25 June 2014

Byotrol plc

UNAUDITED FINAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2014

Byotrol plc ('Byotrol', the 'Company' or the 'Group'), the leading AIM listed anti-microbial hygiene company, is pleased to announce its unaudited final results for the 12 months ended 31 March 2014.

Highlights of the year include:

- Successful integration of Byotrol Consumer Products ("BCP"), following the acquisition of the non-controlling interest in October 2013.
- Revenue increased by 3% to £3,126k compared to the restated consolidated prior year and by 43% compared to the previously published audited financial information at 31 March 2013 (which was prepared before restatement).
- Substantial operating cost reductions underway. Operating costs reduced by £1,105k compared to the restated consolidated prior year and by £377k compared to the previously published audited financial information at 31 March 2013 (which was prepared before restatement).
- EBITDA loss reduced by 57% to £671k, impacted by several exceptional items, as set out in the notes to the accounts. Normalised EBITDA loss reduced to £634k, also as set out in the notes.
- Clear trajectory to monthly break-even in the 2014/2015 financial year
- New, post year-end equity fundraising completed (subject to shareholder approval) for growth and working capital uses, totalling £1.25m before expenses

Operational highlights include:

- Steady growth of Professional business, particularly in food services and food manufacturing
- New consumer product launch in Sports Direct under Karrimor brand and new norovirus claims made on Tesco trigger spray products
- New, EU regulatory-compliant consumer products developed for new consumer sales initiative into continental Europe

Commenting on the results and prospects, David Traynor, Chief Executive of Byotrol, said:

"We are pleased with the progress made since the acquisition of the non-controlling interest in BCP in October, with our results showing that we are able to achieve better results with substantially less resources. Having largely completed a process of rationalisation we are now able to turn our attention to growth from our new, leaner base."

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Notes to Editors:

Byotrol plc (BYOT.L), quoted on AIM, is a leading anti-microbial technology company, operating globally in the Food, Industrial, Healthcare and Consumer sectors, providing a low toxicity product with a broad-based and long-lasting efficacy across all microbial classes; bacteria, viruses, fungi, moulds, mycobacteria and algae.

Powerful, long-lasting and gentle, Byotrol's products can be used stand alone or as an ingredient within existing products, where Byotrol can significantly improve their performance in personal hygiene, domestic and industrial disinfection, odour control, food production and food management.

Founded in 2005, the Company has developed the technology that creates easier, safer and cleaner lives.

For more information, please go to www.byotrol.co.uk

Chairman's statement

I am pleased with the transformation that has come about at your Company over the past year. For the sake of balance, I should point out that I was appointed Chairman exactly a day after the end of the period under review here, so I cannot claim the credit myself. It should go instead to Ralph Kugler, our outgoing Chairman of five years, who very calmly and efficiently oversaw a number of key developments including a share placing, the full integration with Byotrol Consumer Products (BCP), a loan note issue and a streamlining of the combined business. Ralph finished the year by stepping down and handing me the reins of a Company that is positioned to prosper.

The transformation has been extensive. We have cut costs, the effect of which is already being felt to our benefit. But more than this, we have rationalised two businesses into one coherent, focused and motivated entity. The benefit of this is only just starting to be felt but we have every expectation that the pace will increase.

The Past

My association with Byotrol goes back to 2007 when I first met Stephen Falder, Byotrol's founder and inventor, and I have been captivated by the story ever since. From the very beginning, it seemed to me that there was a magnitude of ways that the product could be commercialised. Not only did the product have a great technical lead and multiple applications, but the routes to market were varied too, with direct sales, partners selling the product on our behalf and licensing the technology for use within other companies' products.

To date much of the focus has been on the health and food Industries. Both of these sectors are categorised by a high need for efficient control of pathogens. Unfortunately for us, both sectors are also categorised by slow, deliberate decision making and a real reluctance to accept a step change. This is not a good backdrop for the commercialisation of technical innovation, and with hindsight, we could not have chosen two more difficult industries into which to introduce a revolutionary technology. The incentive to change to a new technology is just not there for many managers, and even when there is a real and present danger, for example MRSA, a cost effective, safe and effective solution just does not get adopted very quickly if it is "new".

