

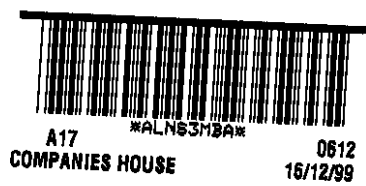
51828

**BRISTOL ROVERS
FOOTBALL CLUB PLC**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 1999



BRISTOL ROVERS FOOTBALL CLUB PLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1999

Company registration number:

51828

Registered office:

The Memorial Stadium
Filton Avenue
Horfield
Bristol
BS7 0BF

Chairman:

D H A Dunford

Other directors:

G M H Dunford
V Stokes
R Craig
R Andrews
B W Bradshaw

Company Secretary:

A J Watola, ACA

Bankers:

Royal Bank of Scotland plc

Solicitors:

David Langley & Co

Auditors:

Grant Thornton
Registered auditors
Chartered accountants

BRISTOL ROVERS FOOTBALL CLUB PLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1999

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BRISTOL ROVERS FOOTBALL CLUB PLC

CHAIRMAN'S STATEMENT

Dear shareholder

In my report to you last year, I promised that Bristol Rovers Football Club would continue to make progress on all fronts over the next 12 months. I am pleased to report that forecast has become a reality and is on course to continue.

The accounts for the year ended 30 June 1999 are now presented to you. You will see on page seven that on normal trading we report an operating loss of £664,791. This figure is struck after the inclusion of the first year's trading by The Memorial Stadium Company Limited whose figures are consolidated as the Stadium is a wholly owned subsidiary.

As ever, the battle thrust upon us is to reduce this deficit and your Board is constantly examining ways of increasing our income by way of commercial opportunities. October has seen the appointment of Ralph Ellis to the Commercial and Marketing department to raise both the Club profile and revenues.

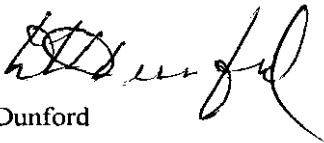
The sales of Peter Beadle and Barry Hayles have well and truly covered the operating deficit for the year.

There is a strong desire to improve the facilities at the Memorial Stadium. The Clubhouse Terrace (now renamed the Blackthorn Terrace) is being covered. We are very grateful to Blackthorn for their sponsorship and also to all our supporters who have given financial aid to this project. Other long term improvements to provide up to date facilities and raise capacity will take time, but they will receive a very sensible approach to difficulties of a financial and structural nature beforehand.

I am pleased to report that at this time, sales of season tickets for 1999/2000 have shown an increase of approximately 50% over last season. Average attendances too have increased to date.

My fellow Directors and myself believe Bristol Rovers Football Club is now moving into a higher echelon within the business community and we ask for your continued support of the Board for the future.

Yours sincerely



Denis Dunford
Chairman

2 November 1999

BRISTOL ROVERS FOOTBALL CLUB PLC

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 30 June 1999.

Principal activities

The principal activity of the company is that of a professional football league club.

Business review

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

There was a profit for the year after taxation amounting to £1,014,784. The directors do not recommend payment of a dividend and the profit has therefore been transferred to reserves.

Post balance sheet events

Since the year end the group has purchased a freehold property for £92,000. A deposit of £9,000 was paid for this property in the year ended 30 June 1999 and is included within fixed assets in the financial statements.

Directors

The directors in office at the end of the year are set out below. All directors served throughout the year apart from C Jelf who resigned from the Board on 9 November 1998.

The interests of the directors and their families in the shares of the company as at 28 June 1998 and 30 June 1999 were as follows:

	Ordinary shares	
	1999	1998
R Craig	22,508	22,508
D H A Dunford	5	5
G M H Dunford	22,809	22,809
G M H Dunford Trust	17,000	17,000
V Stokes	210	210
R Andrews	5	5
B W Bradshaw	8	8

Directors' responsibilities for the financial statements

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

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

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

BRISTOL ROVERS FOOTBALL CLUB PLC

REPORT OF THE DIRECTORS

Continued

Payment policy and practice

It is not the company's policy to follow any code or standard on payment practice.

