



SCIENCE IN SPORT PLC
("SiS" or the "Company")

Interim Results
for the six months ended 30 September 2013

Science in Sport plc (AIM: SIS), a leading sports nutrition company, is pleased to announce its half year results for the six months ended 30 September 2013. These results represent the Company's maiden financial results as an independently quoted company following admission to AIM on 9 August 2013.

Highlights

- Revenues increased by 23% to £4.00 million (H1 2012: £3.25 million)
- Significant progress in developing international distribution network including appointment of Asia Pacific distributor in November 2013
- Ongoing investment in e-commerce and direct selling infrastructure
- Mark Cavendish appointed as Elite Sports Consultant
- Underlying operating profit* of £21,156 in line with management expectations (H1 2012 underlying operating profit: £221,851)
- Cash and cash equivalents of £1.4 million at 30 September 2013 (30 September 2012: £421,819)

* excludes depreciation, amortisation, demerger and restructuring costs (see Note 4).

Stephen Moon, Science in Sport's CEO, said: "These half year results highlight the opportunities at SiS and it is pleasing to report that sales momentum has continued into the second half, as we continue to invest in growth. A strong marketing and promotion plan, in conjunction with new product launches, is in place for the final quarter of the financial year, together with significant investment in direct selling and e-commerce. We remain confident of achieving strong sales growth in the current year and beyond."

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About Science in Sport plc

Science in Sport plc is a leading sports nutrition company that develops, manufactures and markets sports nutrition products for professional athletes and sports enthusiasts. SiS is a strong brand in the elite athlete community - in the 2012 London Olympics, 24 medal-winning athletes or teams used SiS products.

The SiS core product ranges include: SiS GO, comprising energy powders, isotonic gels, energy bars and hydration tablets; and SiS REGO, including protein-based recovery powders and bars. SiS products are sold in a range of retail channels, including specialist sport retailers, major grocers, high street retailers and e-commerce websites.

SiS is currently the official sports nutrition supplier to professional cycling teams Rapha Condor JLT, Belkin Pro Cycling, Madison Genesis, Pro Team Astana, Team Katusha and Trek. SiS is also the official supplier of sports drinks and sports nutrition to the GB Rowing Team. In addition, Olympians Sir Chris Hoy MBE, Mark Cavendish MBE and Helen Jenkins are Elite Sports Consultants and brand ambassadors.

SiS was founded in 1992 and is headquartered in Windsor, Berkshire. Its manufacturing facility is in Nelson, Lancashire.

SiS shares are traded on the AIM market of the London Stock Exchange under the ticker symbol SIS. For further information, please visit www.scienceinsport.com

CHAIRMAN'S AND CEO'S JOINT REVIEW

Introduction

We are delighted to announce the maiden financial results of Science in Sport following the Company's demerger from Provexis plc and its admission to AIM as a business focused entirely on the highly respected SiS brand.

Before reporting in detail on the half year under review, we would like to take this opportunity to provide an introduction to SiS and the exciting growth sector in which we operate.

SiS is focused on sports nutrition products – science-based gels, drink preparations and food bars that enhance the performance of athletes. Sports nutrition products are a high value niche within the larger category of sports performance products (which includes ready to drink sports beverages), with the overall category having an estimated value of £29 billion worldwide in 2013.

In the UK, sales of sports foods (gels and food bars) have grown impressively to an estimated £69m in 2013, while supplements (including protein preparations) grew to £81m. These growth rates have been mirrored in key international markets, creating a global market for sports foods and supplements estimated to be worth around £4.6 billion in 2013. Impressive growth is continuing with demand underpinned by the increasing popularity of endurance sports, particularly cycling and running and associated events such as half-marathons, marathons and triathlons.

SiS, which was founded in 1992, has a particularly strong brand within sports nutrition products, underlined by its widespread use by elite athletes. In the 2012 London Olympics, a total of 24 athletes or teams who used SiS products won medals. Elite athletes, including the cyclists Sir Chris Hoy and Mark Cavendish and the triathlete Helen Jenkins, are closely involved in the product development process as the Company's Elite Sports Consultants. The high quality of SiS products, the Company's new product innovation and the brand's endorsement by elite athletes, creates a huge opportunity for driving the brand's sales growth domestically and internationally.