The Present

We have made decent inroads into the food industry, and continue to look at the health industry, but our focus here is to find specialist partners to sell our products on our behalf.

An unforeseen area of commercialisation over the past few years has been our Pet & Vet Division. This has become a little gem in our midst: a profit contributor; a great advertisement for our products in several countries; and a springboard for future expansion. We now have a loyal following of pet owners who appreciate the benefits of Byotrol in their homes, and as a dog owner myself, I can attest that my carpets have benefitted from the use of our products all too frequently.

We will continue to build on our "legacy" business areas of Food, Health, Industrial and Pet. The current contribution from these businesses, together with the contribution from our newly constituted Consumer Division, has brought us close to the point of monthly break-even. Each Division provides a platform for growth, and the diversity of our customers provides a degree of financial security. However, a prime focus for the medium term must be on consumer markets and it was with this in mind that we sought the acquisition of the remaining non-controlling stake in BCP in 2013.

The Future

I would urge you to pay particular attention to the CEO's statement within this Preliminary Announcement with respect to our future goals. As we re-set our compass it is important that our shareholders, both present and future, can accurately assess our goals and our direction, which has a noticeably different focus from the past.

Consumer Focus

Our Consumer deals to date have been well aired in the past, and shareholders will hopefully be familiar, for example, with our products in Boots and Tesco stores. Such deals leverage our technological lead in the area of killing germs and continuing to kill them, even when dry. We provide the technology and our partner completes the deal by selling the products to consumers. We now have several years of experience with such licence deals. Each deal, by its nature, tends to be large compared to our overall turnover, and typically there is a long lead time of product development followed by a period of 3 to 5 years of guaranteed minimum revenue.

There is always the risk of an agreement not being finalised despite years of product development, and so it is more difficult to predict future income streams from such licence deals. However, once an agreement is completed at the end of the development phase, then a minimum level of income is locked in for the duration of the contract. Not only that, but the cost of servicing the deal for the remainder of its life is low, and management time is freed up to concentrate on the upcoming deals. The potential income could be described as lumpy but potentially large, so it is an attractive business model, especially when combined with the other Divisions with their steady income.

Despite our cost reduction programme following the full integration of the BCP business, spending on technology will continue as we simply cannot afford to stand still. Dividing that cost between several divisions certainly helps, but we still need to grow our sales significantly, and the most promising way to do that in the medium term is to win new licence deals. We currently have discussions underway, but the timings and quantum of these deals are uncertain for the reasons outlined above.

Risk

All businesses face risk, and an appreciation of the threats and preparation for them is an integral part of the manager's task. For us, the largest threat at any particular time could be summed up in a word: "Regulation". It slows us down, makes decision making by our customers a tortuous process, and then changes in unpredictable and sometimes irrational ways. Our ability to lobby is limited, but we have become adroit at working with the regulations as they change, and our technical lead remains undiminished. We intend to maintain, and indeed capitalise, on this lead. When our competitors struggle with the changes, it will spell opportunity for us.

Fund Raising

We raised £380,000 by way of an Issue of Convertible Loan Notes in December 2013, and this money was used primarily to cover the rationalisation costs of integrating the two companies. As announced separately today and subject to shareholder approval, we will effect a Placing of new shares raising £1.25 million before expenses. We already have a new management team in place, and this money will give them the tools to finish the job.

No shareholder welcomes dilution, and the inevitable result of placing new shares is that the future value of the Company has to be shared between a higher number of shares. In raising the new money your Board has carefully weighed the advantage of being able to invest the cash against the disadvantage of having more shares in issue, and we have put considerable thought into raising the optimum amount.

Included within the Resolutions to be voted upon at this year's AGM are permissions for the Board to use their discretion to issue further new shares in the period of a year following the AGM.

Share Options

This can be a contentious issue and a balance needs to be struck between giving our employees a meaningful incentive to succeed on the one hand, and not diluting the shareholders equity unreasonably on the other hand. Two points are worthy of mention in this regard. First: the vast majority of currently outstanding options are held by ex-employees. Second: the current senior management team hold virtually no options.

