Redbridge when Lee Brown scored the winning goal in the 92nd minute and the subsequent wait to see if Stevenage could hang on for a draw at Accrington, which of course they did and we achieved automatic promotion to League 1.

Our return to League 1 has been met with an absolutely wonderful response from our supporters, as was the promotion to League 2 the previous season. Our supporters are behind us in even greater numbers this season, both home and away. This is again a testament to what we can achieve with a successful team.

The operating loss for the year under review has decreased to £831,138 (2015 £956,105).

This figure reflects the increase in central funding and the increase in crowds in League 2 compared to the National League. This has partly been offset due to increased costs by wishing to be competitive in League 2.

We managed to retain virtually all the squad from last season and I am sure that it has given us all so much pride that a great many of the current squad played for the club in the National League.

This season has been an exceptional season and at the time of writing this report we do have a chance of making the playoffs in League 1 with a possibility of gaining promotion to the Championship. This would be an unbelievable achievement if it were to occur and I know Darrell and the team will continue to pursue this goal.

Directors' Report (continued)

For the Year Ended 30 June 2016

If it is not to be our year this season, Darrell and the team will work even harder to achieve promotion next year and to this end we have in conjunction with Darrell, begun to assemble a squad for 2017/18 season that will challenge for promotion. You will have seen the recent contract extensions for Chris Lines, Ollie Clarke and Stuart Sinclair, well deserved rewards for the hard work they have put in for the Club. Dan Leadbitter, Lee Brown, Tom Lockyer, Peter Hartley, Byron Moore, Billy Bodin, Joe Partington and Jonny Burn are already contracted for next season and we feel that this gives us a great nucleus on which to build a squad capable of maintaining a serious challenge next season.

It also shows the Board's intention to retain its talented players and add to the squad as needed.

Off the field of course saw the acquisition of the club by Dwane Sports Ltd, a company owned by the Al Qadi family. They are passionate about the sport and about Bristol Rovers F C as many of you will have observed.

They have financially committed themselves to the Club and foresee a bright future for Bristol Rovers. Whilst some necessary investment has been made at the Memorial Stadium, Dwane Sports Group has also invested in a new training ground at Almondsbury. The intention is to base both the first team and the Academy at that venue, with a view to upgrading our Academy to Category 2 status (it is currently a category 3 academy).

The Club once again owns its own training ground and this is seen as a significant step for the Club.

The owners' intentions continue to be to develop a new stadium for the Club. They recognise that if the club is to progress to the Championship and beyond, it is essential it has a larger modern stadium.

I am confident that there is an encouraging future ahead and it is pleasing to see so many smiling faces around the club, I am sure you are as enthusiastic about the future as I am.

Last but not least, I would as always like to thank all our supporters for their valued commitment during the year and also not forgetting our owners and our loyal staff for all their hard work during the past twelve months. Finally, I should like to record my gratitude to my co-directors, Wael Al Qadi and Mike Turner, for all their support.

Principal risks and uncertainties

The company 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 company's operations. The main risks arising from the company's financial instruments are cash flow interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks. These policies have remained unchanged from previous years.

Price risk, credit risk, liquidity risk and cash flow risk

Appropriate trade terms are negotiated with suppliers and customers. Management reviews these terms, the relationship with suppliers and customers and manages any exposure on normal trade terms. The company prepares regular forecasts of cash flow and liquidity and any requirements for additional funding is managed by the directors on a nccds basis.

Directors' Report (continued)

For the Year Ended 30 June 2016

Directors' responsibilities statement

The directors are responsible for preparing 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Directors' Report (continued)
For the Year Ended 30 June 2016

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

S C Hamer
Director

Date: 30 March 2017

Grant Thornton

Independent Auditor's Report to the Members of Bristol Rovers Football Club Limited

We have audited the financial statements of Bristol Rovers Football Club Limited for the year ended 30 June 2016, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's shareholders, 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 shareholders 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 shareholders 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 on page 3, 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.