SiS has developed an extensive network of collaborations with leading nutritionists, sports scientists and research institutions. These collaborations, driven by a high quality in-house science team, ensure that SiS products are innovative and based on rigorous sports and nutritional science. SiS products are endorsed by the brand's role as an official supplier to a number of professional cycling teams, to individual elite athletes and to the GB Rowing Team.

In addition to SiS's core customer base in professional and amateur cycling, running and rowing, the Company also supplies its products to some top flight professional football teams, tennis players and other elite athletes from a variety of endurance sport disciplines.

The core product range comprises:

- SiS GO isotonic powders and gels – easily digestible carbohydrates for use during exercise
- SiS hydration products – including SiS GO Hydro tablets and SiS GO Electrolyte powders
- SiS GO Bars – cereal-based food bars
- SiS REGO range – drinks and protein bars for recovery after training

These products are manufactured in SiS's own facility in Nelson, Lancashire, where product development activities are also based. Owning its manufacturing is a key differentiator for SiS, not least in maintaining quality standards and in implementing a well-regarded and officially recognised banned substance regime.

SiS products are sold through multiple retail channels including specialist sports retailers, major grocers and high street outlets. Online outlets include the Company's own e-commerce website, www.scienceinsport.com.

SiS has a clear strategy for growth including international expansion. Currently around 13% of SiS sales are from international markets, growing strongly on an organic basis.

Initiatives for building international growth include the signing of a major distribution for the Asia Pacific region, announced recently on 28 November 2013. This agreement was signed with a newly created company, Science in Sport Asia Pacific ("SiSAP"), founded in New Zealand by a group of successful entrepreneurs with a track record in sport businesses, the food industry and logistics. The Asia Pacific region represents a significant opportunity in that it is estimated to represent almost a quarter of the £29 billion global market for sports performance products. SiSAP intends to develop a network of sub-distributors to enter specific markets in the region such as Australia and Hong Kong.

SiS has a highly experienced management team, based in Windsor, Berkshire, to deliver the Company's growth strategy, which we believe will deliver strong sales growth in the current financial year and beyond.

Overview of the half year

As highlighted in the half year trading update issued on 30 September 2013, the first six months of the current financial year were a period of strong sales growth, underlining the strength of the SiS brand and the resilience of the sports performance product sector, together with our significant investment in marketing and sales.

Half year sales were up 23% compared with the same period last year at £4.00 million (H1 2012: £3.25 million) with strong growth achieved across all sales channels.

One of the highlights of the period was the award of the Tesco 2013 Healthcare Category Supplier of the Year, an impressive accolade recognising SiS's ability to work successfully with its key customers. The first half of the year also saw a number of marketing and selling initiatives to underpin our strong growth, including the Ask Hoy campaign at www.askhoy.com, featuring Sir Chris Hoy. This online campaign was also promoted in all retail channels.

Eleven new products were launched in the period, further broadening the Company's range of gels, hydration tablets and food bars.

Just before the half-year end, we were delighted to announce the appointment of Mark Cavendish, one of the world's pre-eminent cyclists, as an Elite Sports Consultant. Mark Cavendish has used SiS products for many years and in his role as a consultant he will assist in the development of new product offerings.

Financials

Sales in the half year increased 23% to £4.00 million (H1 2012: £3.25 million). The underlying operating profit was £21,156 (H1 2012: £221,851), reflecting continued expenditure on marketing and sales to drive revenues. These results are in line with management expectations and reflect our consistent and continued investment in growth.

Restructuring costs of £53,603 and demerger-related costs of £224,890 resulted in an operating loss of £374,861 (H1 2012 operating profit: £65,874). The pre-tax loss was £377,808 (H1 2012 pre-tax profit: £65,874).

Net cash and cash equivalents at the period end were £1.4 million (H1 2012: £421,819). The increase in cash reflects a placing announced on 9 August 2013 in which net proceeds of £1.7 million (after inter-company loan repayment of £250,000 to Provexis plc) were raised through the issue of 4,018,000 ordinary shares. The placing coincided with the Company's admission to trading on AIM under the ticker symbol SIS.