The company endeavours at all times to agree payment terms when transacting with its suppliers and to consequently abide by the terms of payment where suppliers have discharged their contractual responsibilities in full.

For the year ended 30 June 1999, the number of days' purchases outstanding at the end of the financial year were 30 days (1998: 37 days), based on the ratio of trade creditors at the end of the year to the amounts invoiced during the year by suppliers.

Year 2000 Compliance

Many computer systems which express dates using only the last two digits of the year may malfunction due to the date change to the Year 2000. This risk to the business relates not only to the company's computer systems, but also to some degree on those of the company's customers and suppliers.

The company has reviewed its computer systems for the impact of the Year 2000 date change. An impact analysis has been prepared to identify the major risks, and action plans have been developed to address these in advance of critical dates. The plans give priority to the systems which could have a significant financial or legal impact if they were to fail.

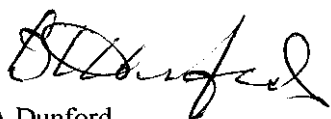
The main systems affected are the accounting and management information systems, which have been replaced and are Year 2000 compliant.

The issue is complex, and no business can guarantee that there will be no Year 2000 problems. However, the Board believes that its plans and the resources allocated are appropriate and adequate to address the issue.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



D H A Dunford
Chairman

2 November 1999

**REPORT OF THE AUDITORS TO THE MEMBERS OF
BRISTOL ROVERS FOOTBALL CLUB PLC**

We have audited the financial statements on pages 5 to 22 which have been prepared under the accounting policies set out on pages 5 and 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 30 June 1999 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

Bristol
2 November 1999

BRISTOL ROVERS FOOTBALL CLUB PLC

PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The principal accounting policies of the group are set out below and are unchanged from the previous year except in respect of intangible assets, which are now treated in line with FRS 10 'Goodwill and Intangible Assets'. The effect of the change is shown in notes 7 and 19 to the financial statements.

Basis of consolidation

The group financial statements consolidate those of the company and of its subsidiary undertakings drawn up to 30 June 1999. Profits or losses on intra-group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair value reflecting their condition at that date.

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

Turnover

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

Depreciation

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

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

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

Intangible fixed assets

Following the issue of Financial Reporting Standard ('FRS') No 10 'Goodwill and Intangible Assets', the group has changed its accounting policy for the cost of players' registrations.

Under the new policy, 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 including any subsequent agreed extensions. FRS No 10 makes no provision for the value of players developed within the company.

Prior to the adoption of FRS No 10 fees payable and receivable on the transfer of players' registrations were dealt with through the profit and loss account in the period in which the transfer took place.

BRISTOL ROVERS FOOTBALL CLUB PLC

PRINCIPAL ACCOUNTING POLICIES

Continued

Stocks

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

Deferred taxation

Deferred taxation is provided for using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advance corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

Leased assets

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

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

Employees' contracts

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

Grants

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

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

Contributions to pension scheme

Defined Contribution Scheme

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

BRISTOL ROVERS FOOTBALL CLUB PLC**CONSOLIDATED PROFIT AND LOSS ACCOUNT AND CONSOLIDATED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

FOR THE YEAR ENDED 30 JUNE 1999

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Note	1999 £	<i>As restated</i> 1998 £
Turnover	1	2,763,461	1,994,095
Operating expenditure	2	(3,259,666)	(2,486,475)
		(496,205)	(492,380)
Donations from support organisations		73,514	109,686
Operating loss before amortisation of players		(422,691)	(382,694)
Amortisation of players		(242,100)	(210,150)
Operating loss		(664,791)	(592,844)
Profit on sale of players		1,942,170	125,000
Profit/(loss) on ordinary activities before interest		1,277,379	(467,844)
Net interest	3	(103,887)	(37,507)
Profit/(loss) on ordinary activities before taxation	1	1,173,492	(505,351)
Tax on profit/(loss) on ordinary activities	5	(35,300)	(6,850)
Profit/(loss) on ordinary activities after taxation		1,138,192	(512,201)
Minority interests		(123,408)	36,129
Profit/(loss) for the financial year	17	1,014,784	(476,072)

