Financial Statements
Bristol Rovers Football Club Limited

For the Year Ended 30 June 2018

Registered number: 00051828

Company Information

Directors	W Al Qadi S C Hamer K A W Masters B Seymour-Smith (resigned 19 October 2017) M Starnes (appointed 9 July 2018)
Company secretary	Taylor Wessing Secretaries Limited
Registered number	00051828
Registered office	The Memorial Stadium Filton Avenue Horfield Bristol BS7 0BF
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 2 Glass Wharf Bristol BS2 0EL
Bankers	Bank of Scotland Plc Bank House Wine Street Bristol BS1 2AN
Solicitors	Taylor Wessing LLP 5 New St Square London EC4A 3TW

Contents

Bristol Rovers Football Club Limited

Chairman's Report

For the Year Ended 30 June 2018

The directors present their report and the financial statements for the year ended 30 June 2018.

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 second Chairman's Report to the shareholders of Bristol Rovers (1883) Limited.This report covers the second year exclusively under the ownership of Dwane Sports Limited.

The following season syndrome in League one after a successful returning first season found the team enjoy moments of remarkable good form, a 0-6 away win at Northampton Town being one memorable result, however, inconsistency prevailed throughout the season and the Club never really reached the levels of even threatening the top 8 position finishing 3 places below the 2016/2017 season in 13th place seven points worse off than the previous season. The loss of Billy Bodin in the January 2018 window to Preston North End F C also did not help the cause as has he had become something of a talisman for the team and his ability to score goals was sorely missed for the second half of the season. The playing surface at the Memorial Stadium was not what it should have been either due to some substandard work carried out during the 2017 summer by contractors who were engaged to remedy the pitch problems of the previous season. Sadly, the outcome of that work was a playing surface that was one of the poorest in the League. This certainly hindered the style of play manager Darrell Clarke always tried to introduce at home, 6 league matches were lost during the season. As an overview it could be suggested that this past season might be considered to have been a holding season and that with 2 years' experience of the league the manager would recruit ahead of the next season with players that would improve the Club's league status and be more than well equipped to be successful playing in League one.

On a more positive note the Development Squad (U23's) under the stewardship of Chris Hargreaves and Brian Dutton won the Central League Southern Division. No Less than 12 players from the squad were involved on first team duty during the season which was a great credit to the coaches and the investment made in running the team. This is certainly an exciting addition to the Club's portfolio and something that hopefully continues to bear fruit supporting the first team squad.

Over the past few years, the Academy has accomplished a great deal. We have shown the capacity to consistently support the development of players who have progressed to gain professional contracts at Bristol Rovers, with a number of the current Bristol Rovers first team squad having spent time within our Academy system. Furthermore, we have a history of developing players who have also gained international honours at various youth levels as well as players who have progressed to the highest levels of the domestic game.

Whilst we are immensely proud of our achievements, we remain ambitious and committed to achieving even more. We have an opportunity to build on these successes and further support the long term development of the academy in order to help us achieve our ambitious target to produce home-grown academy graduates that will one day make up the core of the future Bristol Rovers 1st team.

It is felt that this can be accomplished by the development of 4 core strategic areas:

- Sporting Excellence
- Talent Identification and Recruitment
- Sporting infrastructure
- Economic Management

S C Hamer
Chairman

Date

23 May 2019

Directors' Report
For the Year Ended 30 June 2018

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 needs basis.

Directors

The directors who served during the year were:

W Al Qadi
S C Hamer
K A W Masters
B Seymour-Smith (resigned 19 October 2017)

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 to 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.

Directors Report (continued)

For the year ended 30 June 2018

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.

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: 23 May 2019

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

Opinion

We have audited the financial statements of Bristol Rovers Football Club Limited for the year ended 30 June 2018, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Chairman's statement and the Directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Tim Lincoln
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Bristol

23 May 2019

Statement of Comprehensive Income

For the Year Ended 30 June 2018

	Note	2018 £	2017 £
Turnover	4	**5,815,958**	6,226,859
Operating expenditure	8	**8,755,899**	(7,800,324)
Gross loss		**(2,939,941)**	(1,573,465)
Donations from support organisations	5	**90,177**	51,501
Amortisation of players	13	**(346,957)**	(97,122)
Operating loss		**(3,196,721)**	(1,619,086)
Net compensation for loss of youth players	5	**15,000**	-
Profit on sale of players	5	**580,004**	327,518
Loss on ordinary activities before interest		**(2,601,717)**	(1,291,868)
Net Interest	11	**(9,968)**	(9,603)
Loss on ordinary activities before taxation		**(2,611,685)**	(1,301,471)
Tax on loss	12	-	-
Loss for the financial year		**(2,611,685)**	(1,301,471
Other comprehensive income for the year			
Other comprehensive income		-	-
Total comprehensive income for the year		**(2,611,685)**	(1,301,471)