Outlook

We are delighted to report that sales momentum has continued into the second half of the financial year. Historically, there has been seasonality in sales, reflecting the UK's winter months, though we are seeking to reduce this in coming years through developing our international business. A distributor for Asia Pacific was appointed in November 2013 and discussions are underway for other territories.

Investment in e-commerce and direct selling will continue in the second half with the launch of new web and mobile platforms, as well as a new direct selling team based in new facilities.

A strong marketing and promotion plan, in conjunction with new product launches, is in place for the final quarter, and planning for the 2014 Tour de France stages in the UK is underway. Given our policy of consistent investment in marketing and selling, together with the unique position the SiS brand enjoys in the market, we remain confident of achieving strong sales growth in the current year and beyond.

John Clarke
Chairman

Stephen Moon
CEO

3 December 2013

Consolidated statement of comprehensive income
Six months ended 30 September 2013

	Notes	Unaudited six months ended 30 September 2013 £	Unaudited six months ended 30 September 2012 £	Unaudited year ended 31 March 2013 £
Revenue		3,997,215	3,248,031	5,522,240
Cost of goods		(1,731,870)	(1,424,644)	(2,418,177)
Gross profit		2,265,345	1,823,387	3,104,063
Sales and marketing costs		(1,505,771)	(1,093,915)	(1,934,218)
Administrative costs		(1,134,435)	(663,598)	(1,352,425)
Underlying operating profit		21,156	221,851	223,161
Depreciation and amortisation		(117,524)	(71,525)	(166,055)
Exceptional items	4	(278,493)	(84,452)	(239,686)
Loss from operations		(374,861)	65,874	(182,580)
Net finance cost		(2,947)	-	(3,275)
Loss before taxation		(377,808)	65,874	(185,855)
Taxation		60,500	-	88,617
Loss and total comprehensive expense for the period		(317,308)	65,874	(97,238)
Attributable to:				
Owners of the parent		(317,308)	65,874	(97,238)
Loss and total comprehensive expense for the period		(317,308)	65,874	(97,238)
Loss per share to owners of the parent				
Basic and diluted – pence	3	(0.02)	0.00	(0.01)

All amounts relate to continuing operations.

Consolidated statement of financial position
30 September 2013

	Unaudited 30 September 2013 £	Unaudited 30 September 2012 £	Unaudited 31 March 2013 £
Assets			
Non-current assets			
Intangible assets	149,523	113,312	155,558
Plant and equipment	655,062	589,324	625,781
Deferred tax	170,848	128,948	110,348
Total non-current assets	975,433	831,584	891,687
Current assets			
Inventories	970,466	782,304	913,387
Trade and other receivables	1,384,364	1,123,163	1,080,855
Corporation tax asset	-	-	68,084
Cash and cash equivalents	1,402,607	421,819	138,841
Total current assets	3,757,437	2,327,286	2,201,167
Total assets	4,732,870	3,158,870	3,092,854
Liabilities			
Current liabilities			
Trade and other payables	(1,545,594)	(1,575,749)	(1,743,902)
Current tax liabilities	-	(39,133)	-
Borrowings	(64,774)	(64,774)	(64,774)
Total current liabilities	(1,610,368)	(1,679,656)	(1,808,676)
Net current assets	2,147,069	647,630	392,491
Non-current liabilities			
Deferred tax	-	-	-
Borrowings	(129,497)	(193,795)	(161,871)
Total non-current liabilities	(129,497)	(193,795)	(161,871)
Total liabilities	(1,739,865)	(1,873,451)	(1,970,547)
Total net assets	2,993,005	1,285,419	1,122,307
Capital and reserves attributable to owners of the parent company			
Share capital	1,938,023	1,518,800	1,518,800
Share premium reserve	1,768,783	-	-
Merger reserve	(919,417)	(919,417)	(919,417)
Retained earnings	205,616	686,036	522,924
Total equity	2,993,005	1,285,419	1,122,307