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Profit/(loss) for the financial year	1,014,784	(476,072)
Prior year adjustment (see note 19)	341,820	
Total gains and losses recognised since last financial statements	1,356,604	

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

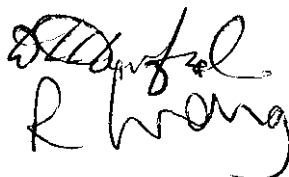
BRISTOL ROVERS FOOTBALL CLUB PLC

CONSOLIDATED BALANCE SHEET AT 30 JUNE 1999

	Note	£	1999 £	As restated 1998 £
Fixed assets				
Intangible assets	7		494,390	341,820
Tangible assets	8		2,746,285	2,667,562
Investments	9		231,383	158,714
			<u>3,472,058</u>	<u>3,168,096</u>
Current assets				
Stocks	10	43,755		44,719
Debtors	11	1,423,560		127,490
Cash at bank and in hand		4,430		12,309
			<u>1,471,745</u>	<u>184,518</u>
Creditors: amounts falling due within one year	12	(1,713,237)		(1,159,902)
Net current liabilities			<u>(241,492)</u>	<u>(975,384)</u>
Total assets less current liabilities			3,230,566	2,192,712
Creditors: amounts falling due after more than one year	13		(1,142,476)	(1,204,668)
Provisions for liabilities and charges	15		<u>(13,600)</u>	-
			<u>2,074,490</u>	<u>988,044</u>
Capital and reserves				
Called up share capital	16		77,870	77,870
Profit and loss account	17		721,990	(292,794)
Shareholders' funds	18		799,860	(214,924)
Minority interests				
- Equity			(370)	(27,032)
- Non-equity			1,275,000	1,230,000
			<u>2,074,490</u>	<u>988,044</u>

The financial statements were approved by the Board of Directors on 2 November 1999.

D H A Dunford



Director

R Craig



Director

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


BRISTOL ROVERS FOOTBALL CLUB PLC

BALANCE SHEET AT 30 JUNE 1999

	Note	£	1999 £	As restated 1998 £
Fixed assets				
Intangible assets	7		494,390	341,820
Tangible assets	8		305,059	306,850
Investments	9		251,383	168,714
Current assets			1,050,832	817,384
Stocks	10	30,340		34,203
Debtors	11	1,245,003		85,879
Cash at bank and in hand		974		1,501
		1,276,317		121,583
Creditors: amounts falling due within one year	12	(1,368,369)		(938,832)
Net current liabilities			(92,052)	(817,249)
Total assets less current liabilities			958,780	135
Creditors: amounts falling due after more than one year	13		(146,107)	(178,001)
			812,673	(177,866)
Capital and reserves				
Called up share capital	16		77,870	77,870
Profit and loss account	17		734,803	(255,736)
Shareholders' funds			812,673	(177,866)

The financial statements were approved by the Board of Directors on 2 November 1999.