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

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

Bristol Rovers Football Club Limited
Registered number:00051828

Statement of Financial Position

As at 30 June 2018

	Note		2018		2017
			£		£
Fixed assets					
Intangible assets	13		**556,050**		296,754
Tangible assets	14		**257,048**		164,014
Investments	15		**20,000**		20,000
			833,098		480,768
Current assets					
Stocks	16	**131,728**		66,316	
Debtors	17	**576,519**		471,676	
Cash at bank and in hand	18	**379,081**		9,345	
		1,087,328		547,337	
Creditors: amounts falling due within one year	19	**(14,448,382)**		(10,995,699)	
Net current liabilities			**(13,361,054)**		(10,448,362)
Total assets less current liabilities			**(12,527,956)**		(9.967,594)
Creditors: amounts falling due after more than one year	20		**(51,324)**		0
Net liabilities			**(12,579,280)**		(9.967,594)
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		**(12,971,118)**		(10,359,432)
			(12,579,280)		(9,967,594)

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

The company's financial statements have been prepared in accordance with the provisions applicable to company's subject to the small companies' regime.
The financial statements were approved and authorised for issue by the board on 5th March 2019 and were signed on its behalf on 23 May 2019

S C Hamer
Director
Date 23 May 2019

Statement of Changes in Equity
For the Year Ended 30 June 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2017	139,664	252,174	(10,359,433)	(9,967,595)
Comprehensive income for the year				
Loss for the year	-	-	(2,611,685)	(2,611,685)
At 30 June 2018	139,664	252,174	(12,971,118)	(12,579,280)

Statement of Changes in Equity
For the Year Ended 30 June 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2016	139,664	252,174	(9,057,962)	(8,666,124)
Comprehensive income for the year				
Loss for the year	-	-	(1,301,471)	(1,301,471)
At 30 June 2017	139,664	252,174	(10,359,433)	(9,967,595)

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

Notes to the Financial Statements
For the Year Ended 30 June 2018

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 unless otherwise specified within these accounting policies 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.

The board elected on 5th March 2019 to adopt the amendment to FRS 102 early.

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 30/06/2018 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Statement of Financial Position discloses net liabilities of £(12,579,280) (2017:£(9,967,594). 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 requirements 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 2018

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 2018

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.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting 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 2018

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 of the recoverable amount, 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 2018

2. Accounting policies (continued)

2.14 Employers' contracts

Provision is made for all liabilities in respect of employees' contracts signed before the reporting 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 2018

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 2018

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.

	2018	2017
	£	£
Football receipts	**3,498,684**	3,977,366
Other receipts	**2,317,274**	2,249,493
	5,815,958	6,226,859

All turnover arose within the United Kingdom.

Notes to the Financial Statements
For the Year Ended 30 June 2018

5. Other operating income

	2018 £	2017 £
Donations from support organisations	**90,177**	51,501
Profit on sale of players	**580,004**	327,218
Net compensation for loss of youth players	**15,000**	-

6. Operating loss

The operating loss is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets, owned	**87,660**	75,313
Amortisation of other intangible assets	**346,957**	97,122
Operating lease rentals - Land & Buildings	**57,000**	54,000
Operating lease rentals - Other	**58,953**	65,313
Grants credited	**(1,448)**	(4,897)

7. Auditor's remuneration

	2018 £	2017 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	**19,500**	39,100

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

Non-audit services	**3,650**	3,800

Notes to the Financial Statements
For the Year Ended 30 June 2018

8. Operating expenditure

	2018 £	2017 £
Players and staff costs	**5,630,209**	5,047,138
Match and ground expenses	**1,855,380**	1,516,358
Administrative expenses	**644,513**	658,963
Cost of goods sold	**625,797**	577,865
	8,755,899	7,800,324

9. Employees

	2018 £	2017 £
Wages and salaries	**5,140,735**	4,619,926
Social security costs	**471,122**	407,852
Cost of defined contribution scheme	**18,352**	19,360
	5,630,209	5,047,138

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

	2018 No.	2017 No.
Playing staff	**42**	45
Management and administration staff	**24**	30
Commercial staff	**13**	9
Academy	**53**	31
Bar & Catering	**48**	53
Matchday Stewards (now outsourced)	**0**	59
	180	227

Notes to the Financial Statements

For the Year Ended 30 June 2018

10. Directors' remuneration

	2018	2017
	£	£
Directors' emoluments	**74,094**	71,627
Company contributions to defined contribution pension schemes	**495**	436
	74,589	72,063

During the year retirement benefits were accruing to 1 director (2017: 1) in respect of defined contribution pension schemes.

11. Net interest

	2018	2017
	£	£
Other loans and overdrafts	**9,968**	9,603

Notes to the Financial Statements
For the Year Ended 30 June 2018

12. Taxation

	2018 £	2017 £
Current tax on profits for the year	-	-
Deferred tax	-	-

Taxation on profit on ordinary activities

Unrelieved tax losses of £10,949,016 (2017: £8,480,365) remain available to offset against future taxable trading profits. Deferred tax assets unrecognised amounted to £1,890,990 (2017: £1,457,311).