The recent period has been more than busy, and something had to give. It is to the credit of our CEO and his team that one of the activities that has been postponed is the discussion and agreement of an incentive scheme. Such a scheme would be appropriate and this will be addressed in due course.

AGM

I urge you to use your vote this year, and indeed every year. Please either return your postal voting card, or even better, why not come to our AGM? It will be held in Daresbury on 29th July 2014, following the successful formula of last year, and we are hoping for strong shareholder attendance – we welcome the interaction.

We are proud of our Company and this is a transitional year. Please come and probe away, ask the searching questions, and hopefully satisfy yourself that the new Board and Management team is working effectively on your behalf.

Nicholas Martel
Chairman

Chief Executive's report

This has been a year of change at Byotrol: we have formally combined our consumer and business-to-business activities, changed our executive management team, stripped a substantial amount of cost out of the business and have still increased sales.

Financial Overview

On 9 October 2013 Byotrol plc completed the acquisition of the non-controlling interest in Byotrol Consumer Products Ltd ("BCP"). Our previously reported results have been restated to show the combined position for Byotrol group activities, which include BCP on a fully consolidated basis. The comparable period from 1 April 2012 to 31 March 2013 has accordingly been restated. Further details of the restatement are set out in note 1.

Based on this restated basis, and compared to the restated prior period, financial highlights include:

- Revenue increased by 3% from £3,048k to £3,126k
- Operating expenses decreased by 37% from £2,975k to £1,870k (after exceptionals)
- EBITDA loss has reduced by 59% from £1,564k to £671k impacted by several exceptional items, as set out in the notes to the accounts. Normalised EBITDA loss reduced to £634k, also as set out in the notes.

Compared to the previously published audited financial information at 31 March 2013 (which was prepared before restatement), the change in our financial profile over the last year is as follows:

- Revenue increased by 43% from £2,190k to £3,126k
- Operating expenses reduced by 17% from £2,248k to £1,870k
- Gross margin has increased by 96% from £627k to £1,228k, albeit boosted this financial year by a lump sum received from Kimberly-Clark Corporation in respect of the suspension of its license agreement with BCP, as previously reported

We have made good progress financially during the year and expect the impact of actions taken at the end of the period to further improve our cost profile in the year to 31st March 2015. Indeed in general we have been making good progress across all our market segments in terms of profit contribution, though again some of this will not be seen in our results until the next financial year.

Markets

Professional

Year on year revenues increased by 15% over the reporting period from £1,411k to £1,619k. We are working hard on improving underlying gross margins in this segment, although over the period in review the gross margin in this segment actually declined, largely as a result of some necessary stock write-offs.

In food services, we have continued to roll out our surface cleaning products into Marks and Spencer stores (M&S). At year end Byotrol was in 547 stores and franchises, with further growth into franchise outlets also now being explored.

We are now working on expansion into other food service environments (retail and restaurant) based on the learning and credibility gained from our M&S experience.

In food manufacturing, we have seen very healthy growth, particularly with individual manufacturing sites under our key umbrella accounts Cranswick plc and Bakkavor plc. We are also trialling a complete chemical model in two food manufacturing sites, based on our own core technology alongside a full chemical range to deliver a superior food safety solution for our customers.

In Industrial we are still making progress on very limited resource, but revenues remain small. Rentokil plc is selling Byotrol-based Ultraprotect products in the UK and some limited continental European countries but sales progress has been hampered by (a) EU regulatory processes and rules and (b) Rentokil's sale of its Initial Facilities business in February 2014. We certainly still see an opportunity here, but we may need to reformulate some of our Professional products to benefit properly – this takes time and resources.

In Health, we continue with targeted trials at various UK hospitals, alongside two major facilities services providers. These are likely to be a slow-burn due to the regulatory and approval processes involved but results continue to be encouraging. These tests are due to be completed by October this year, when we will be able to assess the opportunity coolly and place some strategic bets accordingly. In any event we realise that we will need a larger partner in healthcare to get our products to market – we do not have the sales resource to cover individual UK healthcare outlets directly.