D H A Dunford



Director

R Craig



Director

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

BRISTOL ROVERS FOOTBALL CLUB PLC

CONSOLIDATED CASHFLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 1999

	Note	£	1999 £	<i>As restated</i> <i>1998</i> £
Net cash outflow from operating activities	20		(108,527)	<u>(349,245)</u>
Returns on investments and servicing of finance				
Interest received		16,301		8,489
Interest paid		(119,482)		(28,192)
Finance lease interest paid		(706)		(706)
Non-equity dividends paid to minority shareholders by the subsidiary		(105,898)		-
Net cash outflow from returns on investments and servicing of finance			(209,785)	<u>(20,409)</u>
			(318,312)	<u>(369,654)</u>
Taxation				
UK corporation tax paid		-		(3,442)
			-	<u>(3,442)</u>
			(318,312)	<u>(373,096)</u>
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(179,135)		(66,334)
Purchase of players		(465,000)		-
Sale of players		1,187,500		125,000
Capital grants received		32,550		46,291
Football league levy investment		(68,675)		(23,907)
Net cash inflow from capital expenditure and financial investment			507,240	<u>81,050</u>
			188,928	<u>(292,046)</u>
Acquisitions and disposals				
Purchase of subsidiary undertaking		(10,000)		(10,000)
Net cash outflow from acquisitions and disposals			(10,000)	<u>(10,000)</u>
			178,928	<u>(302,046)</u>
Financing				
Repayment of borrowing		(194,988)		-
Receipts from borrowing		48,000		120,000
Issue of shares in subsidiary		45,000		-
Capital element of finance lease rentals		(4,796)		(4,397)
Net cash (outflow)/inflow from financing			(106,784)	<u>115,603</u>
Increase/(decrease) in cash	21		<u>72,144</u>	<u>(186,443)</u>

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

BRISTOL ROVERS FOOTBALL CLUB PLC**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 JUNE 1999****1 Turnover and profit/(loss) on ordinary activities before taxation**

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

	1999 £	1998 £
Football receipts	1,555,290	1,505,763
Other receipts	1,208,171	488,332
	<u>2,763,461</u>	<u>1,994,095</u>

The profit/(loss) on ordinary activities is stated after:

	1999 £	1998 £
Auditors' remuneration	6,000	5,000
Depreciation and amortisation:		
Goodwill	38,069	-
Other intangible assets	242,100	210,150
Tangible fixed assets, owned	97,627	43,607
Tangible fixed assets, held under finance leases	2,785	2,785
Operating lease rentals:		
Land and buildings	12,783	12,709
Grants credited	(19,616)	(14,679)

2 Operating expenditure

	1999 £	1998 £
Players and staff costs	1,965,043	1,487,999
Match and ground expenses	729,427	569,407
Administrative expenses	565,196	429,069
	<u>3,259,666</u>	<u>2,486,475</u>

3 Net interest

	1999 £	1998 £
On bank loans and overdrafts	119,482	36,569
Finance charges in respect of finance leases	706	706
Other interest payable and similar charges	-	8,721
	<u>120,188</u>	<u>45,996</u>
Other interest receivable and similar income	(16,301)	(8,489)
	<u>103,887</u>	<u>37,507</u>

BRISTOL ROVERS FOOTBALL CLUB PLC**NOTES TO THE FINANCIAL STATEMENTS***Continued***FOR THE YEAR ENDED 30 JUNE 1999****4 Directors and employees**

Staff costs during the year were as follows:

	1999	1998
	£	£
Wages and salaries	1,790,502	1,357,385
Social security costs	173,913	121,860
Other pension costs	628	8,754
	<u>1,965,043</u>	<u>1,487,999</u>

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

	1999	1998
	Number	Number
Playing staff	25	25
Management and administration staff	22	17
Commercial staff	9	7
YTS training staff	25	24
Bar/catering staff	5	-
	<u>86</u>	<u>73</u>

The directors received no remuneration for their services in the year (1998: £nil).

5 Tax on profit/(loss) on ordinary activities

The tax charge represents:

	1999	1998
	£	£
Corporation tax @ 20% (1998: 21%)	21,700	-
Deferred tax	13,600	-
Adjustment in respect of prior years	-	6,850
	<u>35,300</u>	<u>6,850</u>

Unrelieved tax losses of £154,000 (1998: £1,123,000) remain available to offset against future taxable trading profits.

6 Profit for the financial year

The parent company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The group profit for the year includes a profit of £990,539 (1998: loss of £509,984 as restated) which is dealt with in the financial statements of the company.

