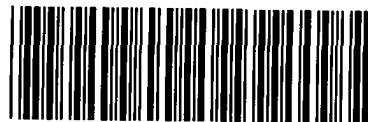


Bristol City Holdings Limited

**Annual Report and Consolidated Financial Statements
Year Ended 31 May 2017**

Registration number: 01501663

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Bristol City Holdings Limited

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Bristol City Holdings Limited

Company Information

Chairman	K W Dawe
Directors	D J Harman J S Lansdown
Registered office	Ashton Gate Bristol BS3 2EJ
Solicitors	Burges Salmon LLP One Glass Wharf Bristol BS2 0ZX
Bankers	Barclays Bank plc Bristol Bristol & North Somerset Group PO Box 207 Bristol BS99 7AJ
Auditors	PKF Francis Clark Ground Floor Blackbrook Gate 1 Blackbrook Business Park Taunton Somerset TA1 2PX

Bristol City Holdings Limited

Strategic Report

Year Ended 31 May 2017

The directors present their strategic report for the year ended 31 May 2017.

Principal activity

The principal activity of the group is the operation of sports facilities.

Fair review of the business

The overall group loss this year was £6.36m (2016 £14.8m) and the total cash requirement by the Club to sustain its operations for the year was £14.84m (2016 £16.39m), the funding for which was received by an increased equity investment of into Bristol City Holdings Limited, by the parent company Pula Sport Limited.

The company, itself, has not traded during the year and therefore this report provides a review of the two significant subsidiaries; Bristol City Football Club Limited (which operates the professional football team), and Ashton Gate Limited (which operates the stadium facilities). The consolidated financial and other key performance indicators, with which the directors are satisfied, are set out in a table at the end of this report.

Bristol City Football Club Limited

During this period there has been a necessary but heavy reliance on loan player recruitment and in addition we have begun to see inflated player salary costs as a result of continuing parachute payments to clubs relegated from the Premier League. Increased club spending on players by new overseas owners has also fuelled higher player costs across the Championship.

Following a successful start to the 2016/17 season which saw the Club occupying a play-off position in the league before Christmas, there followed a continuing run of poor results which saw the Club fall into the relegation zone by March with just 34 points from 35 games played.

Accordingly, the Board met to discuss the team's performance and to consider an appropriate course of action. During this meeting there was unanimous support for Lee Johnson to continue in his Head Coach role and it was also agreed to bring forward a planned review of the Coaching staff structure for immediate consideration. The restructure was undertaken and over the following weeks the team's results improved and the Club finished the season in 17th position in the league table.

In preparation for the 2017/18 season, Chief Operating Officer, Mark Ashton commenced a full review of the Football Department structure including the Training Ground facilities, Scouting, Player Performance and Sports Science areas. Together with Lee Johnson, Mark also entered into significant player trading in what was a very busy summer transfer window.

During this reporting period progress continued across all areas of the board's "five pillars" strategy - financial control and prudence; player recruitment and identification; academy and youth development; modern facilities and community engagement.

Bristol City Holdings Limited

Strategic Report

Year Ended 31 May 2017

Ashton Gate Limited

In October 2016, we finally took Practical Completion for the new West Stand. This brought the stadium rebuild to a conclusion although there remained further fit out work to complete in some areas. The new facilities this stand brought on stream have been a tremendous success. We have won many plaudits and awards for the new stadium within the industry and it is a testament to all the hard work and creativity of the large team of people who worked on the project that it has been so well received.

A major objective of building this new facility was to assist the Clubs who play in it work towards financial sustainability. In that regard we have made an excellent start. Food & beverage income across both match day and non-match day reached £4.096m (2016 £2.330m) for the full year. We made an early decision to take in house many of the functions which had previously been outsourced. The purpose of this decision was to raise and control the quality of service provision. It is our view that one can only deliver great service if one takes direct responsibility for it. This "in sourcing" included catering, stewarding, ticketing and I.T.

In the last financial year before the work began to rebuild Ashton Gate (31 May 2013), Ashton Gate Limited's turnover was £2.424m. In the financial year to 31 May 2017, which we are now reporting on, turnover had risen to £10.268m. We anticipate further revenue growth in the years ahead. We have an excellent team of people who now run the stadium day to day. Their professionalism and hard work underpin everything we do and their passion to make Ashton Gate the very best sports, meetings and conference venue in the South West is something to be proud of.

I am also particularly pleased that we have been able to create in excess of 500 new jobs involved with the ongoing operation of the stadium over the previous two financial years. The vast majority of these jobs have been filled by people local to Ashton Gate and this remains of central importance to myself as the stadium must always be at the centre of its community and reach out to engage with those who live nearby.

As the final elements of the stadium fit out come on stream we will turn our attention to further improvement and innovation. Included in the exciting projects we are working on is the collaboration with Zeetta Networks - involving the installation of a revolutionary new Wi-Fi system which we hope will enable us to deliver the smart digital stadium we strive to be.

Other matters of importance

There has been much media comment surrounding various Safeguarding threads and investigations from the FA, EFL and more recently the Independent Sheldon Review into historic sex abuse allegations. Where necessary, the Club has helped with these investigations and has reviewed its Safeguarding and Recruitment policies which have been approved and adopted by the Board.