Opinion on 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 2016 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

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

Grant Thornton

Independent Auditor's Report to the Members of Bristol Rovers Football Club Limited (continued)

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Tim Lincoln (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Bristol

30 March 2017

Statement of Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 £	2015 £
Turnover	4	**4,740,293**	3,552,105
Operating expenditure	8	**(5,565,236)**	(4,491,183)
Gross loss		**(824,943)**	(939,078)
Donations from support organisations	5	**50,000**	51,656
Amortisation of players	6	**(56,195)**	(68,683)
Operating loss	6	**(831,138)**	(956,105)
Profit on sale of players	5	-	152,393
Net compensation for loss of youth players	5	**90,000**	108,664
Loss on ordinary activities before interest		**(741,138)**	(695,048)
Net interest	11	**(9,863)**	(8,972)
Loss on ordinary activities before tax		**(751,001)**	(704,020)
Tax on loss on ordinary activities	12	-	-
Loss for the financial year		**(751,001)**	(704,020)
Other comprehensive income for the year			
Total comprehensive income for the year		**(751,001)**	(704,020)

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 10 to 27 form part of these financial statements.

Statement of Financial Position

As at 30 June 2016

	Note		2016 £		2015 £
Fixed assets					
Intangible assets	13		**35,253**		37,717
Tangible assets	14		**52,954**		32,144
Investments	15		**20,000**		20,000
			108,207		89,861
Current assets					
Stocks	16	**52,442**		53,901	
Debtors	17	**339,273**		273,003	
Cash at bank and in hand	18	**195,569**		27,483	
		587,284		354,387	
Creditors: amounts falling due within one year	19	**(9,360,166)**		(8,353,025)	
Net current liabilities			**(8,772,882)**		(7,998,638)
Total assets less current liabilities			**(8,664,675)**		(7,908,777)
Creditors: amounts falling due after more than one year	20		**(1,448)**		(6,345)
Net liabilities			**(8,666,123)**		(7,915,122)
Capital and reserves					
Called up share capital	22		**139,664**		139,664
Share premium account	23		**252,174**		252,174
Profit and loss account	23		**(9,057,961)**		(8,306,960)
			(8,666,123)		(7,915,122)

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 March 2017.

S C Hamer
Director

Statement of Changes in Equity
For the Year Ended 30 June 2016

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2015	139,664	252,174	(8,306,960)	(7,915,122)
Comprehensive income for the year				
Loss for the year	-	-	(751,001)	(751,001)
Total comprehensive income for the year	-	-	(751,001)	(751,001)
At 30 June 2016	139,664	252,174	(9,057,961)	(8,666,123)

Statement of Changes in Equity
For the Year Ended 30 June 2015

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2014	139,664	252,174	(7,602,940)	(7,211,102)
Comprehensive income for the year				
Loss for the year	-	-	(704,020)	(704,020)
Total comprehensive income for the year	-	-	(704,020)	(704,020)
Total transactions with owners	-	-	-	-
At 30 June 2015	139,664	252,174	(8,306,960)	(7,915,122)

The notes on pages 10 to 27 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2016

1. General information

The company is limited by shares and is incorporated in England and Wales. The registered office address is The Memorial Stadium, Filton Avenue, Horfield, Bristol, BS7 0BF.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 30.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Bristol Rovers (1883) Limited as at 30/06/2016 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Statement of Financial Position discloses net liabilities of £8,666,123 (2015: £7,915,122). Notwithstanding the net liabilities, the financial statements have been prepared on the going concern basis which assumes the company will continue in operational existence for the foreseeable future. The company relies on the continued support of the Al Qadi family for its day to day funding and funds its working capital requirments through a facility provided by Dwane Sports Limited, a company owned by the Al Qadi family, that is repayable only at such time as the Club is in a position to repay the outstanding loans.

Mr H Al Qadi has confirmed his intention to maintain support for a period of at least twelve months from the signing of these accounts.

On the basis above the directors consider it appropriate to prepare the financial statements on a going concern basis.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.4 Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts. Gate, season tickets and other match day 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 payments relate.

2.5 Intangible assets

The company 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 company.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

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

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.7 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.9 Stocks

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

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.12 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.14 Employers' contracts

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

2.15 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.16 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.18 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.19 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Notes to the Financial Statements
For the Year Ended 30 June 2016

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reported period. The estimates and associated judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources.

Adjustments to accounting estimates are recognised in the period in which the estimate is revised if the change affects only that period or in the period of the revision and subsequent periods if both periods are affected.

The following are significant management judgements in applying the accounting policies of the company that have the most significant effect on the financial statements.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain tangible assets.

Fair value measurement
Management uses valuation techniques to determine the fair value of financial instruments. Management bases its assumptions on observable data. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. The estimates and underlying judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. Turnover

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

	2016	2015
	£	£
Football receipts	2,813,839	2,116,328
Other receipts	1,926,454	1,435,777
	4,740,293	3,552,105

All turnover arose within the United Kingdom.

