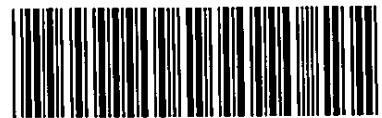


**REGISTERED NUMBER: 06287017 (England and Wales)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008  
FOR  
WINNING PITCH PLC  
(FORMERLY HAMSARD 3086 LIMITED)**

TUESDAY



\*AXSKA9EG\*

A49

28/04/2009

212

COMPANIES HOUSE



**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

|  | <b>Page</b> |
|--|-------------|
| <b>Company Information</b>   | <b>1</b>    |
| <b>Report of the Directors</b>   | <b>2</b>    |
| <b>Report of the independent auditor to the members of Winning Pitch plc</b> | <b>5</b>    |
| <b>Consolidated Income Statement</b>   | <b>7</b>    |
| <b>Consolidated Balance Sheet</b>  | <b>8</b>    |
| <b>Company Balance Sheet</b>   | <b>10</b>   |
| <b>Consolidated statement of changes in members equity</b>                   | <b>11</b>   |
| <b>Company statement of changes in members equity</b>                        | <b>11</b>   |
| <b>Consolidated Cash Flow Statement</b>                                      | <b>12</b>   |
| <b>Company Cash Flow Statement</b>   | <b>13</b>   |
| <b>Notes to the Financial Statements</b>                                     | <b>14</b>   |



**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

|                           |  |
|---------------------------|--|
| <b>DIRECTORS:</b>         | J Leach<br>I J Brookes<br>G Edge   |
| <b>SECRETARY:</b>         | I J Brookes  |
| <b>REGISTERED OFFICE:</b> | One Central Park<br>Northampton Road<br>Manchester<br>M40 5WW  |
| <b>REGISTERED NUMBER:</b> | 06287017 (England and Wales)   |
| <b>SOLICITORS:</b>        | Hammonds<br>Trinity Court<br>16 John Dalton Street<br>Manchester<br>M60 8HS  |
| <b>AUDITORS:</b>          | Grant Thornton UK LLP<br>Chartered Accountants and Registered Auditors<br>4 Hardman Square<br>Spinningfields<br>Manchester<br>M3 3EB |
| <b>BANKERS:</b>           | Bank of Scotland<br>19/21 Spring Gardens<br>Manchester<br>M2 1FB   |



## **WINNING PITCH PLC(FORMERLY HAMSARD 3086 LIMITED)**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 SEPTEMBER 2008**

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2008.

#### **INCORPORATION**

The company was incorporated on 20 June 2007 as Hamsard 3086 Limited and changed its name to Winning Pitch plc on 23 November 2007. On that date it acquired 100% of the share capital of Winning Pitch Trading Limited. This transaction has been accounted for by applying the principles of merger accounting (note 1). Accordingly the financial statements are presented as if Winning Pitch plc had been in existence throughout the current and prior periods. As Winning Pitch plc did not trade prior to 23 November 2007, the prior year activity reflects the activity of Winning Pitch trading Limited for the period ended 30 September 2007.

The company shares commenced trading on the PLUS-quoted market on 20 December 2007.

#### **PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of the provision of management consultancy services.

#### **REVIEW OF BUSINESS**

The results for the year of the Group and the financial position of the company and the group are as shown in the annexed financial statements.

#### **KEY PERFORMANCE INDICATORS**

The Winning Pitch plc and Executive Boards monitor a range of financial and non-financial key performance indicators, reported on a monthly or quarterly basis, to measure performance over time. These indicators are as follows:

**Financial:** Turnover growth; Gross Margin growth and %; PBT; cash balances and forecasts; debtors; EPS

**Customers:** Number of new customers; retention of customers; customer satisfaction; average spend per customer

**Employees:** Number of employees; retention and turnover; ongoing training and education.

**Innovation:** We have appointed a Director of Innovation to drive development of our own methodologies and IPR. Our KPIs are based around new product/service launches; new revenues and RoI.

#### **FUTURE DEVELOPMENTS**

The directors have put in place the following initiatives and are optimistic about the future.

##### **The management team**

During the year we made a number of key appointments to strengthen the business, and established an Executive Board which has responsibility for running the business on a day-to-day basis:

Brian Dormand (Projects Director) responsible for major contracts delivery and resourcing of consultants and associates.

Heather Lomas (Operations Director) responsible for office infrastructure, systems and administration.

Steve Young (Director of Innovation), responsible for research and development of new product/service offerings.

Rob Briddock (Financial Controller), responsible for all aspects of Financial Management.

##### **Proposition Development**

Based on our Observatory research into High Growth and Entrepreneurial behaviours, we will continue to identify market disruptive offerings to support the development of our brand and increase new revenue generation opportunities. These will increasingly involve Winning Pitch tv and moving image, alongside digital technologies.

##### **Manchester office**

At the year-end there were 17 employees in the Manchester Office. As at 28 February, we had 23. In November 2008, we moved to new premises providing us with capacity for significant expansion in all areas of the business, including provision of client training facilities. We anticipate that our new facilities will provide capacity for growth for the next two years.

**WINNING PITCH PLC(FORMERLY HAMSARD 3086 LIMITED)**

**REPORT OF THE DIRECTORS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**Systems and infrastructure**

We are developing customer relationship and customer contact systems, and also implementing a new management reporting system to run across the business. The first release is scheduled for May 2009. We are also extending our business continuity disaster recovery solutions.

The next generation of the website is already being developed by a dedicated internal team. We will also review other key functions such as marketing, resourcing and finance to ensure we have the capacity for growth.

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

Details of the Company's financial risk management objectives and policies are set out in note 18 to the financial statements.

**DIRECTORS**

The directors who have held office during the period from 20 June 2007 to the date of this report are as follows:

J Leach - appointed 2 November 2007

I J Brookes - appointed 2 November 2007

G Edge - appointed 29 November 2007

Hammond Directors Limited - appointed 20 June 2007, resigned 2 November 2007

R R Carayol - appointed 29 November 2007 - resigned 9 September 2008

In accordance with the Articles of Association, G Edge will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

The company has agreed to indemnify its directors against third party claims which may be brought against them and has put in place a Directors and Officers insurance policy

**CHANGES IN SHARE CAPITAL**

Details of changes in the company's share capital are set out in note 19 to the financial statements.





**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**REPORT OF THE DIRECTORS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible 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 financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs). The financial statements are required by law to 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 then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 proper accounting records that 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 1985. 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.

In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**AUDITORS**

Grant Thornton UK LLP were appointed as auditors to the company on 26 March 2008.

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of Grant Thornton UK LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

**APPROVAL**

The Report of the Directors was approved by the Board on 26 February 2009 and signed on its behalf by

**ON BEHALF OF THE BOARD:**



I J Brookes - Director



## **WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

### **REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF WINNING PITCH PLC**

We have audited the group and parent company financial statements (the 'financial statements') of Winning Pitch plc for the year ended 30 September 2008 which comprise, the group income statement, the group and parent company balance sheets, the group and parent company statement of changes in members' equity, the group and parent company cash flow statements, and notes 1 to 23. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 AUDITORS**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Report of the Directors. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's 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.



**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF WINNING PITCH PLC (Continued)**

**OPINION**

In our opinion:

- the group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the group's affairs as at 30 September 2008 and of its loss for the year then ended;
- the parent company financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 1985, of the state of the parent company's affairs as at 30 September 2008;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the report of the directors is consistent with the financial statements.