As we look forward to the remainder of the coming season with renewed optimism, the board would like to formally acknowledge the owner's continuing and generous financial support and to thank all our loyal and hard-working staff for their continued efforts during this year.

Bristol City Holdings Limited

Strategic Report

Year Ended 31 May 2017

Key performance indicators

The group's key financial and other performance indicators during the year were as follows:


	Unit	2017	2016
Turnover	£'000	21,248	14,175
Loss excluding player trading	£'000	(13,384)	(12,450)
Player trading	£'000	8,472	(1,903)
EBITDA (earnings before interest, tax, depreciation and amortisation)	£'000	2,815	(11,645)
Net book value of tangible fixed assets	£'000	54,717	51,181
Net debt	£'000	(70,757)	(63,886)
Year on year increase in total gate revenue	£'000	1,173	175
Average league attendance	No.	19,256	15,575

During the year the directors of the company have, taking a prudent approach, decided to provide against the intra-group balances receivable from Bristol City Football Club Limited. This £46m provision does not represent a cash item, has no impact upon the consolidated position or results, and leaves the company balance sheet, as presented in these financial statements, in a net £248k position which the directors are satisfied represents a true and fair view of the holding company.

Principal risks and uncertainties

The principal risk to the group is the availability of equity finance to fund the continuing losses. The continuing support of Pula Sport Limited and the ultimate controlling parties, Mr & Mrs S P Lansdown, is critical as explained in the going concern accounting policy.

Approved by the Board on 2/11/17 and signed on its behalf by:


D J Harman
Director

Bristol City Holdings Limited

Directors' Report

Year Ended 31 May 2017

The directors present their report and the for the year ended 31 May 2017.

Directors of the group

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

D J Harman

K W Dawe - Chairman

J S Lansdown

Financial instruments

Objectives and policies

The directors have reviewed the financial risk management objectives and policies of the group. They do not believe there to be significant risk in this area. The group, from time to time, enters into hedging instruments in order to protect against interest rate risk. While interest rates remain low these instruments result in significant charges to the profit and loss account in order to recognise the fair value of the instruments in accordance with FRS 102 where hedge accounting is not applied. However, the directors, having considered the most likely future interest rate movements, are satisfied that it is appropriate to hold the instruments as they will protect against any future significant and sustained increase in base rates. The group does not enter into any financial instruments for speculative purposes.

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

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

Employment of disabled persons

Full and fair consideration is given to the employment of disabled persons having regard to their particular aptitudes and abilities. Appropriate provision is made for disabled persons to enable them to fulfil their role and this includes the re-training for alternative work of employees who become disabled.

Employee involvement

We recognise that organisations are most successful where management and staff share a common purpose, work in partnership and communicate openly. The group operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004. We hold a monthly meeting which is held in working hours and attended by all employees, during which we provide employees with information about the company and policies.

Bristol City Holdings Limited

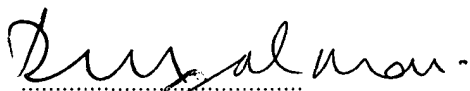
Directors' Report

Year Ended 31 May 2017

Disclosure of information to the auditor

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

Approved by the Board on 2/11/17 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D J Harman', written over a dotted line.

D J Harman
Director

Bristol City Holdings Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Bristol City Holdings Limited

Independent Auditor's Report to the Members of Bristol City Holdings Limited

We have audited the financial statements of Bristol City Holdings Limited for the year ended 31 May 2017, set out on pages 10 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 7), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the company's affairs as at 31 May 2017 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Bristol City Holdings Limited

Independent Auditor's Report to the Members of Bristol City Holdings Limited

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our 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 and the Directors' Report.

Matters on which we are required to report by exception

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

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



Nicholas Farrant BA MSc ACA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Date: 7th November 2017

Bristol City Holdings Limited

Consolidated Profit and Loss Account

Year Ended 31 May 2017

	Note	2017 £	2016 £
Turnover	3	21,248,335	14,175,396
Employee benefits expense		(20,920,382)	(17,432,898)
Depreciation and amortisation expense		(7,726,644)	(2,707,852)
Other expenses		<u>(11,116,629)</u>	<u>(8,469,365)</u>
Operating loss	4	(18,515,320)	(14,434,719)
Profit on disposal of players' contracts		<u>13,603,739</u>	<u>81,358</u>
Loss before interest and taxation		(4,911,581)	(14,353,361)
Loss excluding player trading		(13,384,214)	(12,450,077)
Player trading*		<u>8,472,633</u>	<u>(1,903,284)</u>
Net loss on financial liabilities at fair value through profit and loss account		(759,197)	(230,531)
Other interest receivable and similar income	8	50,872	-
Interest payable and similar charges	9	<u>(951,477)</u>	<u>(345,265)</u>
Loss before tax		(6,571,383)	(14,929,157)
Taxation	10	<u>225,348</u>	<u>131,087</u>
Loss for the year		<u><u>(6,346,035)</u></u>	<u><u>(14,798,070)</u></u>

*Player trading comprises amortisation and impairment of players' contracts and the profit on disposal of players' contracts.