Notes to the Financial Statements
For the Year Ended 30 June 2016

5. Other operating income

	2016	2015
	£	£
Donations from support organisations	**50,000**	51,656
Profit on sale of players	**-**	152,393
Net compensation for loss of youth players	**90,000**	108,664
	140,000	312,713

6. Operating loss

The operating loss is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets, owned	**25,749**	23,716
Amortisation of other intangible assets	**56,195**	68,683
Operating lease rentals - Land & Buildings	**60,525**	45,400
Operating lease rentals - Other	**12,796**	9,533
Grants credited	**(11,307)**	(11,301)

7. Auditor's remuneration

	2016	2015
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	**19,000**	7,725

Fees payable to the Company's auditor and its associates in respect of:

	2016	2015
Non-audit services	**5,500**	10,845
	5,500	10,845

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 2016. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Council's June 2010 Guidance on Auditor Liability Agreements, and will be proposed for approval at the forthcoming Annual General Meeting.

Notes to the Financial Statements

For the Year Ended 30 June 2016

8. Operating expenditure

	2016 £	2015 £
Players and staff costs	**3,601,892**	2,805,682
Match and ground expenses	**1,052,598**	1,034,496
Administrative expenses	**354,562**	252,618
Cost of goods sold	**556,184**	398,387
	5,565,236	4,491,183

9. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	**3,251,672**	2,577,354
Social security costs	**288,501**	212,818
Other pension costs	**61,719**	15,510
	3,601,892	2,805,682

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

	2016 No.	2015 No.
Playing staff	**45**	40
Management and administration staff	**23**	22
Commercial staff	**7**	6
Academy	**24**	26
Bar & Catering	**47**	41
Matchday Stewards	**70**	80
	216	215

Notes to the Financial Statements
For the Year Ended 30 June 2016

10. Directors' remuneration

	2016	2015
	£	£
Directors' emoluments	15,870	-
Company contributions to defined contribution pension schemes	98	-
	15,968	-

During the year retirement benefits were accruing to 1 director (2015 - NIL) in respect of defined contribution pension schemes.

11. Net interest

	2016	2015
	£	£
Other loans and overdrafts	9,863	8,972

Notes to the Financial Statements

For the Year Ended 30 June 2016

12. Taxation

	2016	2015
	£	£
Current tax on profits for the year	-	-
Deferred tax	-	-
Total deferred tax	-	-

Unrelieved tax losses of £7,149,694 (2015: £6,386,604) remain available to offset against future taxable trading profits. Deferred tax assets unrecognised amounted to £1,309,111 (2015: £1,309,967).

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2015 - the same as) the standard rate of corporation tax in the UK of 20% (2015 - 20%) as set out below:

	2016	2015
	£	£
Loss on ordinary activities before tax	**(751,001)**	(704,020)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	**(150,200)**	(140,804)
Effects of:		
Expenses not deductible for tax purposes	**4,620**	20,747
Capital allowances for year in excess of depreciation	**3,565**	3,731
Deferred tax not recognised	**142,015**	116,326
Total tax charge for the year	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the Financial Statements

For the Year Ended 30 June 2016

13. Intangible assets

	Players £
Cost	
At 1 July 2015	183,276
Additions	66,231
Disposals	(145,827)
At 30 June 2016	103,680
Amortisation	
At 1 July 2015	145,559
Charge for the year	56,195
On disposals	(133,327)
At 30 June 2016	68,427
Net book value	
At 30 June 2016	35,253
At 30 June 2015	37,717

Notes to the Financial Statements

For the Year Ended 30 June 2016

14. Tangible fixed assets

	Leasehold improvements £	Sundry equipment & motor vehicles £	Total £
Cost or valuation			
At 1 July 2015	446,717	203,277	649,994
Additions	37,868	8,691	46,559
At 30 June 2016	484,585	211,968	696,553
Depreciation			
At 1 July 2015	415,248	202,602	617,850
Charge for the period on owned assets	23,795	1,954	25,749
At 30 June 2016	439,043	204,556	643,599
Net book value			
At 30 June 2016	45,542	7,412	52,954
At 30 June 2015	31,469	675	32,144

Notes to the Financial Statements
For the Year Ended 30 June 2016

15. Fixed asset investments

	Shares in subsidiary undertakings £
Cost or valuation	
At 1 July 2015	**20,000**
At 30 June 2016	**20,000**
Net book value	
At 30 June 2016	**20,000**
At 30 June 2015	20,000

Subsidiary undertakings

At 30 June 2016 the company held 20% or more of the equity of the following:

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
The Memorial Stadium Company Limited	England	Ordinary	100 %	Sports stadium leasing & catering facilities provision (dormant)

Notes to the Financial Statements
For the Year Ended 30 June 2016

16. Stocks

	2016 £	2015 £
Goods for resale	**52,442**	53,901

17. Debtors

	2016 £	2015 £
Trade debtors	**143,404**	139,312
Other debtors	**62,248**	91,743
Prepayments and accrued income	**133,621**	41,948
	339,273	273,003

18. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	**195,569**	27,483

19. Creditors: Amounts falling due within one year

	2016 £	2015 £
Payments received in advance	**1,395,016**	867,707
Trade creditors	**179,284**	128,163
Amounts due to group undertakings	**7,347,654**	7,043,811
Social security and other taxes	**220,517**	171,951
Other creditors	**73,028**	22,133
Accruals and deferred income	**139,770**	107,953
Other deferred income: grants	**4,897**	11,307
	9,360,166	8,353,025

Notes to the Financial Statements

For the Year Ended 30 June 2016

20. Creditors: Amounts falling due after more than one year

	2016	2015
	£	£
Deferred income: grants	**1,448**	6,345

21. Financial instruments

	2016	2015
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	**195,569**	27,483
Financial assets measured at amortised cost	**205,652**	231,055
	401,221	258,538
Financial liabilities		
Financial liabilities measured at fair value through profit or loss	**(7,739,736)**	(7,302,060)
	(7,739,736)	(7,302,060)

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, accruals and deferred income, and other creditors.

22. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
1,396,639 Ordinary shares shares of £0.10 each	**139,664**	139,664

Notes to the Financial Statements
For the Year Ended 30 June 2016

23. Reserves

Share premium

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium.

Profit and loss account

Includes all current and prior period retained profits and losses.

24. Contingent assets and liabilities

The company 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 of the likelihood of these players being transferred or their potential transfer values.

The company has, 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. Capital commitments

The company had no capital commitments at 30 June 2016 (2015: £Nil).

26. Pension commitments

The company 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 company.

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

27. Commitments under operating leases

At 30 June 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016	2015
	£	£
In one year or less	**25,294**	3,199
Between two and five years	**29,667**	6,334
	54,961	9,533

Notes to the Financial Statements

For the Year Ended 30 June 2016

28. Related party transactions

As a wholly owned subsidiary of Bristol Rovers (1883) Limited, the company is exempt from the requirements of FRS 102 to disclose transactions with other wholly owned members of the group headed by Bristol Rovers (1883) Limited.

G M H Dunford held shares in Bristol Rovers (1883) Limited. During the year sales of £26,850 (2015: £14,251) were made to companies in which G M H Dunford is a director. At the year end £Nil (2015: £Nil) was held in debtors. During the year purchases of £Nil (2015: £4,104) were made from companies in which G M H Dunford is a director. At the year end £Nil (2015: £Nil) was held in creditors. G M H Dunford sold his shares during the year and is therefore no longer a related party.

C Jelf was a director of the company. During the year sales of £7,221 (2015: £8,412) were made to the Jelf Group plc, a company in which C Jelf is a director. Purchases amounting to £36,645 (2015: £31,592) were made from the Jelf Group plc during the year. At the year end £Nil (2015: £4,374) was included in debtors and £Nil (2015: £34,855) was included in creditors. C Jelf has resigned as director during the year and is therefore no longer a related party.

E Ware was a director of the company. During the year sales of £7,712 (2015: £1,408) were made to companies in which E Ware is a director. At the year end £Nil (2015: £Nil) was held in debtors. E Ware has resigned as director during the year and is therefore no longer a related party.

S Al Qadi is a director and shareholder of Dwane Sports Limited. During the year sales of £8,560 (2015: £Nil) were made to companies in which S Al Qadi is a director. At the year end £Nil (2015: £Nil) was held in debtors.

S Hamer is a director of the company. During the year purchases of £4,626(2015: £Nil) were made to companies in which S Hamer is a director. At the year end £Nil (2015: £Nil) was held in creditors.

29. Controlling party

The ultimate parent undertaking of this company is Dwane Sports Limited by virtue of holding 92.6% of the ordinary shares in Bristol Rovers (1883) Limited.

Bristol Rovers (1883) Limited is the largest and smallest group of undertakings for which consolidated accounts are prepared. Their registered address is The Memorial Stadium, Filton Avenue, Horfield, Bristol, BS7 0BF.

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

30. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.