Grant Thornton UK LLP

GRANT THORNTON UK LLP  
REGISTERED AUDITOR  
CHARTERED ACCOUNTANTS

MANCHESTER

26 February 2009

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

|   |       | 30 September<br>2008<br>£ | Period<br>ended<br>30 September<br>2007<br>£ |
|---|-------|---------------------------|--|
|   | Notes |                           |  |
| <b>CONTINUING OPERATIONS</b>                        |       |                           |  |
| Revenue   | 2     | 1,316,447                 | 435,967                                      |
| Cost of sales                                       |       | <u>(787,598)</u>          | <u>(202,537)</u>                             |
| <b>GROSS PROFIT</b>                                 |       | 528,849                   | 233,430                                      |
| Administrative expenses                             |       | <u>(769,007)</u>          | <u>(91,844)</u>                              |
| <b>OPERATING (LOSS)/PROFIT</b>                      |       | (240,158)                 | 141,586                                      |
| Finance costs                                       | 4     | (6,398)                   | (1,539)                                      |
| Finance income                                      | 4     | <u>3,066</u>              | <u>1,596</u>                                 |
| <b>(LOSS)/PROFIT BEFORE TAXATION</b>                | 5     | (243,490)                 | 141,643                                      |
| Tax   | 6     | <u>20,682</u>             | <u>(28,328)</u>                              |
| <b>(LOSS)/PROFIT FOR THE YEAR</b>                   |       | <u>(222,808)</u>          | <u>113,315</u>                               |
| Attributable to:                                    |       |                           |  |
| Equity holders of the parent                        |       | <u>(222,808)</u>          | <u>113,315</u>                               |
| Earnings per share expressed<br>in pence per share: | 9     |                           |  |
| Basic   |       | (4.37)                    | 2.26   |
| Diluted   |       | <u>(4.37)</u>             | <u>2.26</u>                                  |

There are no other items of recognised income and expense, other than stated above.

The consolidated income statement has been prepared using merger accounting principals and is presented as if Winning Pitch plc had been in existence throughout the current and prior periods. Further detail is given in note 1 to the financial statements.

As Winning Pitch plc did not trade prior to 23 November 2007, the prior year activity reflects the activity of Winning Pitch Trading Limited for the period ended 30 September 2007.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**CONSOLIDATED BALANCE SHEET  
30 SEPTEMBER 2008**

|                                       | Notes | 2008<br>£              | 2007<br>£             |
|---------------------------------------|-------|------------------------|-----------------------|
| <b>ASSETS</b>                         |       |                        |                       |
| <b>NON-CURRENT ASSETS</b>             |       |                        |                       |
| Property, plant and equipment         | 11    | 39,122                 | 24,130                |
| Deferred tax asset                    | 6     | <u>14,500</u>          | <u>-</u>              |
|                                       |       | <u>53,622</u>          | <u>24,130</u>         |
| <b>CURRENT ASSETS</b>                 |       |                        |                       |
| Trade and other receivables           | 13    | 254,033                | 122,661               |
| Cash and cash equivalents             | 14    | <u>1,691</u>           | <u>107,147</u>        |
|                                       |       | <u>255,724</u>         | <u>229,808</u>        |
| <b>TOTAL ASSETS</b>                   |       | <b>309,346</b>         | <b>253,938</b>        |
| <b>LIABILITIES</b>                    |       |                        |                       |
| <b>CURRENT LIABILITIES</b>            |       |                        |                       |
| Trade and other payables              | 15    | 146,501                | 49,963                |
| Financial liabilities - borrowings    |       |                        |                       |
| Bank loans and overdrafts             | 16    | 70,109                 | -                     |
| Interest bearing loans and borrowings | 16    | 13,372                 | 6,631                 |
| Tax payable                           |       | <u>-</u>               | <u>39,210</u>         |
|                                       |       | <u>229,982</u>         | <u>95,804</u>         |
| <b>NET CURRENT ASSETS</b>             |       | <u><b>25,742</b></u>   | <u><b>134,004</b></u> |
| <b>NON-CURRENT LIABILITIES</b>        |       |                        |                       |
| Financial liabilities - borrowings    |       |                        |                       |
| Directors loans                       | 16    | 100,000                | -                     |
| Interest bearing loans and borrowings | 16    | <u>13,374</u>          | <u>12,766</u>         |
|                                       |       | <u>113,374</u>         | <u>12,766</u>         |
| <b>TOTAL LIABILITIES</b>              |       | <b>343,356</b>         | <b>108,570</b>        |
| <b>NET (LIABILITIES) / ASSETS</b>     |       | <u><b>(34,010)</b></u> | <u><b>145,368</b></u> |

The notes form part of these financial statements




**WINNING PITCH PLC (FORMERLY HAMSARD 3086 PLC)**

**CONSOLIDATED BALANCE SHEET (Continued)**  
**30 SEPTEMBER 2008**

**SHAREHOLDERS' EQUITY**

|                         |    |                        |                       |
|-------------------------|----|------------------------|-----------------------|
| Called up share capital | 19 | 52,194                 | 50,000                |
| Share premium           |    | 37,536                 | -                     |
| Other reserve           |    | (49,999)               | (49,999)              |
| Merger relief reserve   |    | 63,700                 | -                     |
| Retained earnings       |    | <u>(137,441)</u>       | <u>145,367</u>        |
| <b>TOTAL EQUITY</b>     |    | <u><b>(34,010)</b></u> | <u><b>145,368</b></u> |

The financial statements were approved by the Board of Directors 26 February 2009 and were signed on its behalf by:

  
.....  
J Leach - Director

  
.....  
I J Brookes - Director

The notes form part of these financial statements

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**COMPANY BALANCE SHEET  
30 SEPTEMBER 2008**

|                             | Notes | 2008<br>£       |
|-----------------------------|-------|-----------------|
| <b>ASSETS</b>               |       |                 |
| <b>NON-CURRENT ASSETS</b>   |       |                 |
| Investments                 | 12    | <u>249,999</u>  |
|                             |       | <u>249,999</u>  |
| <b>CURRENT ASSETS</b>       |       |                 |
| Trade and other receivables | 13    | 38,430          |
| Cash and cash equivalents   | 14    | <u>744</u>      |
|                             |       | <u>39,174</u>   |
| <b>TOTAL ASSETS</b>         |       | 289,173         |
| <b>LIABILITIES</b>          |       |                 |
| <b>CURRENT LIABILITIES</b>  |       |                 |
| Trade and other payables    | 15    | <u>7,864</u>    |
| <b>TOTAL LIABILITIES</b>    |       | 7,864           |
| <b>NET CURRENT ASSETS</b>   |       | <u>31,310</u>   |
| <b>NET ASSETS</b>           |       | <u>281,309</u>  |
| <b>SHAREHOLDERS' EQUITY</b> |       |                 |
| Called up share capital     | 19    | 52,194          |
| Share premium               |       | 37,536          |
| Merger relief reserve       |       | 263,700         |
| Retained earnings           |       | <u>(72,121)</u> |
| <b>TOTAL EQUITY</b>         |       | <u>281,309</u>  |

The financial statements were approved by the Board of Directors 26 February 2009 and were signed on its behalf by:

.....  
J Leach - Director

.....  
I J Brookes - Director

The notes form part of these financial statements

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

|   | Share<br>capital<br>£ | Share<br>premium<br>£ | Other reserve<br>£ | Merger relief<br>reserve<br>£ | Retained<br>earnings<br>£ | Total<br>£ |
|---|-----------------------|-----------------------|--------------------|-------------------------------|---------------------------|------------|
| At 1 January 2007, as reported<br>by Winning Pitch Trading<br>Limited | 1                     | -                     | -                  | -                             | 72,052                    | 72,053     |
| Merger adjustments  | 49,999                | -                     | (49,999)           | -                             | -                         | -          |
| Merged equity at 1 January<br>2007                                    | 50,000                | -                     | (49,999)           | -                             | 72,052                    | 72,053     |
| Total recognised income and<br>expenses                               | -                     | -                     | -                  | -                             | 113,315                   | 113,315    |
| Dividends paid  | -                     | -                     | -                  | -                             | (40,000)                  | (40,000)   |
| At 30 September 2007  | 50,000                | -                     | (49,999)           | -                             | 145,367                   | 145,368    |
| Share capital issued  | 2,194                 | 37,536                | -                  | 63,700                        | -                         | 103,430    |
| Total recognised income and<br>expenses                               | -                     | -                     | -                  | -                             | (222,808)                 | (222,808)  |
| Dividends paid  | -                     | -                     | -                  | -                             | (60,000)                  | (60,000)   |
| At 30 September 2008  | 52,194                | 37,536                | (49,999)           | 63,700                        | (137,441)                 | (34,010)   |

The dividends recognised in the year to 30 September 2008 represent dividends declared and paid by Winning Pitch Trading Limited on 1 September 2007 prior to its acquisition by Winning Pitch plc (note 8).