BRISTOL ROVERS FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

Continued

FOR THE YEAR ENDED 30 JUNE 1999

7 Intangible fixed assets

The group

	Goodwill on consolidation £	Players £	Total £
Cost			
At 28 June 1998 (players as restated)	-	630,000	630,000
Additions	38,069	465,000	503,069
Disposals	-	(230,000)	(230,000)
At 30 June 1999	<u>38,069</u>	<u>865,000</u>	<u>903,069</u>
Amortisation			
At 28 June 1998 (players as restated)	-	288,180	288,180
Provided in the year	38,069	242,100	280,169
Eliminated on disposals	-	(159,670)	(159,670)
	<u>38,069</u>	<u>370,610</u>	<u>408,679</u>
Net book amount at 30 June 1999	<u>-</u>	<u>494,390</u>	<u>494,390</u>
Net book amount at 27 June 1998 (players as restated)	<u>-</u>	<u>341,820</u>	<u>341,820</u>

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

The company

	Players £
Cost	
At 28 June 1998 (as restated)	630,000
Additions	465,000
Disposals	<u>(230,000)</u>
At 30 June 1999	<u>865,000</u>
Amortisation	
At 28 June 1998 (as restated)	288,180
Provided in the year	242,100
Eliminated on disposals	<u>(159,670)</u>
	<u>370,610</u>
Net book amount at 30 June 1999	<u>494,390</u>
Net book amount at 27 June 1998 (as restated)	<u>341,820</u>

BRISTOL ROVERS FOOTBALL CLUB PLC
NOTES TO THE FINANCIAL STATEMENTS
Continued
FOR THE YEAR ENDED 30 JUNE 1999
8 Tangible fixed assets
The group

	Sundry equipment & motor vehicles £	Freehold properties £	Freehold improve- ments £	Total £
Cost				
At 28 June 1998	335,381	2,193,956	294,622	2,823,959
Additions	30,508	95,556	53,071	179,135
At 30 June 1999	365,889	2,289,512	347,693	3,003,094
Depreciation				
At 28 June 1998	96,893	-	59,504	156,397
Provided in the year	57,031	-	43,381	100,412
At 30 June 1999	153,924	-	102,885	256,809
Net book amount at 30 June 1999	211,965	2,289,512	244,808	2,746,285
Net book amount at 27 June 1998	238,488	2,193,956	235,118	2,667,562

The company

	Sundry equipment & motor vehicles £	Freehold properties £	Leasehold improve- ments £	Total £
Cost				
At 28 June 1998	135,381	30,156	294,622	460,159
Additions	3,171	-	53,071	56,242
At 30 June 1999	138,552	30,156	347,693	516,401
Depreciation				
At 28 June 1998	93,805	-	59,504	153,309
Provided in the year	14,652	-	43,381	58,033
At 30 June 1999	108,457	-	102,885	211,342
Net book amount at 30 June 1999	30,095	30,156	244,808	305,059
Net book amount at 27 June 1998	41,576	30,156	235,118	306,850

BRISTOL ROVERS FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

Continued

FOR THE YEAR ENDED 30 JUNE 1999

8 Tangible fixed assets (continued)

The figures stated above include assets held under finance leases as follows:

	The group and the company
	Motor vehicles £
Net book amount at 30 June 1999	<u>5,568</u>
<i>Net book amount at 27 June 1998</i>	<u>8,353</u>
Depreciation provided in the year	<u>2,785</u>

9 Fixed asset investments

	1999 £	The group 1998 £	1999 £	The company 1998 £
Interests in subsidiary undertakings	-	-	20,000	10,000
Other fixed asset investments	<u>231,383</u>	<u>158,714</u>	<u>231,383</u>	<u>158,714</u>
	<u>231,383</u>	<u>158,714</u>	<u>251,383</u>	<u>168,714</u>

Interests in subsidiary undertakings

The company

	Shares in subsidiary undertakings £
Cost	
At 28 June 1998	80,000
Additions	<u>10,000</u>
At 30 June 1999	<u>90,000</u>
Amounts written off	
At 28 June 1998	70,000
Provided in the year	<u>-</u>
At 30 June 1999	<u>70,000</u>
Net book amount at 30 June 1999	<u>20,000</u>
<i>Net book amount at 27 June 1998</i>	<u>10,000</u>

BRISTOL ROVERS FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

Continued

FOR THE YEAR ENDED 30 JUNE 1999

9 Fixed asset investments (continued)

At 30 June 1999 the company held 20% or more of the equity of the following:

Subsidiary undertaking	Nature of business	Class of capital held	Proportion held by parent
Sevenside Sportsworld Limited	Dormant	Ordinary	51.85%
The Memorial Stadium Company Limited	Sports stadium leasing & catering facilities provision	Ordinary	100%

Both of the subsidiary undertakings have been consolidated in the group financial statements.