Petcare

Our Pet & Vet Division has made strong progress over the year, expanding its sales into Pets at Home and Petface (in particular via its sales into Sainsbury's). We have also been targeting increased exports, currently around 35% of Petcare revenue, two-thirds of which are directed into Asia (especially China, Japan, Singapore and Malaysia).

Consumer

The year under review has been one of investment and consolidation for our consumer products business following the previously-announced suspension of our licence with Kimberly-Clark. Existing licences have all been performing to plan and new product launches into Sports Direct (personal hygiene and equipment sprays under the Karrimor brand) and new norovirus claims on our Tesco trigger sprays (via our licence with Robert McBride plc) have all been successfully completed.

A great deal of effort this year has gone into finalising new wipes and liquid products for consumer markets in continental Europe and the USA. The differing regulatory regimes in these areas make new product development processes quite resource-intensive, but we know (through testing) that the resulting product claims will resonate with consumers. I am pleased to report that we have new regulatory-compliant products ready-to-go in continental Europe and have already started marketing them to EU retailers, both directly and via our wipes partners Albaad.

We have also completed the development of new products for the US domestic market and will be using the recent fund-raising to accelerate our way through the formal US EPA processes, expected to take 12 to 18 months. We built a great deal of expertise in this process (and the market opportunity) during our relationship with Kimberly-Clark and we are now looking to capitalise upon it.

Outlook

In the time period since the acquisition of the non-controlling interest in BCP, management has increased its focus on core existing customers across our three market segments, rationalising our product offers where required, closing down underperforming agents and deprioritising low margin accounts. This process will continue.

The integration of the BCP business into the rest of the Group is now complete and the cost synergies now largely realised, although some of these will not be reflected in our figures until our interim results for the period ending 30 September 2014. We have now moved on to exploiting a number of potential revenue synergies (especially in sales, technical and marketing).

Having achieved our targets for this full financial year we are now able to concentrate on growing the Company from its leaner base. As well as organic growth from current core businesses, we are prioritising:

- continental EU opportunities from liquids and wipes, particularly in Consumer and in due course Professional
- developing US domestic market opportunities, particularly from B2C liquid products
- increasing the proportion of income from licensing and similar deal types

This will require some investment and to that end we were very pleased recently to receive strong shareholder support for a post year-end £1.25 million fundraise (pre-expenses) for investment in growth. This is conditional on shareholder approval at our AGM on 29th July.

I would like to thank the Byotrol team for having weathered such a period of change with such good humour, all the while increasing the quality of our business and increasing sales. We have an excellent team and I am convinced we have much success ahead of us.

David Traynor
Chief Executive

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2014

	Note	2014 £	2013 £ (restated)
REVENUE	2	3,126,406	3,048,270
Cost of sales		(1,897,744)	(1,563,342)
GROSS PROFIT		1,228,662	1,484,928
Administrative expenses excluding depreciation and amortisation		(1,972,762)	(2,975,182)
Exceptional items	3	103,044	-
Share based payments		(29,703)	(73,983)
LOSS BEFORE INTEREST, DEPRECIATION, AMORTISATION AND TAX		(670,759)	(1,564,237)
Amortisation		(70,750)	(63,194)
Depreciation		(65,615)	(45,602)
Finance income		-	3,157
Finance costs		(29,325)	(1,605)
LOSS BEFORE TAX		(836,449)	(1,671,481)
Taxation		-	-
LOSS FOR THE FINANCIAL YEAR		(836,449)	(1,671,481)
(Loss)/profit attributable to:			
Owners of Parent		(986,144)	(1,738,160)
Non-controlling interest		149,695	66,679
		(836,449)	(1,671,481)
OTHER COMPREHENSIVE INCOME, NET OF TAX			
Currency translation difference		(40,757)	4,717
Other comprehensive income/(expense)		(40,757)	4,717
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(877,206)	(1,666,764)
Owners of the parent		(1,026,901)	(1,733,443)
Non-controlling interest		149,695	66,679
		(877,206)	(1,666,764)
Loss per share			
Basic per share – (pence)	4	(0.60)	(1.21)
Diluted per share (pence)		(0.60)	(1.21)

The loss before income tax arises from the Group's continuing operations.

