

Legendary Investments PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2010

Legendary Investments Plc

Annual Report and Accounts for the year ended 31 March 2010

Contents	Page
Company Information	1
Chief Executive's Statement	2
Directors' Report	3
Remuneration Report	5
Corporate Governance	6
Statement of Directors' Responsibilities	7
Independent Auditor's Report	8
Profit and Loss Account	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Financial Statements	13
Notice of General Meeting	21
Notice of Annual General Meeting	25

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Company Information for the year ended 31 March 2010

Company address and Registered Office	Legendary Investments Plc 2nd Floor Berkeley Square House Berkeley Square London W1J 6BD
Directors	Gavin Anthony Preston – Chief Executive Zafarullah Karim – Non-Executive Director
Secretary	Zafarullah Karim
Registered number	3920241 (England and Wales)
Auditor	Baker Tilly UK Audit LLP Chartered Accountants 2 Bloomsbury Street London WC1B 3ST
Nominated adviser and broker	Astaire Securities Plc 46 Worship Street, London EC2A 2EA
Registrars	Capita Registrars Northern House Woodsome Park Fenay Bridge Huddersfield HD8 0GA

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Chief Executive's Statement

Review of activities

The year under review was primarily spent disposing of old investments while at the same time preserving capital as far as possible. New investments were assessed but it was felt that few were of a profile suitable for your Company. A number of investments were made in UK listed companies. Overall, net losses on investments were £7,000. For the prior year, your Company had net gains on investments of £131,000.

Efforts were made to reduce costs. As a result administrative costs fell from £132,000 to £81,000. As part of the effort to support the Company's financial position, the directors drew little or no salary. Post year end I waived the salary due to me (£13,750), and Zafar Karim has received only £7,000 of the £12,000 due to him.

As at 31 March, no recoveries of the debt owed by Echelon Wealth Management Limited had been made. As a consequence and the lack of clear information in this regard, the remainder of the debt, £63,000, has been written off. There was a non-cash charge of £123,000 recognised in the first half relating to options granted to the directors. Overall, for the year under review, your Company made net losses of £274,000. Net losses for the prior year amounted to £551,000.

Post the balance sheet date, the Company's prospects were assessed in light of the capital available for investment and the investment environment. It was decided that the Company needed to raise funds to be able to continue in business. In August 2010, a group of investors were found who agreed to provide to the Company a £30,000 loan facility bearing no interest and having no fixed payment term. At the time the shares of your Company were trading at 0.075p. The investors were granted 260 million warrants with an exercise price of 0.1p, or a 33% premium to the then share price. In order to minimise dilution of current shareholders, the directors cancelled 250 million options which were granted to them in May 2009. Thus funding was obtained for the Company's immediate needs with an increase in the fully diluted shares of 10 million shares or 1%.

As a result of the actions during the year, and post the balance sheet date, all of the Company's investments have been disposed of or written off, and the Company has funds for its immediate needs.

Outlook and going concern

As explained in the Review of Activities, subsequent to the year end, the Company obtained a facility of £30,000 in exchange for the issue of warrants. These funds are sufficient to cover the Company's short-term cash flow requirements. Currently your Company is exploring various options, including discussions regarding various investments, to secure your Company's future in the best interest of the shareholders' and Company. Discussions are ongoing with various investors. Based on discussions conducted to date, the directors have a reasonable expectation that additional investment might be made into the Company, although there can be no certainty over this position.

Gavin Preston
Chief Executive
24 September 2010

Registered Office:
2nd Floor
Berkeley Square House
Berkeley Square
London W1J 6BD

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Directors' Report

The Directors present their report and the financial statements for the year ended 31 March 2010.

Principal activities and review of business

The principal activity of the Company is that of an investment company. A review of the business is given in the Chief Executive's Statement.

Future developments

The Chief Executive's Statement gives details of the coming year and outlook for the future.

Risk and uncertainties

The principal risks and uncertainties facing the Company during the year are those relating to the underlying performance of its investments, and the credit risk associated with the custodians of its assets.

Given the nature of the Company's current business activities, the use of Key Performance Indicators is not necessary for an understanding of the performance, development or position of the business.

Results and dividends

The results for the year are set out in the profit and loss account. For the year ended 31 March 2010, the Company made a net loss of £274,000 (2009: £551,000). The Directors are precluded from the payment of a dividend as a result of the accumulated losses of the Company. A commentary on the reported results is provided in the accompanying Chief Executive's Statement.

Going concern

The Company's business activities, together with the financial position of the Company and the factors likely to affect its future development, performance and position are set out in the Chief Executive's Statement.