**COMPANY STATEMENT OF CHANGES IN MEMBERS EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

|   | Share<br>capital<br>£ | Share<br>premium<br>£ | Other reserve<br>£ | Merger relief<br>reserve<br>£ | Retained<br>earnings<br>£ | Total<br>£ |
|---|-----------------------|-----------------------|--------------------|-------------------------------|---------------------------|------------|
| At incorporation                        | -                     | -                     | -                  | -                             | -                         | -          |
| Share capital issued                    | 52,194                | 37,536                | -                  | 263,700                       | -                         | 353,430    |
| Total recognised income and<br>expenses | -                     | -                     | -                  | -                             | (72,121)                  | (72,121)   |
| Dividends paid                          | -                     | -                     | -                  | -                             | -                         | -          |
| At 30 September 2008                    | 52,194                | 37,536                | -                  | 263,700                       | (72,121)                  | 281,309    |

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

|  | Notes | 2008<br>£        | 2007<br>£       |
|--|-------|------------------|-----------------|
| <b>Cash flows from operating activities</b>              |       |                  |                 |
| Cash (used in) / generated from operations               | 23    | (168,102)        | 117,186         |
| Interest paid  |       | (6,398)          | (1,539)         |
| Tax paid   |       | <u>(33,028)</u>  | <u>(17,151)</u> |
| Net cash (used in) / generated from operating activities |       | <u>(207,528)</u> | <u>98,496</u>   |
| <b>Cash flows from investing activities</b>              |       |                  |                 |
| Purchase of property, plant and equipment                |       | (14,616)         | (630)           |
| Purchase of subsidiary undertakings net of cash acquired |       | 12,471           | -               |
| Interest received  |       | <u>3,066</u>     | <u>1,596</u>    |
| Net cash generated from investing activities             |       | <u>921</u>       | <u>966</u>      |
| <b>Cash flows from financing activities</b>              |       |                  |                 |
| Repayment of borrowings                                  |       | (8,958)          | (4,847)         |
| Proceeds from borrowings                                 |       | 126,846          | -               |
| Equity dividends paid                                    |       | <u>(60,000)</u>  | <u>(40,000)</u> |
| Net cash from financing activities                       |       | <u>57,888</u>    | <u>(44,847)</u> |
| (Decrease)/increase in cash and cash equivalents         |       | (148,719)        | 54,615          |
| Cash and cash equivalents at beginning of year           | 14    | <u>107,147</u>   | <u>52,532</u>   |
| Cash and cash equivalents at end of year                 | 14    | <u>(41,572)</u>  | <u>107,147</u>  |

The notes form part of these financial statements

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**COMPANY CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

|   | Notes | 2008<br>£      |
|---|-------|----------------|
| <b>Cash flows from operating activities</b>                   |       |                |
| Cash generated from operations                                | 23    | <u>7,607</u>   |
| Net cash generated from operating activities                  |       | <u>7,607</u>   |
| <br><b>Cash flows from investing activities</b>               |       |                |
| Cash consideration for acquisition of subsidiary undertakings |       | (6,864)        |
| Issue of share capital  |       | <u>1</u>       |
| Net cash from investing activities                            |       | <u>(6,863)</u> |
| <br><b>Cash and cash equivalents at end of period</b>         | 14    | <br><u>744</u> |

The notes form part of these financial statements

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

Winning Pitch plc ("the Company") is a company incorporated in the United Kingdom and is listed on the PLUS-quoted market.

The consolidated financial statements consolidate those of the Company and its subsidiaries (together referred to as "the Group").

The financial statements (Group and Company) have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRS") and IFRIC interpretations and with those parts of the Companies Acts applicable to companies reporting under IFRS.

This is the first period for which the Company has presented financial statements and accordingly is the first year of preparing financial statements under IFRS. The comparatives, which reflect the results of Winning Pitch Trading Limited (see basis of consolidation below) have been previously reported under EU Adopted IFRS.

**Measurement convention**

The financial statements are prepared under the historical cost convention.

**Going concern**

The financial statements are prepared on a going concern basis, notwithstanding the loss for the period and the group balance sheet reflecting a net liabilities position. The directors have prepared working capital forecasts for the period ending 12 months from the date of approval of these financial statements, which they consider to be prudent and which demonstrate that the business can operate within its available and agreed cash resources. The directors are satisfied that the level of trading performance and cash flows are achievable and the group will therefore be able to continue to operate for the foreseeable future.

**Basis of consolidation**

The Group's financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 September 2008.

Winning Pitch plc purchased a 100% equity interest in Winning Pitch Trading Limited on 23 November 2007 for 4,999,900 Ordinary £0.01 shares in Winning Pitch plc. Winning Pitch plc and Winning Pitch Trading Limited were both under common control before and after the merger, as such this transaction is outside of the scope of International Financial Reporting Standard ("IFRS") 3 - Business Combinations. The Group has applied the principles of merger accounting in accounting for the combination with Winning Pitch Trading Limited as though the business of Winning Pitch Trading had always been carried on by the Group.

The consolidated financial statements, including comparatives have been presented as if the continuing operations of Winning Pitch Trading Limited had been in existence within the Group for the whole of the current and comparative periods. The comparatives within the consolidated financial statements therefore, represent the activity of Winning Pitch Trading Limited for the 9-months to 30 September 2007 and the current period represents the combined activity for the 12-months to 30-September 2008, although Winning Pitch plc did not commence trading until 23 November 2007. A uniform set of accounting policies is adopted by the Group and no adjustment has been made to align inconsistent accounting policies as the effect on net assets and net profit or loss is not significant. The financial statements for Winning Pitch Trading Limited for the period to 30 September 2007 were prepared in accordance with adopted IFRS.

The difference between the nominal value of shares issued and the nominal value of shares received in exchange has been recognised as a movement on other reserves.

## **WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 SEPTEMBER 2008**

#### **1. ACCOUNTING POLICIES (Continued)**

##### **Basis of consolidation (Continued)**

Also, during the period the Company acquired two further subsidiary undertakings, Creative Business Achievements Limited and WLA Limited. The results of these companies have been consolidated from the date on which control passed under the acquisition method.

All inter company transactions, balances, income and expenses are eliminated on consolidation.

##### **Critical accounting estimates and judgements**

The preparation of the financial information in conformity with IFRS requires management to make estimates, judgement and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historic experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are both readily apparent from other sources. 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 and assumptions applied by management are as follows:

- The adoption of merger accounting principles in relation to the acquisition of Winning Pitch Trading Limited by Winning Pitch plc (see basis of consolidation above).
- Future cash flows and discount rates applied in the 'value in use' goodwill impairment test incorporate the inherent uncertainties involved in predicting future cash flows, operating performance, costs of capital and other variables. The carrying value of goodwill at 30 September 2008 was £nil (2007: £nil).
- Assumptions on the expected life of share options, volatility of shares, risk free yield to maturity and expected yield on shares used in the IFRS 2 fair value of share options.
- The timing and quantum of revenue recognition. The Group applies the stage of completion method in accounting for any fixed price contracts which requires the Group to estimate services performed as a proportion of the total services to be performed to completion of the contract.