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2014

	2014 £	2013 £ (restated)	2012 £ (restated)
ASSETS			
Non-current assets			
Property, plant and equipment	118,681	77,565	126,744
Intangible assets	463,846	479,379	463,790
	582,527	556,944	590,534
Current assets			
Inventories	278,351	510,937	392,616
Trade and other receivables	762,113	1,056,323	1,072,919
Cash and cash equivalents	98,521	358,440	1,907,132
	1,138,985	1,925,700	3,372,667
TOTAL ASSETS	1,721,512	2,482,644	3,963,201
LIABILITIES			
Current liabilities			
Trade and other payables	1,101,759	1,817,885	1,705,661
	1,101,759	1,817,885	1,705,661
Long term liabilities			
Convertible loan notes	310,699	-	-
	310,699	-	-
Equity attributable to owners of the parent			
Share capital	458,420	358,949	358,949
Share premium account	20,586,758	18,154,985	18,154,985
Merger reserve	1,064,712	1,064,712	1,064,712
Other reserves	26,879	(1,665)	(6,382)
Retained deficit	(21,827,715)	(18,299,075)	(16,634,898)
	309,054	1,277,906	2,937,366
Non-controlling interests	-	(613,147)	(679,826)
TOTAL EQUITY	309,054	664,759	2,257,540
TOTAL EQUITY AND LIABILITIES	1,721,512	2,482,644	3,963,201

UNAUDITED CONSOLIDATED CHANGES IN EQUITY
for the year ended 31 March 2014

	Share Capital £	Share Premium £	Merger Reserve £	Other Reserves £	Retained earnings reserve £	Sub-total £	Non-controlling interests £	Total equity £
At 1 April 2012 (as previously reported)	358,949	18,154,985	1,064,712	(6,382)	(16,525,649)	3,046,615		3,046,615
Prior year adjustment					(109,249)	(109,249)	(679,826)	(789,075)
At as 1 April 2012 (restated)	358,949	18,154,985	1,064,712	(6,382)	(16,634,898)	2,937,366	(679,826)	2,257,540
Loss for the year					(1,738,160)	(1,738,160)	66,679	(1,671,481)
Currency translation difference				4,717		4,717		4,717
Total comprehensive loss for the year	-	-	-	4,717	(1,738,160)	(1,733,443)	66,679	(1,666,764)
Share based payments					73,983	73,983		73,983
Equity as at 31 March 2013	358.949	18,154,985	1,064,712	(1,665)	(18,299,075)	1,277,906	(613,147)	664,759
Loss for the year					(986,144)	(986,144)	149,695	(836,449)
Currency translation difference				(40,757)		(40,757)		(40,757)
Total comprehensive loss for the year				(40,757)	(986,144)	(1,026,901)	149,695	(877,206)
Share issue	15,124	468,250				483,374		483,374
Share issue costs		(60,877)				(60,877)		(60,877)
Purchase of non-controlling interest	84,347	2,024,400			(2,572,199)	(463,452)	463,452	-
Issue of convertible loan notes				69,301		69,301		69,301
Share based payments					29,703	29,703		29,703
Equity as at 31 March 2014	458,420	20,586,758	1,064,712	26,879	(21,827,715)	309,054	-	309,054

UNAUDITED CONSOLIDATED CHANGES IN EQUITY
for the year ended 31 March 2014

Other reserves comprise of	Translation reserve £	Convertible loan note reserve £	Other reserves £
At 1 April 2012	(6,382)		(6,382)
Currency translation difference	4,717		4,717
Other comprehensive income			
Total comprehensive income for the year	4,717		4,717
Equity as at 31 March 2013	(1,665)		(1,665)
Loss for the year			
Currency translation difference	(40,757)		(40,757)
Total comprehensive income for the year	(40,757)	-	(40,757)
Conversion of loan notes		69,301	69,301
Equity as at 31 March 2014	(42,422)	69,301	26,879