Consolidated statement of cash flows
Six months ended 30 September 2013

	Unaudited six months ended 30 September 2013 £	Unaudited six months ended 30 September 2012 £	Unaudited year ended 31 March 2013 £
Cash flows from operating activities			
Loss after tax	(317,308)	65,874	(97,238)
Adjustments for:			
Amortisation and impairment	17,807	1,544	17,223
Depreciation	99,717	69,981	152,909
Profit on sale of fixed assets	-	-	(4,077)
Net finance cost	2,947	-	3,275
Taxation	(60,500)	-	(88,617)
Share-based payment charge	-	-	-
Operating cash outflow before changes in working capital	(257,337)	137,399	(16,525)
Changes in inventories	(57,079)	(146,533)	(277,616)
Changes in trade and other receivables	(303,509)	(359,985)	(317,677)
Changes in trade and other payables	(198,307)	529,753	697,906
Total cash outflow from operations	(816,232)	160,634	86,088
Tax paid	-	-	-
Tax credits received	68,084	-	-
Total cash flow from operating activities	(748,148)	160,634	86,088
Cash flow from investing activities			
Purchase of property, plant and equipment	(128,998)	(140,163)	(260,821)
Proceeds from sale of property, plant and equipment	-	-	5,350
Purchase of intangible assets	(11,772)	(107,559)	(165,484)
Interest received	260	-	-
Net cash outflow from investing activities	(140,510)	(247,722)	(420,955)
Cash flow from financing activities			
Proceeds from issue of share capital	2,250,080	-	-
Expenses paid on share issues	(62,075)	-	-
(Decrease) / Increase in borrowings	(32,374)	258,544	226,620
Interest paid	(3,207)	-	(3,275)
Net cash flow from financing activities	2,152,424	258,544	223,345
Net decrease in cash and cash equivalents	1,263,766	171,456	(111,522)
Opening cash and cash equivalents	138,841	250,363	250,363
Closing cash and cash equivalents	1,402,607	421,819	138,841

Consolidated statement of changes in equity
30 September 2013

	Share capital	Share premium	Preference Shares	Merger reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 31 March 2012	1,518,800			(919,417)	620,162	1,219,545
Total comprehensive expense for the period					65,874	65,874
At 30 September 2012	1,518,800			(919,417)	686,036	1,285,419
Total comprehensive expense for the period					(163,112)	(163,112)
At 31 March 2013	1,518,800			(919,417)	522,924	1,122,307
Issue of shares - preference shares			12,500			12,500
Redemption of shares - preference shares			(12,500)			(12,500)
Issue of shares – New placings upon Science in Sport PLC admission to AIM	419,223	1,928,424				2,347,647
Transactions costs of demerger and new placings		(159,641)				(159,641)
Total comprehensive expense for the period					(317,308)	(317,308)
At 30 September 2013	1,938,023	1,768,783	-	(919,417)	205,616	2,993,005

Notes to the interim financial information

For the six months ended 30 September 2013

1. General information, basis of preparation and accounting policies

General information

Science in Sport plc is a public limited company incorporated and domiciled in the United Kingdom (registration number 08535116). The address of the registered office is Kings Road House, 2 Kings Road, Windsor, Berkshire SL4 2AG, UK.

The main activities of the Group are those of developing, manufacturing and marketing sports nutrition products for professional athletes and sports enthusiasts.

Group reorganisation and demerger

SiS (Science in Sport) Ltd was demerged from Provexis plc with effect from 9 August 2013 and transferred to a new parent company, Science in Sport plc. Science in Sport plc was admitted to the AIM segment of the London Stock Exchange's market for listed securities as from 9 August 2013.

At the date of the demerger, Science in Sport plc acquired the entire issued share capital of SiS (Science in Sport) Limited in return for issuing shares to shareholders of Provexis plc.

Provexis plc shareholders received one share in Science in Sport plc for each one hundred ordinary shares in Provexis plc that they held at the demerger record date. Provexis plc shareholders continue to own their existing Provexis plc shares.

Prior to the demerger, Provexis plc converted £448,000 of an intercompany debt into share capital by way of a capital contribution. At the date of the demerger, a payment of £250,000 was made to Provexis plc to settle the remaining outstanding intercompany debt.

Further information on the demerger may be obtained from the Provexis plc website.

Basis of preparation

This interim statement is the first published financial information of the Company. The financial information has been presented as a continuation of the Science in Sport business, which was previously wholly owned by Provexis plc.

The formation of a new holding company, Science in Sport plc, prior to demerger was not a business combination involving a third party and, as such, the financial statements of Science in Sport plc have been presented as a continuation of SiS (Science in Sport) Limited. To do so, the principles of reverse acquisition accounting in IFRS 3 have been applied.