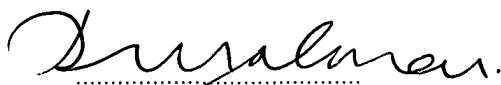
Bristol City Holdings Limited

Consolidated Balance Sheet

31 May 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	11	9,636,746	4,116,092
Tangible assets	12	<u>54,717,519</u>	<u>51,181,018</u>
		<u>64,354,265</u>	<u>55,297,110</u>
Current assets			
Stocks	14	108,667	201,905
Debtors	15	12,918,264	3,986,707
Cash at bank and in hand	16	<u>453,221</u>	<u>521,595</u>
		13,480,152	4,710,207
Creditors: Amounts falling due within one year	17	<u>(63,195,892)</u>	<u>(56,037,528)</u>
Net current liabilities		<u>(49,715,740)</u>	<u>(51,327,321)</u>
Total assets less current liabilities		14,638,525	3,969,789
Creditors: Amounts falling due after more than one year	17	(19,244,104)	(17,817,905)
Deferred income	20	<u>(2,669,983)</u>	<u>(1,922,551)</u>
Net liabilities		<u>(7,275,562)</u>	<u>(15,770,667)</u>
Capital and reserves			
Called up share capital	23	87,872,049	73,030,909
Share premium reserve		9,969,543	9,969,543
Revaluation reserve		1,709,404	1,709,404
Capital contribution reserve		2,129,416	2,462,626
Profit and loss account		<u>(108,955,974)</u>	<u>(102,943,149)</u>
Shareholders' deficit		<u>(7,275,562)</u>	<u>(15,770,667)</u>

Approved and authorised by the Board on 2/11/17 and signed on its behalf by:



D J Harman
Director

Company Registration Number: 01501663

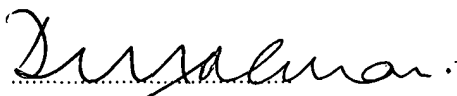
Bristol City Holdings Limited

Balance Sheet

31 May 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	13	-	-
Current assets			
Debtors	15	247,998	31,488,173
Net assets		<u>247,998</u>	<u>31,488,173</u>
Capital and reserves			
Called up share capital		87,872,049	73,030,909
Share premium reserve		9,969,543	9,969,543
Profit and loss account		<u>(97,593,594)</u>	<u>(51,512,279)</u>
Shareholders' funds		<u>247,998</u>	<u>31,488,173</u>

Approved and authorised by the Board on 21/11/17 and signed on its behalf by:



D J Harman

Director

Company Registration Number: 01501663

Bristol City Holdings Limited

Consolidated Statement of Changes in Equity

Year Ended 31 May 2017

	Share capital £	Share premium £	Revaluation reserve £	Capital contribution reserve £	Profit and loss account £	Total equity £
At 1 June 2016	73,030,909	9,969,543	1,709,404	2,462,626	(102,943,149)	(15,770,667)
Loss for the year	-	-	-	-	(6,346,035)	(6,346,035)
New share capital subscribed	14,841,140	-	-	-	-	14,841,140
Transfers	-	-	-	(333,210)	333,210	-
At 31 May 2017	<u>87,872,049</u>	<u>9,969,543</u>	<u>1,709,404</u>	<u>2,129,416</u>	<u>(108,955,974)</u>	<u>(7,275,562)</u>

	Share capital £	Share premium £	Revaluation reserve £	Capital contribution reserve £	Profit and loss account £	Total equity £
At 1 June 2015	56,642,736	9,969,543	1,709,404	2,789,623	(88,472,076)	(17,360,770)
Loss for the year	-	-	-	-	(14,798,070)	(14,798,070)
New share capital subscribed	16,388,173	-	-	-	-	16,388,173
Transfers	-	-	-	(326,997)	326,997	-
At 31 May 2016	<u>73,030,909</u>	<u>9,969,543</u>	<u>1,709,404</u>	<u>2,462,626</u>	<u>(102,943,149)</u>	<u>(15,770,667)</u>

The notes on pages 16 to 35 form an integral part of these financial statements.
Page 13

Bristol City Holdings Limited

Statement of Changes in Equity

Year Ended 31 May 2017

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 June 2016	73,030,909	9,969,543	(51,512,279)	31,488,173
Loss for the year	-	-	(46,081,315)	(46,081,315)
Total comprehensive income	-	-	(46,081,315)	(46,081,315)
New share capital subscribed	14,841,140	-	-	14,841,140
At 31 May 2017	<u>87,872,049</u>	<u>9,969,543</u>	<u>(97,593,594)</u>	<u>247,998</u>

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 June 2015	56,642,736	9,969,543	(51,512,279)	15,100,000
New share capital subscribed	16,388,173	-	-	16,388,173
At 31 May 2016	<u>73,030,909</u>	<u>9,969,543</u>	<u>(51,512,279)</u>	<u>31,488,173</u>

The notes on pages 16 to 35 form an integral part of these financial statements.