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2014

	2014 £	2013 £ (restated)
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year before tax	(836,449)	(1,671,481)
Adjustments for:		
Share based payments	29,703	73,983
Depreciation	65,615	45,602
Amortisation	70,750	63,194
Loss on disposal of property, plant and equipment	716	18,129
Loss on write off of intangible assets	80,362	-
Finance income	-	(3,157)
Finance costs	29,325	1,605
Loan forgiveness	(684,289)	
Exchange gain or loss	(11,873)	5,828
Changes in working capital		
(Increase) / decrease in inventories	232,588	(118,321)
Decrease in trade and other receivables	294,210	125,846
Increase in trade and other payables	(60,718)	6,876
CASH USED IN OPERATING ACTIVITIES	(790,060)	(1,451,896)
Income taxes credit received	-	-
NET CASH USED IN OPERATING ACTIVITIES	(790,060)	(1,451,896)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire property, plant and equipment	(107,446)	(28,294)
Proceeds from the sale of property, plant and equipment	-	13,742
Payments to acquire intangible assets	(135,582)	(78,783)
Finance income	-	3,157
NET CASH USED IN INVESTING ACTIVITIES	(243,028)	(90,178)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds on issue of ordinary shares	483,374	-
Share issue costs	(60,880)	-
Proceeds on issue of convertible loan notes	380,000	
Capital element of finance lease rental payments	-	(5,013)
Interest paid	(29,325)	(1,605)
NET CASH INFLOW FROM FINANCING	773,169	(6,618)
Net (decrease) / increase in cash and cash equivalents	(259,919)	(1,548,692)
Cash & cash equivalents at the beginning of the financial year	358,440	1,907,132
Cash & cash equivalents at the end of the financial year	98,521	358,440

1 Basis of preparation

The financial statements have been prepared in accordance with the AIM rules and the basis of accounting policies set out in the accounts for the year ended 31 March 2013 and on the basis of all International Financial Reporting Standards ("IFRS") as adopted by the European Union that are expected to be applicable to the Group's statutory accounts for the year ended 31 March 2014. The financial statements are unaudited and were approved by the Directors on 24 June 2014. The information set out herein is abbreviated and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The results for the year ended 31 March 2013 are in abbreviated form and have been extracted from the published financial statements and restated to reflect the re-assessment of control over Byotrol Consumer Products Limited (“BCP”) which had previously been accounted for as a joint venture but is now treated as a subsidiary. The March 2013 financial statements were audited and reported upon without qualification by Baker Tilly UK Audit LLP and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006. Statutory accounts for the financial year ended 31 March 2013 have been filed with the Registrar of Companies.

The company is a limited liability company incorporated and domiciled in England & Wales and whose shares are quoted on AIM, a market operated by The London Stock Exchange. The consolidated financial information of Byotrol plc is presented in Pounds Sterling (£), which is also the functional currency of the parent.

Prior year adjustment

The Directors of the Company have re-assessed the accounting treatment of the Group’s investment in BCP in the consolidated financial statements. The Directors have concluded that the nature of the shareholders agreement together with the associated technology and service agreements had the effect of putting Byotrol plc in control of BCP and the results and financial position of BCP have been fully consolidated into the Group results. Previously, Byotrol Consumer Products Limited was treated as a joint venture and accounted for using the equity method of accounting.

Comparative amounts for the prior period and the related amount as at 1 April 2012 have been restated in accordance with this prior year adjustment.

2 Segmental information

The Group has three reportable segments, being Professional, Consumer and Pet. This disclosure correlates with the information which is presented to the Group's Chief Decision Maker, the CEO. The segments reflect the industry sectors within which the Group generates its revenue.

The first segment concerns the Professional sector incorporating business to business sales into Food, Health and Industrial. The second segment concerns the consumer sector and primarily revenue generated from licence agreements with third parties for the manufacture and sale of products incorporating Byotrol technology. The third segment concerns the Pet sector, where finished goods are manufactured and sold into the companion animal sector.

The Group operates in different geographic locations. The revenue generated from the different geographic locations is analysed separately in the information below.