This condensed financial information has been prepared using accounting policies consistent with International Financial Reporting Standards in the European Union (IFRS). The accounting policies, presentation and methods of computation followed in this condensed financial information are the same as are expected to be applied in the Group's first annual audited financial statements. While the financial figures included in this half-yearly report have been computed in accordance with IFRS applicable to interim periods, this half-yearly report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34.

The interim financial information does not constitute statutory accounts as defined in section 434 of the Companies Act 2006 and has been neither audited nor reviewed by the Company's auditors Chantrey Vellacott DFK pursuant to guidance issued by the Auditing Practices Board.

The results for the year ended 31 March 2013 are not statutory accounts, and have been prepared as a continuation of the Science in Sport business, as outlined above. A copy of the statutory accounts of the Company's subsidiary, SiS (Science in Sport) Limited, which form the basis for the comparative information for that year has been delivered to the Registrar of Companies. The auditors reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 of the Companies Act 2006.

The interim report for the six months ended 30 September 2013 can be downloaded from the Company's website www.scienceinsport.com. Further copies of the interim report can be obtained by writing to the Company Secretary, Science in Sport plc, Kings Road House, 2 Kings Road, Windsor Berkshire SL4 2AG, UK.

This announcement was approved by the Board of Science in Sport plc for release on 3 December 2013.

Going concern

The Directors are of the opinion that at 3 December 2013, the Group and Company's liquidity and capital resources are adequate to deliver the current strategic objectives and 2014 business plan and that the Group and Company remain a going concern.

Accounting policies

The accounting policies set out below have been applied to all periods presented in this financial information:

Revenue

Revenue comprises sales to external customers at invoiced amounts. Revenue is shown net of value added tax or local taxes on sales.

Revenue from sales to external customers is recognised when the significant risks and rewards of ownership have been transferred to the buyer in accordance with the customer terms. This is normally when goods are dispatched to export customers and when the goods are delivered for UK customers. Sales rebates and discount reserves are established based on management's best estimate of the amounts necessary to meet claims by the company's customers in respect of these rebates and discounts. The provision is made at the time of sale and released, if unutilised, after assessment that the likelihood of such a claim being made has become remote. Exclusivity arrangements and related services are recognised as revenue in the accounting period in which the related services are rendered, or activities performed, by reference to completion of the specific transaction.

All revenue originates in the United Kingdom.

Exceptional Items

Exceptional items are those material items which, by virtue of their size or incidence, are presented separately in the Statement of Comprehensive Income to give a full understanding of the company's financial performance. Transactions which may give rise to exceptional items include the restructuring of business activities. Exceptional items are set out on the face of the Statement of Comprehensive Income and further details are provided in the related notes.

Use of non-GAAP profit measure – underlying operating profit

The directors believe that the operating profit before depreciation and amortisation and exceptional items measure provides additional useful information for shareholders on underlying trends and performance. This measure is used for internal performance analysis. Underlying operating profit is not defined by IFRS and therefore may not be directly comparable with other companies' adjusted profit measures. It is not intended to be a substitute for, or superior to IFRS measurements of profit.

Research and development

Expenditure on research and development is written off as incurred and includes a proportion of salaries and other expenses relating thereto.

Leased assets

Leases, which contain terms whereby the company does not assume substantially all the risks and rewards incidental to ownership of the leased item are classified as operating leases. Operating lease rentals are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. The company does not hold any assets under finance leases.

Intangible assets

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight line basis over their expected useful economic lives as follows:

Website design costs	-	5 years
Computer software	-	5 years

Property, plant and equipment

Plant and equipment assets are stated at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is charged to Statement of Comprehensive Income on all plant and equipment at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over their estimated useful lives, which is:

Leasehold improvements	-	Over the length of the lease
Plant and machinery	-	4 - 8 years
Fixtures and fittings	-	4 years
Motor vehicles	-	4 years

The assets' residual values and useful lives are determined by the directors and reviewed and adjusted if appropriate at each balance sheet date in accordance with the Company policy for impairment of assets.