Bristol City Holdings Limited

Consolidated Statement of Cash Flows

Year Ended 31 May 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Loss for the year		(6,346,035)	(14,798,070)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	7,726,644	2,707,852
Profit on disposal of player contracts		(13,603,739)	(81,358)
Financial instrument movements through profit and loss		759,197	230,531
Loss on disposal of tangible assets		3,498	-
Finance income	8	(50,872)	-
Finance costs	9	951,477	345,265
		<u>(10,559,830)</u>	<u>(11,595,780)</u>
Working capital adjustments			
Decrease/(increase) in stocks	14	93,238	(103,937)
Decrease/(increase) in trade debtors	15	1,160,712	(1,174,655)
(Decrease)/increase in trade creditors	17	(3,812,783)	216,226
Increase/(decrease) in deferred income		<u>747,432</u>	<u>(453,599)</u>
Net cash flow from operating activities		<u>(12,371,231)</u>	<u>(13,111,745)</u>
Cash flows from investing activities			
Acquisitions of tangible assets		(6,079,305)	(27,208,543)
Acquisition of intangible assets	11	(8,926,554)	(4,770,771)
Proceeds from sale of intangible assets		<u>6,615,717</u>	<u>615,165</u>
Net cash flows from investing activities		<u>(8,390,142)</u>	<u>(31,364,149)</u>
Cash flows from financing activities			
Interest paid	9	(618,267)	(24,365)
Proceeds from issue of ordinary shares, net of issue costs		14,841,140	16,388,173
Proceeds from bank borrowing draw downs		<u>6,435,646</u>	<u>27,878,897</u>
Net cash flows from financing activities		<u>20,658,519</u>	<u>44,242,705</u>
Net decrease in cash and cash equivalents		(102,854)	(233,189)
Cash and cash equivalents at 1 June		<u>(3,057,643)</u>	<u>(2,824,454)</u>
Cash and cash equivalents at 31 May		<u>(3,160,497)</u>	<u>(3,057,643)</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

1 General information

The company is a private company limited by share capital incorporated in England & Wales.

The address of its registered office is:

Ashton Gate
Bristol
BS3 2EJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. There are no material departures from the requirements of FRS102.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 May 2017.

Subsidiary undertakings are included using the acquisition method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and the cashflows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposal of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit or loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its loss for the financial year was £46,081,315 (2016 - £Nil).

No cash flow statement is presented for the company, as advantage has been taken of the disclosure exemption available under FRS102.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Going concern

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements.

The group is currently loss-making and has net current liabilities and net liabilities. In order to continue in operational existence as a going concern and meet its liabilities as they fall due, the group is dependent on securing additional finance. Such finance comes from the parent company, Pula Sport Limited, a company owned and controlled by Mr & Mrs S P Lansdown, in funding working capital. Pula Sport Limited invests in the company via equity injections which confirms the long term commitment that they, and Mr & Mrs S P Lansdown, have to the company and the group. Pula Sport Limited has confirmed its ongoing support for the company and group.

The directors are confident that taking into account the commitment by Pula Sport Limited that the group will have sufficient working capital until the end of the 2017/18 season and beyond for the foreseeable future, being not less than 12 months from the date of approval of these financial statements. Accordingly, the directors consider it appropriate to prepare these financial statements on a going concern basis.

Changes in accounting estimate

Depreciation

The useful economic lives of certain assets have been reviewed by the directors. As a result the amount of depreciation charged in the current year has increased by £668,538. There is no impact upon previously reported or comparative results.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation 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 group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax assets in respect of tax losses carried forward are not recognised as they do not meet the recognition criteria set out in FRS 102 given there is no certainty as to when the losses will be utilised.

The group passes some of its tax losses to fellow group companies via group relief. It receives payment for these losses at the average rate of tax for the financial period in which the losses are relieved.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions 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.

The key estimates, aside from the going concern assessment described above, that have a significant effect on the amounts recognised in the financial statements are described below:

Freehold land and buildings

Properties are carried at cost, less accumulated depreciation and any subsequent accumulated impairment loss. This requires an estimation in the depreciation rates used as well as assessment of the ongoing economic contribution of the assets of the group as to whether an indicator of impairment has occurred. The carrying amount at the year end is £45,161,289 (2016 - £33,587,907).

Player contracts

The costs associated with acquiring players' registrations, or extending their contracts, is carried at cost, less accumulated amortisation and accumulated impairment losses. The carrying value of players contracts is reviewed for impairment in light of post year end performance, injuries and the sales value achieved for any players sold to other clubs. This review requires significant estimation by management. The carrying amount at the year end is £9,430,137 (2016 - £3,966,340).

Financial instruments

Long term intra-group loan liabilities at a below market rate of interest are measured at fair value, being the present value of the future payments discounted at a market rate of interest for a similar debt instrument. In calculating the discount, the directors use an equivalent interest rate as charged by third parties on borrowings the group has sourced externally, and consider this to be a market rate of interest for the group. The carrying amount at the year end is £(17,920,584) (2016 - £17,587,374).

Derivative valuation

The interest rate swap contract is valued using market derived projections of future cash flows discounted back to estimated present values. The carrying amount at the year end is £(989,728) (2016 - £(230,531)).

Turnover

Turnover represents the total amount receivable from broadcasting revenues, ticket sales, central funding, merchandise sales, sponsorship and advertising and other football related income, stated net of value added tax. Income from broadcasting, match days and those elements of commercial activities relating to matches is recognised when the related matches are played; income from advance ticket sales, including season tickets, is deferred accordingly. Other commercial income is recognised on a receivable basis.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Players' contracts and transfer fees

The costs associated with acquiring players' registrations, or extending their contracts, are capitalised as intangible assets and amortised, in equal instalments, over the period of the respective players' contracts. Where a contract is renegotiated prior to the expiry of its original term, the net book value at that time, and any new costs relating to the contract extension, are amortised over the remaining revised contract life.