The Group’s centrally incurred administrative expenses, incorporating the ongoing research and development work, operating income and assets and liabilities cannot be allocated to individual segments.

	Continuing operations			
	Professional	Consumer	Pet	Total
Year ended 31 March 2014	£	£	£	£
REVENUE				
United Kingdom	1,448,520	278,909	456,010	2,183,439
North America	76,099	451,613	-	527,712
Rest of world	94,900	55,239	265,116	415,255
Total revenue	1,619,519	785,761	721,126	3,126,406
Cost of sales	(1,385,745)	-	(511,999)	(1,897,744)
Gross profit	233,774	785,761	209,127	1,228,662
Centrally incurred income and expenditure not attributable to individual segments				
Administrative costs				(1,972,762)
Exceptional administrative income				103,044
Depreciation and amortisation				(136,365)
Share based payments				(29,703)
Finance income				-
Finance costs				(29,325)
Loss before tax				(836,449)

2 Segmental information (continued)

	Continuing operations			
12 months ended 31 March 2013	Professional £	Consumer £	Pet £	Total £ (AS RESTATED)
REVENUE				
United Kingdom	1,136,693	238,854	536,037	1,911,584
North America	160,843	548,712	-	709,555
Rest of world	113,174	69,953	244,004	427,131
Total revenue	1,410,710	857,519	780,041	3,048,270
Cost of sales	(1,009,513)	-	(553,829)	(1,563,342)
Gross profit	401,197	857,519	226,212	1,484,928
Central income and expenditure not attributable to individual segments				
Administrative costs				(2,975,182)
Depreciation and amortisation				(108,796)
Share based payments				(73,983)
Finance income				3,157
Finance costs				(1,605)
Loss before tax				(1,671,481)

3 Exceptional items

As part of the acquisition of the non-controlling interest in BCP, a loan of £684,289 was forgiven by Whatif Joint Ventures Ltd, a related party. This is treated as an exceptional income item in the period under review.

During this period the Company has been going through an extensive process of reorganisation. As part of that process, ~~it~~ has incurred considerable one-off costs as set out in more detail below. Included within these items is a specific and once-only write-off of (previously-identified but not actioned) obsolete and damaged stock.

Total exceptional items are therefore as follows:

Loan forgiven	(684,289)
Patent write offs	80,362
Legal costs of acquisition of non-controlling interest in BCP	15,820
Costs involved in closure of the USA office	25,000
Stock write offs	79,361
Director & staff settlement & salary costs	380,702
TOTAL	(103,044)

During the year, considerable duplication of resources has been removed from the Group. Based on the following further one-off costs, we calculate Normalised EBITDA as follows:

EBITDA (excluding exceptional items)	(773,803)
Bad debt write off	76,000
Relocation costs for head office	6,000
Directors & staff costs (duplication)	58,000
Normalised EBITDA	(633,803)

4 Loss per ordinary share

The loss per ordinary share attributable to the owners of the parent is based on the losses for the year ended of £986,144 (2013: £1,738,160) and the weighted average number of ordinary shares in issue during the year of 163,854,920 (2013:143,579,676).

The loss for the period and the weighted average number of ordinary shares for calculating the diluted earnings per share for the year ended 31 March 2014 and for the comparative periods are identical to those used for the basic earnings per share. This is because the outstanding share options and convertible loan notes would have the effect of reducing the loss per ordinary share and would therefore not be dilutive.

5 Taxation

No liability to UK corporation or overseas income taxes arises for the period due to losses incurred. The Directors have assessed the position in relation to deferred tax and concluded that no provision or asset should be created at this stage in respect of deferred tax in view of the timescale and uncertainty of the recovery of tax losses. This position will be reviewed again at 30 September 2014.

6 Post balance sheet events

In the period since the balance sheet date, Byotrol Plc, has conditionally raised £1,250,000 before expenses, by the placing for cash of 41,666,668 new ordinary shares of 0.25 pence each at 3 pence per Placing Share

7 Report and Financial Information

It is intended that copies of the financial statements for the Group for the year ended 31 March 2014 will be available from the Company's registered office and will be posted to shareholders and on the Company's website on 3 July 2014.