##### **New accounting standards**

The following accounting standards and IFRIC pronouncements are not yet effective and have not been early adopted by the Company.

- IAS 1 Presentation of Financial Statements (revised 2007) (effective 1 January 2009)
- IAS 23 Borrowing Costs (revised 2007) (effective 1 January 2009)
- Amendment to IAS 32 Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation (effective 1 January 2009)
- IAS 27 Consolidated and Separate Financial Statements (Revised 2008) (effective 1 July 2009)
- Amendment to IFRS 2 Share-based Payment - Vesting Conditions and Cancellations (effective 1 January 2009)
- Improvements to IFRSs (effective 1 January 2009 other than certain amendments effective 1 July 2009)
- IFRS 3 Business Combinations (Revised 2008) (effective 1 July 2009)
- IFRS 8 Operating Segments (effective 1 January 2009)

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company except for:

- the revised IAS 1 Presentation of Financial Statements, which becomes effective for periods commencing on or after 1 January 2009 revises the presentation of non-owner changes in equity and introduces a statement of comprehensive income. The adoption of these amendments to IAS 1 will not have a significant impact on the net results and net assets of the Group but will require amended disclosures.

## **WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 SEPTEMBER 2008**

#### **1. ACCOUNTING POLICIES (Continued)**

##### **Revenue recognition**

Revenue represents the fair value of the consideration receivable in respect of professional services provided during the year, inclusive of direct expenses incurred on client assignments but excluding value added tax. Where the outcome of a transaction can be estimated reliably, revenue associated with the transaction is recognised in the income statement by reference to the stage of completion at the balance sheet date, provided that a right to consideration has been obtained through performance. Consideration accrues as contract activity progresses by reference to the value of work performed. Hence revenue in respect of contracts represents the cost appropriate to the stage of completion of each contract plus attributable profits, less amounts recognised in previous years where relevant. The stage of completion is determined by reference to milestones within contracts.

Where the outcome of a transaction cannot be estimated reliably, revenue is recognised only to the extent that the costs of providing the service are recoverable. No revenue is recognised where there are significant uncertainties regarding recovery of the consideration due or where the right to receive payment is contingent on events outside the control of the company and group. Provision is made for any losses as soon as they are foreseen.

Unbilled revenue is included in trade and other receivables as Accrued income. Amounts billed on account in excess of the amounts recognised as revenue are included in 'Trade and other payables'.

##### **Goodwill**

Goodwill arises on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired. Provision is made for any impairment.

##### **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Cost comprises of purchase price and other directly attributable costs. Depreciation is charged so as to write off the cost or valuation of assets to their residual values over their estimated useful lives, using the reducing balance method on the following bases:

|                        |                            |
|------------------------|----------------------------|
| Leasehold improvements | over the term of the lease |
| Plant and machinery    | 25% per annum              |
| Fixtures and fittings  | 25% per annum              |

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

##### **FINANCIAL ASSETS**

The Group's financial assets comprise primarily cash and cash equivalents and trade receivables that arise from its operations.

##### **Loans and receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company and Group will not be able to collect all amounts due according to the original terms of receivables. The amount of provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.



**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**1. ACCOUNTING POLICIES (Continued)**

**FINANCIAL ASSETS (Continued)**

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**FINANCIAL LIABILITIES**

The Group's financial liabilities comprise bank loans and overdrafts, loans from directors and trade payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instruments.

**Trade payables**

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

**Borrowings**

Borrowings are recorded initially at fair value net of transaction costs, then at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance cost in the income statement. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to the income statement on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

**Derecognition of financial instruments**

The derecognition of financial instruments takes place when the Company and Group no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all of the cash flows attributable to the instrument are passed through to an independent third party.

**Taxation**

Current tax is the expected corporation tax payable or receivable in respect of the taxable profit/loss for the financial year using tax rates enacted or substantively enacted at the balance sheet date, less any adjustments to tax payable or receivable in respect of previous periods.

Deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities included in the financial statements and the amounts used for tax purposes that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

No provision is made relating to the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than those acquired as part of a business combination.

Provision is made for deferred tax that would arise on all taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, except where the Company can control the reversal of the temporary differences.

Deferred tax assets are recognised only to the extent that the directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences and unused tax losses and credits can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**1. ACCOUNTING POLICIES (Continued)**

**Leasing commitments**

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased item or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

**Share-based payment transactions**

The Group issues equity-settled share based payments to certain employees. The fair value, determined at the date of grant, is recognised as an expense. The total amount to be expensed over the vesting period is determined with reference to the grant date fair value of the options granted, excluding the impact of any non market vesting conditions. Non market vesting conditions are included in assumptions about the number of options expected to vest. At each balance sheet date, the Group revises its estimate of the number of options expected to vest. It recognises the impact of revisions to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The proceeds received, net of any directly attributable transaction costs, are credited to share capital and share premium when the options are exercised.

**Impairment testing of goodwill, other intangible assets and property, plant and equipment**

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors the related cash flows.

Goodwill, other individual assets or cash-generating units that include goodwill, other intangible assets with an indefinite useful life, and those intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**1. ACCOUNTING POLICIES (Continued)**

**Provisions**

Provisions are recognised when the Company and Group has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

**Investments**

The Company's investment in its subsidiary undertakings is recorded at cost less any provision for impairment.

**Equity**

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- "Other reserves" represents the difference between the nominal value of shares issued and the nominal value of shares received on transactions accounted for under the principals of merger accounting.
- "Merger relief reserve" represents the share premium arising on shares issued as part or full consideration for acquisitions.
- "Retained earnings" represents retained earnings.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**2. SEGMENTAL REPORTING**

At this stage of the Company and Group's development, the directors are of the opinion that there is only one business segment, being the provision of management consultancy services, within the activities of the Company and Group. All operations are carried out within the United Kingdom.

**3. EMPLOYEES AND DIRECTORS**

The average number of staff employed by the Group during the financial year amounted to:

|                                | 30 September<br>2008<br>No | Period ended<br>30 September<br>2007<br>No |
|--------------------------------|----------------------------|--|
| Number of administration staff | 4                          | 1  |
| Number of management staff     | <u>13</u>                  | <u>5</u>                                   |
|                                | <u>17</u>                  | <u>6</u>                                   |

The aggregate employee costs of these persons were as follows :

|                    | 30 September<br>2008<br>£ | Period ended<br>30 September<br>2007<br>£ |
|--------------------|---------------------------|---|
| Wages and salaries | 608,636                   | 147,917                                   |
| Social security    | <u>63,250</u>             | <u>16,452</u>                             |
|                    | <u>671,886</u>            | <u>164,369</u>                            |

The company has no employees at £nil cost. The directors are employees of the subsidiary undertaking, Winning Pitch Trading Limited.

**Directors**

|                       | 30 September<br>2008<br>£ | Period ended<br>30 September<br>2007<br>£ |
|-----------------------|---------------------------|---|
| Directors' emoluments | <u>135,658</u>            | <u>3,600</u>                              |

No charge has been recognised during the period (2007: £nil) in relation to share based payments (note 21).