Other fixed asset investments

The group and the company

	Football league levy investment £
Cost or valuation	
At 28 June 1998	158,714
Additions	72,669
At 30 June 1999	231,383
Amounts written off	
At 28 June 1998 and 30 June 1999	-
Net book amount at 30 June 1999	231,383
Net book amount at 27 June 1998	158,714

10 Stocks

	1999 £	The group 1998 £	1999 £	The company 1998 £
Goods for resale	43,755	44,719	30,340	34,203

11 Debtors

	1999 £	The group 1998 £	1999 £	The company 1998 £
Trade debtors	1,206,321	77,537	1,110,313	49,061
Other debtors	32,066	12,221	22,818	-
Amounts owed by related undertakings	-	-	33,535	-
Prepayments and accrued income	185,173	37,732	78,337	36,818
	1,423,560	127,490	1,245,003	85,879

BRISTOL ROVERS FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

Continued

FOR THE YEAR ENDED 30 JUNE 1999

12 Creditors: amounts falling due within one year

	1999	The group	1999	The company
	£	1998	£	1998
		£		£
Bank loans and overdraft	303,290	380,003	192,305	306,670
Unsecured loans	10,780	130,780	10,780	130,780
Payments received in advance	401,095	220,629	401,095	220,629
Trade creditors	234,128	159,941	177,453	99,518
Corporation tax	19,823	(1,877)	3,632	(1,877)
Social security and other taxes	154,404	69,005	114,467	65,391
Transfer fees payable	264,167	40,000	264,167	40,000
Amounts owed to related undertakings	-	-	30,142	-
Other creditors	109,052	45,922	103,321	-
Accruals	187,055	91,088	41,564	53,310
Deferred income: grants	26,216	19,615	26,216	19,615
Amounts due under finance leases	3,227	4,796	3,227	4,796
	<u>1,713,237</u>	<u>1,159,902</u>	<u>1,368,369</u>	<u>938,832</u>

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

13 Creditors: amounts falling due after more than one year

	1999	The group	1999	The company
	£	1998	£	1998
		£		£
Bank loan	996,369	1,026,667	-	-
Deferred income: grants	146,107	139,774	146,107	139,774
Amounts due under finance leases	-	3,227	-	3,227
Transfer fees payable	-	35,000	-	35,000
	<u>1,142,476</u>	<u>1,204,668</u>	<u>146,107</u>	<u>178,001</u>

The bank loans are secured by a fixed charge over the freehold property of the group.
The bank loans are repayable in equal quarterly instalments and bear interest at a rate of 2.95% above the bank's base rate.

BRISTOL ROVERS FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

Continued

FOR THE YEAR ENDED 30 JUNE 1999

14 Borrowings

Borrowings are repayable as follows:

	1999	The group	1999	The company
	£	1998	£	1998
		£		£
Within one year				
Bank and other borrowings	314,070	510,783	203,085	437,450
Finance leases	3,227	4,796	3,227	4,796
After one and within two years				
Bank and other borrowings	76,643	73,334	-	-
Finance leases	-	3,227	-	3,227
After two and within five years				
Bank and other borrowings	229,930	220,000	-	-
After five years				
Bank and other borrowings	689,796	733,333	-	-
	<u>1,313,666</u>	<u>1,545,473</u>	<u>206,312</u>	<u>445,473</u>

15 Provision for liabilities and charges

The group

Deferred taxation is provided for in full using tax rates of 20%.