Under the conditions of certain transfer agreements or contract renegotiations, further fees will be payable in the event of the players concerned making a certain number of first-team appearances or on the occurrence of certain other specified future events. Liabilities in respect of these additional transfer fees are accounted for, as provisions, when it becomes probable that the number of appearances will be achieved or the specified future events will occur.

Provision is made for any impairment and player registrations are written down when the carrying amount exceeds the amount recoverable through use or sale.

Signing-on fees are charged evenly to the profit and loss account over the period of the player's contract.

Profit on disposal of players' contracts

Profits or losses arising on the disposal of players' contracts are credited or charged to the profit and loss account in the year in which the player is sold. They are calculated as the difference arising between the transfer fees received and the net book value of the contracts at the time of this disposal. Any excess of net book value of a player's contract over its net realisable value is taken to the profit and loss account as and when it arises.

Intangible assets

Intangible assets are stated in the balance sheet at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Amortisation method and rate
Players' contracts	Over the term of the contract
Operating software	Over 4 to 7 years

Tangible fixed assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Assets under construction represents the development of Ashton Gate stadium. Depreciation is not charged on assets under construction. Upon formal completion of each stage of the development the cost of assets have been transferred to the freehold buildings category.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold buildings	50 years straight line
Leasehold buildings	Over the lease term
Plant and machinery	7 years straight line
Fixtures and fittings	4 - 10 years straight line
Motor vehicles	4 years straight line

Investments

Investments in subsidiaries where fair value cannot be reliably measured are carried at cost less impairment.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated selling costs.

Leases

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

Defined contribution pension obligation

The group operates a defined contribution pension scheme to which it contributes for members. The group also contributes to some employees' personal pension plans. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Capitalised finance cost

Finance costs relating to the stadium rebuild are capitalised in the period in which they arise. The capitalisation of interest ceased at the time that the rebuild project was completed.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Financial instruments

Classification

The group holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Debtors and creditors in relation to transfer fees;
- Short term intra group debtors and creditors;
- Long term intra group loans at below market rate;
- Derivative financial instruments (interest rate swaps);
- Bank loans; and
- Cash and bank balances.

Recognition and measurement

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Basic financial assets comprise short term trade and other debtors and cash and bank balances, including short term loans. Basic financial liabilities comprise short term trade and other creditors. Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Long term intra group loan liabilities constitute a finance transaction because they are at a below market rate of interest. Such loans are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. At inception the discount is recognised as a capital contribution within Equity. As the discount unwinds it is charged against profit. An equivalent transfer is made annually between the Capital Contribution Reserve and the Profit and Loss reserve.

Interest rate swap contracts are valued using market derived projections of future cash flows discounted back to estimated present values.

Long term debtors and creditors in relation to transfer fees constitute a financing transaction and are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument at inception. As the discount unwinds it is charged/ credited to the Profit and Loss account.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

3 Revenue

The analysis of the group's revenue for the year, all of which arose in the UK, is as follows:

	2017	2016
	£	£
Sale of goods	4,946,054	3,049,226
Rendering of services	4,684,305	2,809,903
Ticket sales	5,019,776	3,847,263
Football League income	6,598,200	4,469,004
	<u>21,248,335</u>	<u>14,175,396</u>

The analysis of the group's turnover for the year by class of business is as follows:

	2017	2016
	£	£
Matchday revenue	2,079,485	1,193,719
Season ticket revenue	2,940,291	2,653,544
Broadcasting revenue	241,500	287,864
Football League pool	2,298,200	2,169,004
Solidarity payment	4,300,000	2,300,000
Other football related income	867,512	770,339
Other commercial and retail income	8,521,347	4,800,926
	<u>21,248,335</u>	<u>14,175,396</u>

4 Operating loss

Arrived at after charging:

	2017	2016
	£	£
Depreciation expense	2,539,306	694,091
Amortisation expense	5,187,338	2,013,761
Loss on disposal of property, plant and equipment	3,498	-

5 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2017	2016
	£	£
Wages and salaries	18,796,637	15,821,801
Social security costs	2,016,935	1,446,599
Pension costs, defined contribution scheme	106,810	164,498
	<u>20,920,382</u>	<u>17,432,898</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

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

	2017 No.	2016 No.
Office, management and stadium facilities staff	549	303
Players	64	50
	<u>613</u>	<u>353</u>

6 Directors' remuneration

The remuneration of the directors of the company for the year paid by the group was as follows:

	2017 £	2016 £
Remuneration	60,319	59,826
Contributions paid to money purchase schemes	55,080	41,416
	<u>115,399</u>	<u>101,242</u>

During the year the number of directors who were receiving benefits was as follows:

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

7 Auditor's remuneration

	2017 £	2016 £
Audit of these financial statements	<u>1,500</u>	<u>1,500</u>

8 Other interest receivable and similar income

	2017 £	2016 £
Other finance income	<u>50,872</u>	<u>-</u>

Certain agreements for the sale of players' contracts include an element of deferred consideration. The deferred element of the consideration has, where a financial asset has been recognised, been discounted to its present value at the date of the contract, using a market rate of interest for a debt instrument of a similar amount and duration. Other finance income represents the unwinding of this discount to the period end.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

9 Interest payable and similar expenses

	2017 £	2016 £
Interest on bank overdrafts and borrowings	618,267	18,268
Interest expense on other finance liabilities	333,210	326,997
	<u>951,477</u>	<u>345,265</u>

The interest expense on other finance liabilities represents the amount charged to the profit and loss account in respect of the unwinding of the discount on the long term intra-group loan from the group's immediate parent, Pula Sport Limited.