The directors consider that the remuneration of key management personnel is equivalent to the directors remuneration disclosed above.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**4. FINANCE INCOME AND FINANCE COSTS**

|                          | 30 September<br>2008<br>£ | Period ended<br>30 September<br>2007<br>£ |
|--------------------------|---------------------------|---|
| Finance income:          |                           |   |
| Deposit account interest | <u>3,066</u>              | <u>1,596</u>                              |
| Finance costs:           |                           |   |
| Bank interest            | 510                       | -   |
| Finance lease interest   | <u>5,888</u>              | <u>1,539</u>                              |
|                          | <u>6,398</u>              | <u>1,539</u>                              |

**5. (LOSS)/PROFIT BEFORE TAX**

The loss before tax (2007 - profit before tax) is stated after charging:

|   | 30 September<br>2008<br>£ | Period ended<br>30 September<br>2007<br>£ |
|---|---------------------------|---|
| Hire of plant and machinery                           | 1,169                     | -   |
| Depreciation - owned assets                           | 5,048                     | 434                                       |
| Depreciation - assets on finance leases               | 11,844                    | 5,979                                     |
| Operating lease rentals                               |                           |   |
| - Land and buildings                                  | 36,593                    | -   |
| Loss on disposal of property, plant and equipment     | 4,690                     | -   |
| Costs associated with merger and listing              | 149,330                   | -   |
| Auditors' remuneration for audit services:            |                           |   |
| - For the audit of the Company's financial statements | 5,000                     | -   |
| Fees for other services:                              |                           |   |
| - Audit of the Company's subsidiaries                 | 7,000                     | 6,000                                     |
| - Advisory services                                   | -                         | 1,250                                     |
| - Taxation compliance                                 | <u>3,000</u>              | <u>-</u>                                  |

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**6. TAXATION**

**Analysis of the tax (credit)/charge**

|   | 30 September<br>2008<br>£ | Period ended<br>30 September<br>2007<br>£ |
|---|---------------------------|---|
| Current tax:                                      |                           |   |
| Current year                                      | -                         | 34,514                                    |
| Overstated taxation in prior year                 | <u>(6,182)</u>            | <u>(6,186)</u>                            |
| Deferred tax:                                     |                           |   |
| Origination and reversal of temporary differences | <u>(14,500)</u>           | -   |
| Total tax (credit)/charge in income statement     | <u>(20,682)</u>           | <u>28,328</u>                             |

**Reconciliation of effective tax rate:**

|   | 30 September<br>2008<br>£ | Period ended<br>30 September<br>2007<br>£ |
|---|---------------------------|---|
| (Loss)/profit for the period                          | (222,808)                 | 113,315                                   |
| Total income tax credit/(expense)                     | <u>20,682</u>             | <u>(28,328)</u>                           |
| (Loss)/profit before taxation                         | <u>(243,490)</u>          | <u>(141,643)</u>                          |
| Tax at the UK Corporation tax rate of 21% (2007: 19%) | (51,133)                  | 27,862                                    |
| Expenses not deductible for tax purposes              | 33,756                    | 487                                       |
| Unrelieved tax losses                                 | 4,091                     |   |
| Capital allowances in excess of depreciation          | (1,210)                   | (21)                                      |
| Adjustment in respect of prior periods                | <u>(6,186)</u>            |   |
| Total income tax credit/(expense)                     | <u>(20,682)</u>           | <u>28,328</u>                             |

**Deferred taxation**

Deferred taxes arising from temporary differences and unused tax losses can be summarised as follows :

|                               | 2008<br>£     | 2007<br>£ |
|-------------------------------|---------------|-----------|
| <b>Non-current assets</b>     |               |           |
| Property, plant and equipment | (3,500)       | -         |
| Unused tax losses             | <u>18,000</u> | -         |
|                               | <u>14,500</u> | -         |

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**7. LOSS OF PARENT COMPANY**

As permitted by Section 230 of the Companies Act 1985, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £72,121.

**8. DIVIDENDS**

**Group**

|                               | 30 September<br>2008<br>£ | Period ended<br>30 September<br>2007<br>£ |
|-------------------------------|---------------------------|---|
| Ordinary shares of £0.01 each |                           |   |
| Dividends paid                | <u>60,000</u>             | <u>40,000</u>                             |

The dividends noted above were declared and paid by Winning Pitch Trading Limited prior to its acquisition by Winning Pitch plc.

**Company**

The directors do not recommend the payment of a dividend.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**9. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

The calculation of earnings per share (basic and diluted) is set out below:

|  | Earnings<br>£    | 2008<br>Weighted<br>average<br>number<br>of<br>shares | Per share<br>p |
|--|------------------|---|----------------|
| <b>Basic EPS</b>                               |                  |   |                |
| Earnings attributable to ordinary shareholders | (222,308)        | 5,087,271   | (4.37)         |
| Effect of dilutive securities                  |                  |   |                |
| Options  | -                | -   | -              |
| <b>Diluted EPS</b>                             |                  |   |                |
| Adjusted earnings                              | <u>(237,308)</u> | <u>5,087,271</u>                                      | <u>(4.37)</u>  |

Given the losses incurred attributable to equity holders of the parent in the current year there is no dilutive impact on the total loss per share calculation in the current year. In the prior year no dilutive securities were in issue.

|  | Earnings<br>£  | 2007<br>Weighted<br>average<br>number<br>of<br>shares | Per share<br>p |
|--|----------------|---|----------------|
| <b>Basic EPS</b>                               |                |   |                |
| Earnings attributable to ordinary shareholders | 113,315        | 5,000,000   | 2.26           |
| Effect of dilutive securities                  | -              | -   | -              |
| <b>Diluted EPS</b>                             |                |   |                |
| Adjusted earnings                              | <u>113,315</u> | <u>5,000,000</u>                                      | <u>2.26</u>    |



**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**10. GOODWILL**

| <b>Group</b>          | <b>£</b>      |
|-----------------------|---------------|
| <b>COST</b>           |               |
| At 1 January 2007     | -             |
| Additions             | <u>-</u>      |
| At 30 September 2008  | -             |
| Additions (note 12)   | <u>65,002</u> |
| At 30 September 2008  | <u>65,002</u> |
| <b>IMPAIRMENT</b>     |               |
| At 1 January 2007     | -             |
| Charge for year       | <u>-</u>      |
| At 30 September 2008  | -             |
| Charge for year       | <u>65,002</u> |
| At 30 September 2008  | <u>65,002</u> |
| <b>NET BOOK VALUE</b> |               |
| At 30 September 2008  | <u>-</u>      |
| At 30 September 2007  | <u>-</u>      |
| At 30 December 2006   | <u>-</u>      |

The Group acquired two subsidiary undertakings during the year to take advantage of opportunities which have not materialised. The acquired businesses represent one cash generating unit. No future cashflows are forecast in respect of these businesses, therefore, the goodwill has been fully impaired in the year. This charge has been charged to administrative expenses in the income statement.