Impairment of assets

Assets that have a finite useful life but that are not yet in use and are therefore not subject to amortisation or depreciation are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment annually and when events or circumstances suggest that the carrying amount may not be recoverable, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the relevant asset is carried at a revalued amount in which case the reversal of the impairment loss is treated as a revaluation increase.

The gain or loss on the disposal of an asset is accounted for in the Statement of Comprehensive Income of the period in which the disposal occurs as the difference between the net sale proceeds and the carrying amount.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated as follows:

Raw materials - cost of purchase on first in, first out basis.

Work in progress and finished goods - cost of raw materials and labour, together with attributable overheads based on the normal level of activity.

Net realisable value is based on estimated selling price less further costs to completion and disposal. A charge is made to the income statement for slow moving inventories. The charge is reviewed at each balance sheet date.

Financial Instruments

Financial assets

The Company's financial assets are comprised of 'trade and other receivables' and 'cash and cash equivalents'. They are recognised at their fair value. The Company will assess at each balance sheet date whether there is objective evidence that the financial asset is impaired. If an asset is judged to be impaired the carrying amount of the asset will be adjusted to its impaired valuation

Financial liabilities

The Company's financial liabilities comprise 'trade and other payables'. These are recognised at their fair value.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants are recognised in the Statement of Comprehensive Income in the same period to which the costs that they are intended to compensate are expensed.

Taxation

Current tax is provided at amounts expected to be recovered or to be paid using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. When research and development tax credits are claimed they are recognised on an accruals basis and are included as a taxation credit.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability on the balance sheet differs from its tax base, except for differences arising on:

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profits will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered). Deferred tax balances are not discounted.

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Employee benefits

(i) Defined contribution plans

The Company provides retirement benefits to a number of employees and Executive directors. The assets of these schemes are held separately from those of the Company in independently administered funds. Contributions made by the Company are charged to the Statement of Comprehensive Income in the period in which they become payable.

(ii) Accrued holiday pay

Provision has been made at the balance sheet date for holidays accrued but not taken at the salary of the relevant employee at that date.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgements are continually made and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances.

As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The directors believe the following to be the key areas of estimation and judgement:

(i) Valuation of inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises direct materials, labour and, where appropriate, overheads that have been incurred in bringing the inventory to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(ii) Useful economic lives of intangible asset and property, plant and equipment

In relation to the Company's finite life intangible assets and property, plant and equipment, useful economic lives and residual values of assets have been established using historical experience and an assessment of the nature of the assets involved. Assets are assessed on an ongoing basis to determine whether circumstances exist that could lead to potential impairment of the carrying value of such assets.

2. Segmental reporting

The Directors have determined that only one operating segment exists under the terms of International Financial Reporting Standard 8 'Operating Segments', as the Group is organised and operates as a single business unit.

3. Loss per share

Basic and diluted loss per share amounts are calculated by dividing the loss attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

	Unaudited six months ended 30 September 2013 £	Unaudited six months ended 30 September 2012 £	Unaudited Year ended 31 March 2013 £
(Loss) / income for the period attributable to owners of the parent	(317,308)	65,874	(97,238)
Weighted average number of shares	16,379,233	15,188,000	15,188,000
Basic and diluted (loss) / profit per share - pence	(0.02)	0.00	(0.01)

4. Exceptional costs

	Unaudited six months ended 30 September 2013 £	Unaudited six months ended 30 September 2012 £	Unaudited Year ended 31 March 2013 £
Demerger costs	224,890	-	-
Restructuring costs	53,603	84,452	239,686
Basic and diluted (loss) / profit per share - pence	278,493	84,452	239,686

One off costs of £384,531 (2012: £nil) were incurred in effecting the demerger of SiS (Science in Sport) Limited from Provexis plc of which £286,965 (2012: £nil) were paid in cash in the period. £159,641 of these costs have been reported against the share premium account with the remaining £224,890 reported in the consolidated statement of comprehensive income. The reporting treatment of these costs is in accordance with IAS 32. The costs principally relate to professional fees in respect of accountancy services, legal services and regulatory compliance services.

5. Taxation

The corporation tax income for the six months ended 30 September 2013 has been calculated with reference to the estimated effective tax rate on profits for the full year. The income of £60,500 relates to deferred tax on losses to be carried forward for relief against future profits.