10 Taxation

Tax charged/(credited) in the income statement

	2017 £	2016 £
Current taxation		
UK corporation tax	<u>(225,348)</u>	<u>(131,087)</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2016 - higher than the standard rate of corporation tax in the UK) of 19.83% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Loss before tax	<u>(6,571,383)</u>	<u>(14,929,157)</u>
Corporation tax at standard rate	(1,303,302)	(2,985,831)
Expense not deductible for tax purposes	68,880	72,087
Effect of change in accounting standards	-	(65,001)
Fixed asset differences	444,140	(345,453)
Unrelieved tax losses carried forward	<u>564,934</u>	<u>3,193,111</u>
Total tax credit	<u>(225,348)</u>	<u>(131,087)</u>

Deferred tax

Group

There are £97,555,000 of unused tax losses (2016 - £95,046,000) for which no deferred tax asset is recognised in the Balance Sheet.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

11 Intangible assets

Group

	Players' contracts £	Software £	Total £
Cost or valuation			
At 1 June 2016	6,906,393	179,935	7,086,328
Additions	13,648,280	113,087	13,761,367
Disposals	(5,496,830)	-	(5,496,830)
At 31 May 2017	<u>15,057,843</u>	<u>293,022</u>	<u>15,350,865</u>
Amortisation			
At 1 June 2016	2,940,053	30,183	2,970,236
Amortisation charge	4,442,358	56,230	4,498,588
Amortisation eliminated on disposals	(2,443,455)	-	(2,443,455)
Impairment	688,750	-	688,750
At 31 May 2017	<u>5,627,706</u>	<u>86,413</u>	<u>5,714,119</u>
Carrying amount			
At 31 May 2017	<u>9,430,137</u>	<u>206,609</u>	<u>9,636,746</u>
At 31 May 2016	<u>3,966,340</u>	<u>149,752</u>	<u>4,116,092</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

12 Tangible assets

Group

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Assets under construction £	Plant and equipment £	Total £
Cost or valuation						
At 1 June 2016	40,084,404	366,574	174,047	17,109,204	789,381	58,523,610
Additions	1,182,199	639,464	-	4,141,866	115,776	6,079,305
Disposals	(1,650)	-	-	-	(3,995)	(5,645)
Transfers	11,435,116	4,400,692	-	(21,251,070)	5,415,262	-
At 31 May 2017	52,700,069	5,406,730	174,047	-	6,316,424	64,597,270
Depreciation						
At 1 June 2016	6,496,497	156,444	125,407	-	564,244	7,342,592
Charge for the year	1,066,050	800,031	22,188	-	651,037	2,539,306
Eliminated on disposal	(23,767)	28,730	-	-	(7,110)	(2,147)
At 31 May 2017	7,538,780	985,205	147,595	-	1,208,171	9,879,751
Carrying amount						
At 31 May 2017	45,161,289	4,421,525	26,452	-	5,108,253	54,717,519
At 31 May 2016	33,587,907	210,130	48,640	17,109,204	225,137	51,181,018

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Included within the net book value of land and buildings above is £44,179,475 (2016 - £32,445,200) in respect of freehold land and buildings and £981,814 (2016 - £1,142,707) in respect of long leasehold land and buildings.

Capitalised borrowing costs

Within assets under the course of construction are capitalised borrowing costs of £1,547,699 (2016 - £1,100,075). The capitalisation rate used to determine the amount of finance costs capitalised during the period of construction was 1.9%.

13 Investments

Company

Subsidiaries	£
Cost or valuation	
At 1 June 2016 and 31 May 2017	30,550,003
Provision	
At 1 June 2016 and 31 May 2017	<u>30,550,003</u>
Carrying amount	
At 31 May 2017	<u>-</u>
At 31 May 2016	<u>-</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Bristol City Football Club Limited*	Ashton Road, Bristol, BS3 2EJ	Ordinary	100%	100%
Ashton Gate Limited*	Ashton Road, Bristol, BS3 2EJ	Ordinary	100%	100%
BCFC Limited*	Ashton Road, Bristol, BS3 2EJ	Ordinary	100%	100%
St James Parade (122) Limited	Ashton Road, Bristol, BS3 2EJ	Ordinary	100%	100%

* Indicates direct investment of the company

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Subsidiary undertakings

The principal activity of Bristol City Football Club Limited is that of running a professional football club.

The principal activity of Ashton Gate Limited is stadium management and hospitality.

The principal activity of BCFC Limited is that of a dormant company.

The principal activity of St James Parade (122) Limited is that of a dormant company.