**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**11. PROPERTY, PLANT AND EQUIPMENT**

**Group**

|  | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£    |
|--|-----------------------------|----------------------------------|----------------|
| <b>COST</b>                              |                             |                                  |                |
| At 1 January 2007                        | 14,621                      | 838                              | 15,459         |
| Additions                                | <u>18,907</u>               | <u>-</u>                         | <u>18,907</u>  |
| At 30 September 2007                     | 33,528                      | 838                              | 34,366         |
| Acquired as part of business combination | -                           | 5,301                            | 5,301          |
| Additions                                | 23,939                      | 6,984                            | 30,923         |
| Disposals                                | <u>-</u>                    | <u>(5,301)</u>                   | <u>(5,301)</u> |
| At 30 September 2008                     | <u>57,467</u>               | <u>7,822</u>                     | <u>65,289</u>  |
| <b>DEPRECIATION</b>                      |                             |                                  |                |
| At 1 January 2007                        | 3,655                       | 168                              | 3,823          |
| Charge for year                          | <u>6,287</u>                | <u>126</u>                       | <u>6,413</u>   |
| At 30 September 2007                     | 9,942                       | 294                              | 10,236         |
| Charge for year                          | 14,366                      | 2,526                            | 16,892         |
| Eliminated on disposal                   | <u>-</u>                    | <u>(961)</u>                     | <u>(961)</u>   |
| At 30 September 2008                     | <u>24,308</u>               | <u>1,859</u>                     | <u>26,167</u>  |
| <b>NET BOOK VALUE</b>                    |                             |                                  |                |
| At 30 September 2008                     | <u>33,159</u>               | <u>5,963</u>                     | <u>39,122</u>  |
| At 30 September 2007                     | <u>23,586</u>               | <u>544</u>                       | <u>24,130</u>  |
| At 30 December 2006                      | <u>10,966</u>               | <u>670</u>                       | <u>11,636</u>  |

The net book value in respect of assets held under finance leases is as follows:

|   | 2008<br>£     | 2007<br>£     |
|---|---------------|---------------|
| Plant and machinery                       | <u>25,291</u> | <u>16,496</u> |
| Depreciation charged on these assets was: |               |               |
|   | 2008<br>£     | 2007<br>£     |
| Plant and machinery                       | <u>11,844</u> | <u>5,979</u>  |

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008****12. INVESTMENTS**

The Company had the following subsidiary undertakings at 30 September 2008:

|   | Class of share<br>capital held | Country of<br>incorporation | Proportion<br>held by Group | Proportion<br>held by<br>Company | Nature of<br>business     |
|---|--------------------------------|-----------------------------|-----------------------------|----------------------------------|---------------------------|
| Winning Pitch Trading<br>Limited          | Ordinary                       | England &<br>Wales          | 100%                        | 100%                             | Management<br>consultancy |
| Winning Pitch<br>Productions Limited      | Ordinary                       | England &<br>Wales          | 100%                        | -                                | Dormant                   |
| Creative Business<br>Achievements Limited | Ordinary                       | England &<br>Wales          | 100%                        | 100%                             | Management<br>consultancy |
| WLA Limited                               | Ordinary                       | England &<br>Wales          | 100%                        | 100%                             | Management<br>consultancy |

**Company****COST**

At incorporation

£

-

Additions - Winning Pitch Trading Limited

249,999

Additions - Creative Business Achievements Limited and WLA Limited

71,864

At 30 September 2008

321,863

**IMPAIRMENT**

At incorporation

-

Charge for year

71,864

At 30 September 2008

71,864

**NET BOOK VALUE**

At 30 September 2008

249,999

At incorporation

-

On 23 November 2007, the company acquired 100% of the issued share capital of Winning Pitch Trading Limited. As detailed in note 1, this transaction has been accounted for by applying the principals of merger accounting. The Company issued 4,999,900 ordinary shares, with a nominal value of £0.01. The fair value of this investment at acquisition is the open market value of the shares issued of £0.50. The acquisition was entered into for the purpose of and took place prior to the listing of the Company on the PLUS -quoted market on 20 December 2007.

On the 28 January 2008 the company acquired 100% of the issued share capital of WLA Limited and Creative Business Achievements Limited for consideration comprising the issue of 130,000 ordinary shares in the company with a fair value, being the market value of £65,000 and cash consideration of £6,864 - total cost of investment £71,864. The cost of this investment has been impaired in full during the year, further details are provided in note 10 to these financial statements.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**12. INVESTMENTS (Continued)**

The following table sets out the book and provisional fair values of the assets acquired as part of the acquisition of Creative Business Achievements Limited and WLA Limited.

|   | <b>Book and<br/>provisional<br/>fair value<br/>£</b> |
|---|--|
| <b>Non-current Assets</b>                                       |  |
| Property, plant and equipment                                   | <u>5,301</u>   |
| <b>Current Assets</b>   |  |
| Trade and receivables   | 28,752   |
| Cash and cash equivalents                                       | <u>19,335</u>  |
| Total current assets  | <u>48,087</u>  |
| <b>Current liabilities</b>                                      |  |
| Trade and other payables  | <u>46,526</u>  |
| Total current liabilities                                       | <u>46,526</u>  |
| <b>Net assets</b>   | 6,862  |
| Goodwill arising on acquisition                                 | <u>65,002</u>  |
| Consideration   | <u>71,864</u>  |
| <b>Satisfied by</b>   |  |
| Share issued  | 65,000   |
| Cash consideration  | <u>6,864</u>   |
|   | <u>71,864</u>  |
| <b>Net cash inflow in respect of the acquisition comprised:</b> | <b>£</b>   |
| Cash consideration  | (6,864)  |
| Cash and cash equivalents acquired                              | <u>19,335</u>  |
|   | <u>12,471</u>  |

The goodwill arising on acquisition relates to pipeline opportunities.

The profit after taxation of Creative Business Achievements Limited for the period from 1 July 2007, the beginning of the subsidiary's financial year, to the date of acquisition was £21,626. The profit after taxation for the period ended 30 September 2008 was £7,615.

The loss after taxation of WLA Limited for the period from 1 July 2007, the beginning of the subsidiary's financial year, to the date of acquisition was £1,199. The loss after taxation for the period ended 30 September 2008 was £2,980.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**13. TRADE AND OTHER RECEIVABLES**

|  | <b>Group</b>   |                | <b>Company</b> |
|--|----------------|----------------|----------------|
|  | <b>2008</b>    | <b>2007</b>    | <b>2008</b>    |
|  | <b>£</b>       | <b>£</b>       | <b>£</b>       |
| Current:                                   |                |                |                |
| Trade receivables                          | 94,220         | 122,660        | -              |
| Other receivables                          | 4,572          | 1              | -              |
| VAT  | 400            | -              | -              |
| Called up share capital not paid (note 19) | 38,430         | -              | 38,430         |
| Prepayments and accrued income             | <u>116,411</u> | <u>-</u>       | <u>-</u>       |
|  | <u>254,033</u> | <u>122,661</u> | <u>38,430</u>  |

The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

No interest is charged on any trade receivables that are overdue. The Group's credit risk is primarily attributable to trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

The ageing of trade receivables at 30 September was as follows:

**Group**

|                      | <b>2008</b>   | <b>2008</b>      | <b>2007</b>    | <b>2007</b>      |
|----------------------|---------------|------------------|----------------|------------------|
|                      | <b>Gross</b>  | <b>Allowance</b> | <b>Gross</b>   | <b>Allowance</b> |
|                      | <b>£</b>      | <b>£</b>         | <b>£</b>       | <b>£</b>         |
| Current:             |               |                  |                |                  |
| Not past due         | 32,561        | -                | 66,020         | -                |
| Past due 0-30 days   | 50,239        | -                | 33,600         | -                |
| Past due 31-60 days  | 1,551         | -                | 12,172         | -                |
| Past due 61-90 days  | 1,056         | -                | -              | -                |
| Past due 91-120 days | <u>8,813</u>  | <u>-</u>         | <u>10,868</u>  | <u>-</u>         |
|                      | <u>94,220</u> | <u>-</u>         | <u>122,660</u> | <u>-</u>         |

**Company**

The company has no trade receivable balances.