	Amount provided	Amount unprovided
	1999	1998
	£	£
Accelerated capital allowances	<u>13,600</u>	<u>-</u>

16 Share capital

	1999	1998
	£	£
Authorised		
250,000 (1998: 78,000) ordinary shares of £1 each	<u>250,000</u>	<u>78,000</u>
Allotted, called up and fully paid		
77,870 ordinary shares of £1 each	<u>77,870</u>	<u>77,870</u>

17 Reserves

The group

	Playing squad revaluation reserve	Profit and loss account
	£	£
At 28 June 1998 as previously stated	2,450,000	(634,614)
Prior year adjustment	(2,450,000)	341,820
At 28 June 1998 as restated	-	(292,794)
Retained profit for the year	-	1,014,784
At 30 June 1999	<u>-</u>	<u>721,990</u>

BRISTOL ROVERS FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

Continued

FOR THE YEAR ENDED 30 JUNE 1999

17 Reserves (continued)

The company	Playing squad revaluation reserve £	Profit and loss account £
At 28 June 1998 as previously stated	2,450,000	(597,556)
Prior year adjustment	(2,450,000)	341,820
At 28 June 1998 as restated	-	(255,736)
Retained profit for the year	-	990,539
At 30 June 1999	-	734,803

18 Reconciliation of movements in shareholders' funds

	1999 £	As restated 1998 £
Profit/(loss) for the financial year	1,014,784	(476,072)
Shareholders' funds at 28 June 1998 as previously stated	1,893,256	1,719,178
Prior year adjustment	(2,108,180)	(1,458,030)
Shareholders' funds at 28 June 1998 as restated	(214,924)	261,148
Shareholders' funds at 30 June 1999	799,860	(214,924)

19 Prior year adjustment

Following the issue of Financial Reporting Standard ('FRS') No 10 'Goodwill and Intangible Assets', the group has changed its accounting policy for the cost of players' registrations.

Under the new policy, 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 including any subsequent agreed extensions. FRS No 10 makes no provision for the value of players developed within the company.

The effect of this change in accounting policy upon the profit and loss reserves of the group is as shown in note 18.

Previously fees payable to and receivable from other football clubs on the transfer of players' registrations, together with associated costs, were accounted for in the profit and loss account in the period in which the transfer took place. The amortisation of players' registrations is disclosed separately in the profit and loss account.

BRISTOL ROVERS FOOTBALL CLUB PLC**NOTES TO THE FINANCIAL STATEMENTS***Continued***FOR THE YEAR ENDED 30 JUNE 1999****19 Prior year adjustment (continued)**

The effect on the profit for the financial year is shown below:

	1998 £
Loss for the year ended 27 June 1998 as previously reported	(265,922)
Less: amortisation of players' registration costs	(210,150)
	<u>(476,072)</u>

In the year to 30 June 1999 the effect of the change in policy has been to increase profit by £152,570.

20 Net cash outflow from operating activities

	1999 £	1998 £
Operating loss	(664,791)	(592,844)
Depreciation charges	100,412	46,392
Amortisation of grants	(19,616)	(14,679)
Amortisation of goodwill	38,069	-
Amortisation of players	242,100	210,150
Decrease/(increase) in stock	964	(39,496)
(Increase)/decrease in debtors	(296,070)	255,243
Increase/(decrease) in creditors	490,405	(214,011)
Net cash outflow from operating activities	<u>(108,527)</u>	<u>(349,245)</u>

21 Reconciliation of net cash flow to movement in net debt

	1999 £	1998 £
Increase/(decrease) in cash in the year	72,144	(186,443)
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	151,784	(115,603)
Change in net debt resulting from cashflows	223,928	(302,046)
Loans acquired with subsidiary	-	(1,100,000)
Movement in net debt in the year	223,928	(1,402,046)
Net debt at 28 June 1998	(1,533,164)	(131,118)
Net debt at 30 June 1999	<u>(1,309,236)</u>	<u>(1,533,164)</u>

BRISTOL ROVERS FOOTBALL CLUB PLC**NOTES TO THE FINANCIAL STATEMENTS***Continued***FOR THE YEAR ENDED 30 JUNE 1999****22 Analysis of changes in net debt**