14 Stocks

	2017	Group	2017	Company
	£	2016	£	2016
		£		£
Stock of consumables	56,448	40,435	-	-
Goods for resale	52,219	161,470	-	-
	<u>108,667</u>	<u>201,905</u>	<u>-</u>	<u>-</u>

Group

The cost of stocks recognised as an expense in the year amounted to £1,939,166 (2016 - £1,327,127).

15 Debtors

	2017	Group	2017	Company
	£	2016	£	2016
		£		£
Trade debtors	239,197	324,833	-	-
Amounts due from group undertakings	1,513,902	269,155	247,998	31,488,173
Other debtors	-	1,712,763	-	-
Transfer fees receivable	10,092,269	250,000	-	-
Prepayments	1,072,896	1,429,956	-	-
	<u>12,918,264</u>	<u>3,986,707</u>	<u>247,998</u>	<u>31,488,173</u>

An impairment loss of £46,081,315 has been recognised against debtors owed to the company during the year.

Details of non-current trade and other debtors

Group

£4,183,102 (2016 - £Nil) of amounts receivable in respect of transfer fees is classified as non current.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

16 Cash and cash equivalents

	2017 £	Group 2016 £	2017 £	Company 2016 £
Cash on hand	22,499	28,039	-	-
Cash at bank	430,722	493,556	-	-
	453,221	521,595	-	-
Bank overdrafts	(3,613,718)	(3,579,238)	-	-
Cash and cash equivalents in statement of cash flows	(3,160,497)	(3,057,643)	-	-

17 Creditors

	Note	2017 £	Group 2016 £	2017 £	Company 2016 £
Due within one year					
Loans and borrowings	18	53,289,984	46,819,858	-	-
Trade creditors		1,220,503	3,736,659	-	-
Amounts due to group undertakings		519,745	545,328	-	-
Social security and other taxes		928,003	586,793	-	-
Other creditors		1,139,228	1,409,699	-	-
Transfer fees payable		4,501,021	1,525,565	-	-
Accrued expenses		1,597,408	1,413,626	-	-
		63,195,892	56,037,528	-	-
Due after one year					
Loans and borrowings	18	17,920,584	17,587,374	-	-
Derivative financial instruments	27	989,728	230,531	-	-
Transfer fees payable		333,792	-	-	-
		19,244,104	17,817,905	-	-

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

18 Loans and borrowings

	2017 £	Group 2016 £	2017 £	Company 2016 £
Current loans and borrowings				
Bank borrowings	49,676,266	43,240,620	-	-
Bank overdrafts	3,613,718	3,579,238	-	-
	<u>53,289,984</u>	<u>46,819,858</u>	<u>-</u>	<u>-</u>
Non-current loans and borrowings				
Other borrowings	<u>17,920,584</u>	<u>17,587,374</u>	<u>-</u>	<u>-</u>

Group

Bank borrowings

The bank loan is denominated in sterling with a nominal interest rate of 0.9% above base rate (0.25% at the year end), and is repayable on demand. The carrying amount at year end is £49,676,266 (2016 - £43,240,620).

The bank loan has been drawn down for the stadium redevelopment. The facility is secured by Pula Sport Limited's guarantee.

The bank overdraft is denominated in sterling with a nominal interest rate of 1.75% plus base rate (0.25% at the year end), and is repayable on demand. The carrying amount at year end is £3,613,718 (2016 - £3,579,238).

The bank overdraft is secured by limited guarantees given by S P Lansdown totalling £4,500,000 and an unlimited guarantee given by Ashton Gate Limited.

Other borrowings

Other borrowings with a carrying amount of £17,920,584 (2016 - £17,587,374) are denominated in sterling with a nominal interest rate of 0%. The final instalment is due on 30 May 2025.

The loan of £20,050,000 from Pula Sport Limited is interest free and secured by a fixed charge over the stadium together with fixed charges over the plant and machinery, securities, debts, goodwill and insurances held by the company and a floating charge over the undertaking and assets of the company.

The loan is repayable in five equal instalments at annual intervals beginning on 30 May 2021. The loan is interest free save for any interest accruing where repayments fall due and are not made, in which case interest shall accrue from the date due until repaid at a rate of 4.5% per annum above the 3-month London Inter-Bank Offered Rate.

The loan has been represented in accordance with the requirements of FRS102. It is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. The movement on the loan each year is the unwinding of this discount, which is charged to the profit and loss account as an interest expense.

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Included in the loans and borrowings are the following amounts due after more than five years:

	2017 £	2016 £
After more than five years by instalments	<u>10,519,939</u>	<u>13,896,638</u>

19 Analysis of net debt

	At 1 June 2016 £	Cash flow £	Non cash movements £	At 31 May 2017 £
Cash at bank and on hand	521,595	(68,374)	-	453,221
Bank overdrafts	<u>(3,579,238)</u>	<u>(34,480)</u>	-	<u>(3,613,718)</u>
Cash and cash equivalents	<u>(3,057,643)</u>	<u>(102,854)</u>	-	<u>(3,160,497)</u>
Bank loans due within one year	(43,240,620)	(6,435,646)	-	(49,676,266)
Other loans due after one year	<u>(17,587,374)</u>	-	<u>(333,210)</u>	<u>(17,920,584)</u>
Net debt	<u>(63,885,637)</u>	<u>(6,538,500)</u>	<u>(333,210)</u>	<u>(70,757,347)</u>

20 Deferred income

	2017 £
Balance brought forward	1,922,551
Released to profit during the year	(1,922,551)
Received during the year	<u>2,669,983</u>
Balance carried forward	<u>2,669,983</u>

The deferred income balance consists of football season ticket income in respect of the 2017/18 season.