**14. CASH AND CASH EQUIVALENTS**

|  | <b>Group</b>    |                | <b>Company</b> |
|--|-----------------|----------------|----------------|
|  | <b>2008</b>     | <b>2007</b>    | <b>2008</b>    |
|  | <b>£</b>        | <b>£</b>       | <b>£</b>       |
| Cash and cash equivalents                        | 1,691           | 107,147        | 744            |
| Bank overdraft                                   | <u>(43,263)</u> | <u>-</u>       | <u>-</u>       |
| Cash and cash equivalents per cashflow statement | <u>(41,572)</u> | <u>107,147</u> | <u>744</u>     |

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**15. TRADE AND OTHER PAYABLES**

|                                 | Group          |               | Company      |
|---------------------------------|----------------|---------------|--------------|
|                                 | 2008           | 2007          | 2008         |
|                                 | £              | £             | £            |
| Current:                        |                |               |              |
| Trade payables                  | 86,198         | 2,732         | -            |
| Social security and other taxes | 33,942         | 26,428        | -            |
| Other payables                  | -              | 2,387         | 7,864        |
| Accruals                        | <u>26,361</u>  | <u>18,416</u> | <u>-</u>     |
|                                 | <u>146,501</u> | <u>49,963</u> | <u>7,864</u> |

**16. FINANCIAL LIABILITIES - BORROWINGS**

This note provides information about the contractual terms of the Group and Company's interest-bearing loans and borrowings. For more information on the Group and Company's exposure to interest rate and liquidity risk, see note 18.

|                           | Group          |               | Company  |
|---------------------------|----------------|---------------|----------|
|                           | 2008           | 2007          | 2008     |
|                           | £              | £             | £        |
| Current:                  |                |               |          |
| Bank overdraft            | 43,263         | -             | -        |
| Bank loans                | <u>26,846</u>  | <u>-</u>      | <u>-</u> |
|                           | 70,109         | -             | -        |
| Bank loans and overdrafts | <u>13,372</u>  | <u>6,631</u>  | <u>-</u> |
| Finance leases            | <u>83,481</u>  | <u>6,631</u>  | <u>-</u> |
|                           | 100,000        | -             | -        |
| Non-current:              | <u>13,374</u>  | <u>12,766</u> | <u>-</u> |
| Directors loan            | <u>113,374</u> | <u>12,766</u> | <u>-</u> |
| Finance leases            | <u>196,855</u> | <u>19,397</u> | <u>-</u> |
| Aggregate amounts         |                |               |          |

The bank loans and overdraft include an unsecured overdraft facility, which bears an interest rate of 3% above the bank base rate and a Cashflow Finance Agreement, secured on eligible trade receivables and bears an interest rate of 2% above the bank base rate and a charge of 0.45% of the value of each debt pledged as security.

The directors loans bear an interest rate of 5.75% per annum (note 20).

Finance lease obligations are secured on the assets to which they relate.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**17. LEASING AGREEMENTS**

**Group**

Finance lease liabilities are payable as follows:

|                      | Minimum<br>lease<br>payments<br>2008<br>£ | Interest<br>2008<br>£ | Principal<br>2008<br>£ | Minimum<br>lease<br>payments<br>2007<br>£ | Interest<br>2007<br>£ | Principal<br>2007<br>£ |
|----------------------|---|-----------------------|------------------------|---|-----------------------|------------------------|
| Within 1-year        | 17,526                                    | 4,154                 | 13,372                 | 9,925                                     | 3,294                 | 6,631                  |
| Between 1-5<br>years | 14,945                                    | 1,571                 | 13,374                 | 14,739                                    | 1,973                 | 12,766                 |
|                      | <u>32,471</u>                             | <u>5,725</u>          | <u>26,746</u>          | <u>24,664</u>                             | <u>5,267</u>          | <u>19,397</u>          |

**18. FINANCIAL INSTRUMENTS**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in note 1 to these financial statements.

**Categories of financial instruments**

**Financial assets**

**Group**

**30 September 2008**

|                                | Loans and<br>receivables<br>£ | Non financial assets<br>£ | Balance sheet total<br>£ |
|--------------------------------|-------------------------------|---------------------------|--------------------------|
| Trade and other receivables    | 137,622                       | -                         | 137,622                  |
| Prepayments and accrued income | 103,200                       | 13,211                    | 116,411                  |
| Cash and cash equivalents      | 1,691                         | -                         | 1,691                    |
| Other non-financial assets     | -                             | 53,622                    | 53,622                   |
|                                | <u>242,513</u>                | <u>66,833</u>             | <u>309,346</u>           |

**30 September 2007**

|                            | Loans and<br>receivables<br>£ | Non financial assets<br>£ | Balance sheet total<br>£ |
|----------------------------|-------------------------------|---------------------------|--------------------------|
| Trade receivables          | 122,661                       | -                         | 122,661                  |
| Cash and cash equivalents  | 107,147                       | -                         | 107,147                  |
| Other non financial assets | -                             | 24,130                    | 24,130                   |
|                            | <u>229,808</u>                | <u>24,130</u>             | <u>253,938</u>           |



**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**18. FINANCIAL INSTRUMENTS (Continued)**

**Financial assets (Continued)**

**Company**

**30 September 2008**

|                            | Loans and<br>receivables<br>£ | Non financial assets<br>£ | Balance sheet total<br>£ |
|----------------------------|-------------------------------|---------------------------|--------------------------|
| Other receivables          | 38,430                        | -                         | 38,430                   |
| Cash and cash equivalents  | 744                           | -                         | 744                      |
| Other non-financial assets | -                             | 249,999                   | 249,999                  |
|                            | <u>39,174</u>                 | <u>249,999</u>            | <u>289,173</u>           |

**Financial liabilities**

**Group**

**30 September 2008**

|                                       | At amortised<br>cost<br>£ | Liabilities not within<br>scope of IAS 39<br>£ | Balance sheet total<br>£ |
|---------------------------------------|---------------------------|--|--------------------------|
| Trade payables                        | 86,198                    | -  | 86,198                   |
| Other payables                        | 33,942                    | -  | 33,942                   |
| Accruals                              | 26,361                    | -  | 26,361                   |
| Bank loans and overdrafts - current   | 70,109                    | -  | 70,109                   |
| Finance lease liability - current     | -                         | 13,372   | 13,372                   |
| Loans from directors - non-current    | 100,000                   | -  | 100,000                  |
| Finance lease liability - non-current | -                         | 13,374   | 13,374                   |
|                                       | <u>316,610</u>            | <u>26,746</u>                                  | <u>343,356</u>           |

**30 September 2007**

|                                       | At amortised<br>cost<br>£ | Liabilities not within<br>scope of IAS 39<br>£ | Balance sheet total<br>£ |
|---------------------------------------|---------------------------|--|--------------------------|
| Trade payables                        | 2,732                     | -  | 2,732                    |
| Other payables                        | 28,815                    | -  | 28,815                   |
| Accruals                              | 18,416                    | -  | 18,416                   |
| Finance lease liability - current     | -                         | 6,631  | 6,631                    |
| Finance lease liability - non-current | -                         | 12,766   | 12,766                   |
|                                       | <u>49,963</u>             | <u>19,397</u>                                  | <u>69,360</u>            |

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**18. FINANCIAL INSTRUMENTS (Continued)**

**Financial liabilities (Continued)**

**Company**

**30 September 2008**

|                | At amortised<br>cost<br>£ | Liabilities not within<br>scope of IAS 39<br>£ | Balance sheet total<br>£ |
|----------------|---------------------------|--|--------------------------|
| Trade payables | 7,864                     | -  | 7,864                    |

**Financial risk management objectives**

The Group's activities involve analysis, acceptance and management of some degree of risk or combination of risks. The most important type of financial statement risk is liquidity risk.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls and to monitor the risks and limits continually by means of reliable up-to-date systems

**Foreign currency risk**

The Group's operations are based entirely in the United Kingdom, accordingly the Group is not exposed to any foreign exchange risk.

**Interest rate risk**

The Group is exposed to interest rate risk on bank loans and overdrafts, which are subject to a variable rate of interest.

The interest on loans from directors is fixed at 5.75% per annum. The interest on the overdraft facility is set at 2% above bank base rate and the interest on other bank loans (a cash flow finance facility) at 3% above base rate.