	At 28 June 1998	Cash flow	At 30 June 1999
	£	£	£
Cash at bank and in hand	12,309	(7,879)	4,430
Overdrafts	(306,670)	80,023	(226,647)
	(294,361)	72,144	(222,217)
Debt	(1,230,780)	146,988	(1,083,792)
Finance leases	(8,023)	4,796	(3,227)
Total	<u>(1,533,164)</u>	<u>223,928</u>	<u>(1,309,236)</u>

23 Acquisitions

On 2 September 1998 the company acquired 10,000 ordinary shares of £1 in The Memorial Stadium Company Limited, being the remaining 50% of its nominal share capital, for a consideration of £10,000, satisfied in cash. The goodwill arising on consolidation has been capitalised and amortised (see note 7).

24 Capital commitments**The group and the company**

	1999	1998
	£	£
Contracted for but not provided in these financial statements	<u>38,000</u>	<u>-</u>

25 Contingent assets and liabilities

The group and 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 on the likelihood of these players being transferred or their potential transfer values.

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

26 Pensions

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.

27 Leasing commitments

Operating lease payments amounting to £13,000 (1998: £13,000) in respect of land and buildings are due within one year. The leases to which these amounts relate expire in five years or more.

BRISTOL ROVERS FOOTBALL CLUB PLC

NOTES TO THE FINANCIAL STATEMENTS

Continued

FOR THE YEAR ENDED 30 JUNE 1999

28 Post balance sheet events

Since the year end the group has purchased a freehold property for £92,000. A deposit of £9,000 was paid for this property in the year ended 30 June 1999 and is included within fixed assets above.

29 Related parties and transactions with directors

Jelf Insurance Group Limited, of which Mr C Jelf is a director, provided insurance services to the group in the year totalling £24,279 (1998: £21,087). The group made sales of £11,721 to this company during the year. A debit balance of £1,352 (1998: £1,758) existed within trade creditors at the year end.

Barrs Court Dairy Limited is the owner of The Beeches which is used to provide accommodation and training facilities to the football club, as well as providing conference facilities for meetings and other club related matters. Barrs Court Dairy Limited also charges the group for the use of staff who are employed by the company, when they act for the group in such matters as administration and accountancy services as well as other professional matters. Messrs G M H Dunford and D H A Dunford are directors of this company. During the year £94,842 (1998: £105,994) was charged to the group in respect of these services and a balance of £3,557 (1998: £548) was included within trade creditors at the year end.

During the period the group made purchases of £8,901 from and sales of £10,508 to Deltavon Dairy Company Limited, a company of which Messrs G M H Dunford and D H A Dunford are directors. At 30 June 1999 the group owed £250 to and was owed £828 by Deltavon Dairy Company Limited. These amounts are included within trade creditors and trade debtors above.

Included in other creditors is £nil (1998: £45,000) owed to Deltavon Dairy Company Limited by The Memorial Stadium Company Limited, a subsidiary of Bristol Rovers Football Club plc.

The group received software support during the year from Barrs Court Computer Systems Limited, of which Mr G M H Dunford is a director. £4,791 (1998: £2,911) was charged for this support, of which £86 (1998: £1,773) was outstanding within trade creditors at the year end.

Bristol Rovers Football Club plc has entered into a lease with BWB Properties Limited, of which Mr B W Bradshaw is a director. Rent of £12,783 (1998: £12,709) was charged in the year. There were no amounts outstanding at either year end.

The group made purchases during the year of £935 (1998: £nil) and £1,278 (1998: £1,546) from Bradshaw Fine Foods Limited and Bradshaw Leisure Limited respectively. Mr B W Bradshaw is a director of both of these companies. There were no amounts outstanding at either year end.

During the year ended 30 June 1998 the directors made interest free loans to the company of £120,000. This amount was repaid during the year ended 30 June 1999.

The bank borrowings of the group are secured by personal guarantees by the directors up to a limit of £210,000.

30 Controlling related parties

Mr G M H Dunford is the company's controlling related party by virtue of his shareholding in the company.