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017 -the same as) the standard rate of corporation tax in the UK of 19% (2017 -19%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before tax	(2,611,685)	(1,301,471)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 -19.75%)	(496,220)	(257,049)
Effects of:		
Expenses not deductible for tax purposes	5,994	2,878
Capital allowances for year in excess of depreciation	5,987	5,025
Adjust closing deferred tax to average rate of 19.75%	222,469	235,800
Adjust opening deferred tax to average rate of 19.75%	(171,497)	(127,992)
Deferred tax not recognised	433,267	141,338
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 2018

13. Intangible assets

	Players
	£
Cost	
At 1 July 2017	411,253
Additions	606,253
Disposals	(61,120)
At 30 June 2018	956,386
Amortisation	
At 1 July 2017	114,499
Charge for the year	346,957
On disposals	(61,120)
At 30 June 2018	400,336
Net book value	
At 30 June 2018	556,050
At 30 June 2017	296,754

Notes to the Financial Statements

For the Year Ended 30 June 2018

14. Tangible fixed assets

	Leasehold improvements £	Sundry equipment & motor vehicles £	Total £
Cost or valuation			
At 1 July 2017	635,398	247,527	882,925
Additions	104,119	76,575	180,694
Disposals	-	(28,000)	(28,000)
At 30 June 2018	739,517	296,102	1,035,619
Depreciation			
At 1 July 2017	503,406	215,505	718,911
Charge for the year on owned assets	66,177	21,483	87,660
Disposals	-	(28,000)	(28,000)
At 30 June 2018	569,583	208,988	778,571
Net book value			
At 30 June 2018	169,934	87,114	257,048
At 30 June 2017	131,992	32,022	164,014

Notes to the Financial Statements
For the Year Ended 30 June 2018

15. Fixed asset investments

	Shares in subsidiary undertakings £
Cost or valuation	
At 1 July 2017	20,000
At 30 June 2018	20,000
Net book value	
At 30 June 2018	20,000
At 30 June 2017	20,000

Subsidiary undertakings

At 30 June 2018 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)

16. Stocks

	2018 £	2017 £
Goods for resale	131,728	66,316

Notes to the Financial Statements
For the Year Ended 30 June 2018

17. Debtors

	2018 £	2017 £
Trade debtors	**47,550**	90,700
Other debtors	**350,695**	243,812
Prepayments and accrued income	**178,274**	137,164
	576,519	471,676

18. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	**379,081**	9,345
Less: bank overdrafts	**(39,567)**	(177,458)
	339,514	(168,113)

19. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	**39,567**	177,458
Payments received on account	**1,267,529**	1,374,128
Trade creditors	**325,499**	257,269
Amounts owed to group undertakings	**12,113,933**	8,403,261
Other taxation and social security	**184,826**	201,117
Other creditors	**357,617**	344,804
Accruals and deferred income	**159,411**	236,214
Other deferred income: grant	**0**	1,448
	14,448,382	10,995,699

Notes to the Financial Statements

For the Year Ended 30 June 2018

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

	2018 £	2017 £
	51,324	-

21. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	7,154	9,345
Financial assets measured at amortised cost	398,245	334,512
	405,399	343,857
Financial liabilities		
Financial liabilities measured at fair value through profit or loss	(12,836,616)	(9,182,792)

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 bank overdrafts trade creditors, amounts owed to group undertakings, accruals and deferred income, and other creditors.

22. Share capital

	2018 £	2017 £
Shares classified as equity		
Allotted, called up and fully paid		
1,396,639- Ordinary shares of £0.10 each	139,664	139,664

23. Reserves

Share premium account

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.

Notes to the Financial Statements

For the Year Ended 30 June 2018

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 has capital commitments at 30 June 2018 £Nil (2017: £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 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
In one year or less	**130,107**	128,338
Between two and five years	**65,923**	81,254
	196,030	209,592

Notes to the Financial Statements

For the Year Ended 30 June 2018

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.

H Al Qadi is a director and shareholder of Dwane Sports Limited. During the year sales of £Nil (2017: £492) were made to H Al Qadi. At the year end £Nil (2017: £Nil) was held in debtors.

S Hamer is a director of the company. During the year purchases of £Nil (2017: £37,943) were made from companies in which S Hamer is a director. At the year end £Nil (2017: £37,943) was held in creditors.

W Al Qadi is a director of the company. During the year sales of £608 (2016: £1367) were made to W Al Qadi. At the year end £Nil (2017: £Nil) was held in debtors.

Dwane Colony Limited is a subsidiary of Dwane Sports Limited, the ultimate parent of this company. During the year, purchases of £71,233 (2017: £127,566) were made on behalf of Dwane Colony Limited. At the year end £ 198,799 (2017: £127,566) was held in debtors.

29. Controlling party

The ultimate parent undertaking of this company is Dwane Sports Limited, incorporated in Jersey, 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.