At 30 September 2008, it is estimated that a general increase of one percentage point in interest rates would increase the Group's loss before tax by approximately £2,000 (2007: reduce the profit by £500).

No interest rate hedging agreement is currently in place because, given the level of borrowings, the Board does not consider fluctuations in interest rates to be a significant risk to the Group. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**Credit risk**

Credit risk is the risk that financial loss arises from the failure of a customer or counterparty to meet its obligations under a contract. The Group has dedicated standards, policies and procedures to control and monitor all such risks.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Any changes to credit terms are assessed and authorised by senior management on an individual basis.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**18. FINANCIAL INSTRUMENTS (Continued)**

**Liquidity risk**

The Group's objective is to maintain a balance between continuity of funding and flexibility, through the use of borrowings with a range of maturities. The Group's policy on liquidity is to ensure that there are sufficient medium and long-term committed borrowing facilities to meet the medium-term funding requirements.

The following tables set out the maturity profile of the Group's financial liabilities: The amounts disclosed are contractual undiscounted cash flows. The Company has no such liabilities.

**30 September 2008**

|                 | 1 year or<br>less<br>£ | 1-2 years<br>£ | 2-5 years<br>£ | Totals<br>£    |
|-----------------|------------------------|----------------|----------------|----------------|
| Bank overdraft  | 43,263                 | -              | -              | 43,263         |
| Bank loans      | 26,846                 | -              | -              | 26,846         |
| Directors loans | -                      | -              | 100,000        | 100,000        |
| Finance leases  | <u>13,372</u>          | <u>10,346</u>  | <u>3,028</u>   | <u>26,746</u>  |
|                 | <u>83,481</u>          | <u>10,346</u>  | <u>103,028</u> | <u>196,855</u> |

**30 September 2007**

|                | 1 year or<br>less<br>£ | 1-2 years<br>£ | 2-5 years<br>£ | Totals<br>£   |
|----------------|------------------------|----------------|----------------|---------------|
| Finance leases | <u>6,631</u>           | <u>12,766</u>  | <u>-</u>       | <u>19,397</u> |

**Fair values**

There is no material difference between the Group's financial assets and liabilities and their book value.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**19. CALLED UP SHARE CAPITAL**

|  | Number    | £      |
|--|-----------|--------|
| At incorporation   | 1         | 1      |
| Reclassification of ordinary shares  | 99        | -      |
| Merged share capital   | 100       | 1      |
| Issue of share capital for the acquisition of Winning Pitch Trading Limited                          | 4,999,900 | 49,999 |
|  | 5,000,000 | 50,000 |
| Issue of share capital for the acquisition of Creative Business Achievements Limited and WLA Limited | 130,000   | 1,300  |
| Issue of share capital during the year   | 89,373    | 894    |
|  | 5,219,373 | 52,194 |

|             |          |                |                  |
|-------------|----------|----------------|------------------|
| Authorised: |          |                |                  |
| Number:     | Class:   | Nominal value: | £                |
| 100,000,000 | Ordinary | £0.01          | <u>1,000,000</u> |

|                      |          |                |               |
|----------------------|----------|----------------|---------------|
| Allotted and issued: |          |                |               |
| Number:              | Class:   | Nominal value: | £             |
| 5,219,373            | Ordinary | £0.01          | <u>52,194</u> |

|             |          |                |               |
|-------------|----------|----------------|---------------|
| Fully paid: |          |                |               |
| Number:     | Class:   | Nominal value: | £             |
| 5,130,000   | Ordinary | £0.01          | <u>51,300</u> |

The company was incorporated with an authorised share capital of 100 Ordinary shares of £1 each. On 23 November 2007 these shares were reclassified as 100 Ordinary shares of £0.01 each.

On 23 November 2007 4,999,900 Ordinary shares of £0.01 each were allotted as fully paid in consideration for the acquisition of Winning Pitch Trading Limited. No share premium has been recognised on this allotment. The excess of fair value being market value over the nominal value has been recognised within the merger relief reserve within the Company's financial statements.

130,000 Ordinary shares of £0.01 each were allotted as fully paid on 29 January 2008 as part consideration for the acquisition of Creative Business Achievements Limited and WLA Limited (note 12). The excess value of £0.49 per share has been recognised within the merger relief reserve.

89,373 Ordinary shares of £0.01 each were allotted to employees of the Group at a premium of £0.42 on 28 September 2008. An amount of £38,430 of unpaid share capital has been recognised within trade and other receivables at 30 September 2008.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**20. RELATED PARTY DISCLOSURES**

During the year, Mr John Leach and Mr Ian Brookes, directors of Winning Pitch plc, each loaned Winning Pitch Trading Limited £50,000. The loan totalling £100,000 is shown under non-current liabilities. Interest of 5.75% is to be charged on the loan balance.

**21. SHARE-BASED PAYMENT TRANSACTIONS**

Winning Pitch plc has both approved and unapproved share option schemes the details of which are set out below.

The share options that are granted have a three year vesting period. Vesting options lapse if they have not been exercised within ten year of the date of grant. All options are subject to a performance target condition.

The following table illustrates the number and weighted average exercise prices (WAEP) of share options:

|                                    | 2008<br>Number | 2008<br>WAEP-£ |
|------------------------------------|----------------|----------------|
| Outstanding at beginning of period | Nil            | N/A            |
| Granted during the year            | 450,000        | 0.45           |
| Exercised during the year          | -              | N/A            |
| Lapsed during the year             | -              | N/A            |
| Outstanding at the end of the year | 450,000        | 0.45           |
| Exercisable at the end of the year | -              | N/A            |

The weighted average remaining contractual life for share options outstanding at 30 September 2008 is between nine and ten years.

At 30 September 2008, 450,000 options were outstanding, all with an exercise price of £0.45.

The fair value of the share options has been determined to be non-material to the reported results of the Group and accordingly the Group has recognised expenses of £Nil (2007: £nil) relating to share-based payment transactions

**WINNING PITCH PLC (FORMERLY HAMSARD 3086 LIMITED)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**22. OPERATING LEASES**

Non-cancellable operating lease rentals are payable as follows:

**Group**

**Land and buildings**

|                   | 2008<br>£      | 2007<br>£    |
|-------------------|----------------|--------------|
| Within 1-year     | 72,590         | 1,394        |
| Between 1-2 years | 84,589         | -            |
| Between 2-5 years | <u>232,545</u> | <u>-</u>     |
|                   | <u>389,724</u> | <u>1,394</u> |

**Company**

The company had no commitments under non-cancellable operating leases.

**23. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO NET CASH  
(USED IN)/GENERATED FROM OPERATING ACTIVITIES**

**Group**

|   | 30 September<br>2008<br>£ | Period ended<br>30 September<br>2007<br>£ |
|---|---------------------------|---|
| (Loss)/profit before tax                          | (243,490)                 | 141,643                                   |
| Depreciation charges                              | 16,892                    | 6,413                                     |
| Impairment  | 65,002                    | -   |
| Loss on disposal of property, plant and equipment | 4,340                     | -   |
| Finance costs                                     | 6,398                     | 1,539                                     |
| Finance income                                    | (3,066)                   | (1,596)                                   |
| Increase in receivables                           | (64,190)                  | (53,479)                                  |
| Increase in payables                              | <u>50,012</u>             | <u>22,666</u>                             |
| <b>Cash (used in)/generated from operations</b>   | <b><u>(168,102)</u></b>   | <b><u>117,186</u></b>                     |

**Company**

|                                       | 30 September<br>2008<br>£ |
|---------------------------------------|---------------------------|
| Loss before tax                       | (72,121)                  |
| Impairment                            | 71,864                    |
| Increase in payables                  | <u>7,864</u>              |
| <b>Cash generated from operations</b> | <b><u>7,607</u></b>       |