



**London
IrishTM**

**LONDON IRISH HOLDINGS LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

INTERIM RESULTS (UNAUDITED)

For the six months ended 31 December 2009

Company Registration Number 3342451



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Directors

A M Coppel CBE (Chairman)
K T Clancy (Vice-Chairman)
A Martin (Chief Executive)
G Beringer
A Carragher
J O Conlan
S Holland
N Northridge
M A O'Connell
S M Palmer
D F Ryan
J E Stacpoole
N S Traynor
K G M Wood

Secretary and registered office

P D Gumm
The Avenue
Sunbury-on-Thames
Middlesex
TW16 5EQ

Registered number

3342451

Auditors

Day, Smith & Hunter
Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire
WD3 1JE



The six month period to 31 December 2009 has been pleasing. We have continued to perform strongly in the Guinness Premiership, although our exit from the Heineken Cup was disappointing. Off the field progress continues to be made in improving attendances, strengthening our commercial management team and developing our property projects.

RUGBY REVIEW

Our ambition and expectation amongst players and supporters alike was heightened following last years' Guinness Premiership final where we narrowly missed out on the title. Our 'year in year out' ambition is to consistently achieve a place in the top four of the Premiership to qualify for the end of season play-offs and, thereby, guarantee a Heineken Cup place. The League is highly competitive this year and so we must achieve consistent performances of a high standard, which is no easy task, given the absence of our valued international players for lengthy periods. At the date hereof, we remain on target to finish in the top four this season.

Crucially, we have secured the long term services of Steffon Armitage, Delon Armitage and Clarke Dermody, who are all key members of the squad. We are delighted that David Ellis, our defence coach, has committed for a further year – he has already helped us to become one of the best defensive teams in the Premiership. We take great pride in the progression to the first team squad of a number of our Academy squad – Tom Homer, Julian Joseph and Matt Garvey to name just three – and it was particularly heartening to see the Club's success in the Middlesex Sevens in August last year with so many of these young players involved.

TRADING REVIEW

Turnover for the period increased by a healthy 12% to £3,581,373 (2008: £3,207,590) driven in the main by increased home attendances – up 16.7%. This has come about predominantly as a result of our improved sales and marketing capability and renewed focus on the wider Thames Valley area.

As a consequence of our focussed investment programme, both on and off the field, the operating loss for the period was £972,715 (2008: £346,838). The deficit for the period after interest costs on the 2008 loan note was £1,538,022 (2008: £738,650), which equates to a loss per share of 3.59p (2008: 1.73p).



Our increased investment in Rugby totalled £550,000 during the period which includes £150,000 of non-recurring income received in the previous period. This reflects our decision to invest to the permitted level on player salaries. Off the field, we have doubled investment in sales and marketing and strengthened the commercial team. The rewards from this investment will be seen in this and future seasons.

We are delighted to have secured Cityjet as our sponsor for the current season and are already in discussions regarding an extension to the present arrangement.

PROPERTY

In December 2009, we submitted an outline planning application for our existing Sunbury freehold land and on the Hazelwood Golf Club site.

With a decision expected in the spring of 2010 we plan to develop new state of the art facilities for the Amateur and Professional Clubs. The Board would like to thank our staff, players, the Amateur Club, and supporters alike in supporting the planning application. I would like to express my enormous gratitude to Maurice O'Connell, John Conlan, James Stacpoole and Andy Martin for the considerable time and effort which they have devoted to this major project.

Our proposed plans will bring significant benefits to the local community, including a sympathetic housing development, with a care home and health centre at The Avenue, along with an outstanding sporting facility for the professionals, amateurs and local community to enjoy at Hazelwood.

OUTLOOK

The Board expects trading to continue in line with expectations for the remainder of this season. We also plan to continue improving our whole match day experience for supporters and partners alike.

The Board has previously highlighted an initial investigation by Her Majesty's Revenue and Customs into image rights contracts within Premiership Rugby, including our Club. To date, no substantial progress has been made and the Board will continue to use all its endeavours to ensure that the investigation is concluded in a manner which minimises the Club's liabilities.



We are grateful to our growing band of fans for their support which is much appreciated. I know that you will join with us in offering our thanks and appreciation to all our players and staff.

**A M Coppel CBE
Chairman
London Irish Holdings Limited
31 March 2010**

LONDON IRISH HOLDINGS LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

Consolidated profit and loss account



	Six months ended 31 December 2009 Unaudited £	Six months ended 31 December 2008 Unaudited £	Year to 30 June 2009 Audited £
Turnover	3,581,373	3,207,590	6,976,413
Cost of sales	(603,546)	(465,652)	(1,184,195)
Gross profit	2,977,827	2,741,938	5,792,218
Administrative expenses	(3,950,542)	(3,088,776)	(6,910,425)
Other operating income	-	-	220,000
Operating Loss	(972,715)	(346,838)	(898,207)
Interest receivable and similar income	2,371	94,839	169,674
Interest payable and similar charges	(567,678)	(486,651)	(1,012,256)
Loss on ordinary activities before taxation	(1,538,022)	(738,650)	(1,740,789)
Taxation	-	-	-
Loss on ordinary activities after taxation	(1,538,022)	(738,650)	(1,740,789)
Loss per share			
Basic	(3.59)p	(1.73)p	(4.07)p

There were no recognised gains and losses other than those in the profit and loss account for the current or prior period. All figures have been derived from continuing operations.