21 Obligations under leases and hire purchase contracts

Group

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	107,774	191,619
Later than one year and not later than five years	<u>199,858</u>	<u>232,500</u>
	<u>307,632</u>	<u>424,119</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

The amount of non-cancellable operating lease payments recognised as an expense during the year was £234,505 (2016 - £225,263).

22 Pension schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme and contributes to certain employees' personal pension plans. The pension cost charge for the year represents total contributions payable and amounted to £106,810 (2016 - £164,498).

23 Share capital

Allotted share capital

	No.	2017 £	No.	2016 £
Ordinary shares of £1 each	<u>87,872,049</u>	<u>87,872,049</u>	<u>73,030,909</u>	<u>73,030,909</u>

New shares allotted

During the year 14,841,140 Ordinary shares having an aggregate nominal value of £14,841,140 were allotted for an aggregate consideration of £14,841,140.

Rights, preferences and restrictions

Ordinary shares have the right to one vote per share held at general meetings.

24 Commitments

Group

Capital commitments

The total amount contracted for but not provided in the financial statements in respect of the stadium redevelopment was £Nil (2016 - £4,074,276).

25 Contingent liabilities

Group

Contractual liabilities under players' contracts may be payable of £140,097 (2016 - £Nil) at various stages in the future contingent on the relevant players meeting certain performance conditions

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

26 Non adjusting events after the financial period

Since the end of the financial year the company has contracted for the purchase and sale of various players. The net cash expenditure from these transfers, taking into account the applicable levies and excluding value added tax was approximately £9,465,771 (2016 - receipt of £194,885). These transfers will be accounted for in the year ended 31 May 2018.

The company is also due to receive £Nil (2016 - £4,310,750) in respect of sell on clauses for players disposed of in previous years.

27 Financial instruments

Group

Categorisation of financial instruments

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost	11,845,368	2,556,751
Financial liabilities measured at fair value through profit or loss	(989,728)	(230,531)
Financial liabilities measured at amortised cost	<u>(78,924,857)</u>	<u>(71,624,483)</u>

Financial liabilities measured at fair value

Interest rate swap

The interest rate swap contract is valued using market derived projections of future cash flows discounted back to estimated present values.

The fair value is £989,728 (2016 - £230,531) and the change in value included in profit or loss is £759,197 (2016 - £230,531).

28 Related party transactions

Group

Key management compensation

	2017 £	2016 £
Key management compensation	<u>1,003,150</u>	<u>1,118,034</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Summary of transactions with parent

Immediate parent company

During the year, the immediate parent company provided funding to the group of £14,841,140 (2016 - £16,688,173), of which £14,841,140 (2016 - £16,388,173) was converted to equity. At the balance sheet date, the amount due to the immediate parent company was £300,000 (2016 - £300,000). This funding was advanced interest free and is repayable on demand.

The group also has a long-term loan of £20,050,000 (2016 - £20,050,000) from the immediate parent company. At the balance sheet date the amount due to the immediate parent company was £20,050,000 (2016 - £20,050,000). Note 18 details the terms of the long-term loan arrangement and its carrying value in these financial statements.

The immediate parent company has guaranteed a bank loan taken out by the group. The amount outstanding on the loan balance at the year end was £49,676,266 (2016 - £43,240,620).

Summary of transactions with other related parties

Fellow (non wholly owned) subsidiaries of the wider group

During the year, the group recognised sales in respect of income collected on its behalf by wider group companies in respect of ticket sales, online merchandise sales, corporate hospitality and car parking. The group recharged expenditure and was recharged expenditure by the wider group. The group also made purchases in respect of merchandise, management charges and other costs from the wider group. The group recognised receivables in respect of payment for group relief from its fellow subsidiaries.

Income and receivables from related parties

	Other related parties £
2017	
Income collected by related parties	7,313,345
Expenditure recharged to related parties	823,493
Sales to related parties	608,899
Group relief receivable from related parties	225,348
	<u>8,971,085</u>
Amounts receivable from related parties	<u>1,513,901</u>
	Other related parties £
2016	
Income collected by related parties	4,977,526
Expenditure recharged to related parties	514,659
Sales to related parties	391,023
	<u>5,883,208</u>
Amounts receivable from related parties	<u>138,067</u>

Bristol City Holdings Limited

Notes to the Financial Statements

Year Ended 31 May 2017

Expenditure with and payables to related parties

	Other related parties £
2017	
Purchases from related parties	1,692,827
Income collected on behalf of related parties	189,643
	<u>1,882,470</u>
Amounts payable to related parties	<u>191,575</u>
	Other related parties £
2016	
Purchases from related parties	2,416,808
	<u>2,416,808</u>
Amounts payable to related parties	<u>243,106</u>

29 Parent and ultimate parent undertaking

The company's immediate parent is Pula Sport Limited, incorporated in Guernsey.

The ultimate parent is Pula Limited, incorporated in Guernsey.

The ultimate controlling parties are Mr & Mrs S P Lansdown, by virtue of their majority shareholding in the ultimate parent company.