LONDON IRISH HOLDINGS LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

Consolidated balance sheet



	31 December 2009 Unaudited £	31 December 2008 Unaudited £	30 June 2009 Audited £
Fixed assets			
Tangible assets	5,228,955	4,597,859	4,936,079
Current assets			
Stocks	-	41,217	-
Debtors	829,305	802,026	1,001,271
Cash at bank and in hand	1,487,542	2,958,368	3,123,823
	2,316,847	3,801,611	4,125,094
Creditors: amounts falling due within one year	(2,469,813)	(1,876,603)	(3,014,839)
Net current (liabilities)/assets	(152,966)	1,925,008	1,110,255
Total assets less current liabilities	5,075,989	6,522,867	6,046,334
Creditors: amounts falling due after more than one year	(7,603,840)	(6,510,557)	(7,036,163)
Net (liabilities)/assets	(2,527,851)	12,310	(989,829)
Capital and reserves			
Called up share capital	4,275,059	4,275,059	4,275,059
Other reserves	43,888	43,888	43,888
Share premium account	729,250	729,250	729,250
Revaluation reserve	3,354,956	3,354,956	3,354,956
Profit and loss account	(10,931,004)	(8,390,843)	(9,392,982)
Equity: shareholders' (deficit)/funds	(2,527,851)	12,310	(989,829)

LONDON IRISH HOLDINGS LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

Consolidated cash flow statement



	Six months ended 31 December 2009 Unaudited £	Six months ended 31 December 2008 Unaudited £	Year to 30 June 2009 Audited £
Cash (outflow)/inflow from operating activities	(1,302,222)	(331,462)	145,877
Returns on investments and servicing of finance			
Interest received	2,371	94,839	169,674
Interest paid	-	-	-
	2,371	94,839	169,674
Purchase of tangible fixed assets	(336,430)	(292,849)	(677,658)
Cash outflow before management of liquid resources and financing	(1,636,281)	(529,472)	(362,107)
Net decrease in cash balances	(1,636,281)	(529,472)	(362,107)
RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS			
Shareholders' (deficit)/funds at beginning of period	(989,829)	750,960	750,960
Loss for period	(1,538,022)	(738,650)	(1,740,789)
Shareholders' (deficit)/funds at end of period	(2,527,851)	12,310	(989,829)



1 Interim Financial Information

The interim financial information does not constitute statutory financial statements within the meaning of section 234 of the Companies Act 2006. The financial information for the year ended 30 June 2009 has been extracted from the statutory accounts for the period then ended which have been filed with the Registrar of Companies. The audit report on these accounts was unqualified.

These results were announced on ShareMark on 31 March 2010. The interim report will be available from the company's registered office at The Avenue, Sunbury on Thames, Middlesex, TW16 5EQ.

2 Accounting Policies

The interim results have been prepared on the same basis and using the same accounting policies as those used in the preparation of the statutory accounts for the year ended 30 June 2009.

3 Taxation

The Group has significant accumulated tax losses at 30 June 2009 and with current period losses this means that the Group has no need to make provision for a corporation tax liability. The resultant deferred tax asset is not recognised.

4 Loss per share

The calculation of the basic loss per share is based on the result for the period divided by the number of shares in issue, being 42,750,590 (30 June 2009: 42,750,590 and 31 December 2008: 42,750,590) ordinary shares of 10p each.

5 Going Concern

The financial statements have been prepared on the going concern basis which assumes that the Group will continue in operational existence for the foreseeable future. In assessing the reasonableness of this assumption the directors have taken into account current trading performance and the trading and cash flow forecasts of the Company for the next 12 months, together with the fact that the Group has available cash balances of £1.5m as at 31 December 2009.



Based on this information and experience the directors are of the opinion that the Group is a going concern.

6 Contingent liabilities

The Board is aware of an initial investigation by Her Majesty's Revenue and Customs into image rights contracts within Premiership Rugby. The Board is certain that a liability will arise for past events; however, a reliable estimate of the liability cannot be calculated due to the nature of the investigation. The Board will use all its endeavours to ensure that the investigation is concluded in a manner which minimises the Club's liabilities.

7 Related Party Transactions

No one party had control of the company during the current or previous period.

During the period interest of £567,677(2008: £486,651) was accrued on the convertible loan notes. Of this the following amounts were due to related parties:

	2009	2008
	£	£
The Clancy Group Plc	49,975	42,842
Conlan Family Settlement	19,408	16,638
M & A Retirement Fund	48,519	41,594
Labyrinth investments Limited	72,779	62,391
DFR Nominees Limited	283,838	243,326



INTRODUCTION

We have reviewed the accompanying balance sheet of London Irish Holdings Limited as at 31 December 2009 and the related profit and loss, changes in equity and cash flows for the six month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with United Kingdom Generally Accepted Accounting Practice. Our responsibility is to express a conclusion on this interim financial information based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at 31 December 2009, and of its financial performance and its cash flows for the six month period then ended in accordance with United Kingdom Generally Accepted Accounting Practice.

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