As explained in the Chief Executive's Statement, subsequent to the year end, the Company obtained a facility of £30,000 in exchange for the issue of warrants. These funds are sufficient to cover the Company's short-term cash flow requirements. Currently the Company is exploring various options, including discussions regarding various investments, to secure the Company's future in the best interest of the shareholders' and Company. Discussions are ongoing with various investors. Based on discussions conducted to date, the directors have a reasonable expectation that additional investment might be made into the Company, although there can be no certainty over this position.

The directors have concluded that the circumstances highlighted above represent a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Charitable and political donations

During the current and prior years no political or charitable donations were made.

Directors

The following were directors of the Company during the financial year under review and up to the date of the signing of these financial statements:

Gavin Preston	(appointed 17 April 2009)
Eaitisham Ahmed	(resigned 17 April 2009)
Zafarullah Karim	

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Directors' Report

Substantial Shareholders

As at 16 September 2010, substantial shareholders of the Company comprised the following:

	Ordinary shares %
Trustees in the Bankruptcy of Eaitisham Ahmed	32.4%
Dartington Portfolio Nominees	6.6%
Fiske Nominees Limited	4.2%
Barclayshare Nominees	3.3%

Suppliers payment policy

Terms and conditions are agreed with suppliers individually and the Company pays its suppliers in accordance with these terms, provided that the suppliers meet the agreed conditions.

As at 31 March 2010, trade creditors represented approximately Nil days (2009: Nil days) of investment purchases.

Statement as to disclosure of information to the auditor

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditor

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

On behalf of the Board

Gavin Preston
Chief Executive
24 September 2010

Registered Office:
2nd Floor
Berkeley Square House
Berkeley Square
London W1J 6BD

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Remuneration Report

This Remuneration Report sets out the remuneration of the directors and details of their options.

Amounts charged to the profit and loss account in respect of directors' remuneration during the year were as follows:

	Fees	
	2010 £	2009 £
Gavin Preston	13,750	-
Eaitisham Ahmed	-	35,000
Zafarullah Karim	12,000	12,000
	<u>25,750</u>	<u>47,000</u>

None of the Directors received any bonus payments or other benefits. Furthermore, Gavin Preston waived his salary post year end and Zafar Karim has received only £7,000 of his salary.

The service contract of the Executive Director is terminable on a maximum of three months notice by the Company.

The Company has unapproved and approved share option schemes in which the Directors participate. Details of Directors' outstanding share options are shown below:

	Exercise price per share	Number at 31 March 2010	Number at 1 April 2009
Gavin Preston	0.4p	150,000,000	-
Eaitisham Ahmed	2.0p	-	125,000,000
Zafarullah Karim	0.4p	100,000,000	75,000,000

Since the end of the year under review, Gavin Preston's and Zafarullah Karim's options were cancelled leaving each of them with zero options.

The market price of the Company's ordinary shares ranged from a high of 0.235p to a low of 0.105p during the year. Up until 28 May 2009 the Company's shares were suspended.

Gavin Preston
Director
24 September 2010

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Corporate Governance

Whilst the Board supports the provisions of the Code of Best Practice embodied in section 1 of the Combined Code (2008), the size and nature of the Company does not warrant compliance with all of the Combined Code's requirements. The statements below set out how the principles are applied to the Company.

Directors

The Board comprises one Executive Director and one Non-Executive Director. The Directors work together throughout the year.

The Board meets formally, as required but at least 4 times a year. At each scheduled meeting of the Board, the Chief Executive reports on the Company's operations. All Directors are subject to re-election by shareholders at the first opportunity after their appointment. All Directors are required to retire by rotation and one third of the Board is required to seek re-election each year. Recommendations on new appointments to the Board are made by individual Directors and are discussed at Board meetings.

Financial controls

As there are only two Directors, the Board had decided that an Audit Committee is not currently required and the Board considers matters relating to the financial accounting controls, the reporting of results, and the effectiveness and cost of the audit.

Auditor

The Board undertakes an assessment of the auditor's independence each year which includes:

- A review of non-audit services provided to the Company and related fees;
- Discussion with the auditors of a written report detailing all relationships with the Company and any other parties that could affect independence or the perception of independence;
- A review of the auditor's own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and
- Obtaining written confirmation from the auditor that, in their professional judgment, they are independent.

An analysis of the fees payable to the external audit firm in respect of both audit and non-audit services during the year is set out in Note 1 to the financial statements.

Accountability and financial reporting

The Board aims to present a balanced and understandable view of the Company's financial position and prospects.

The Board is responsible for ensuring that the Company maintains a system of internal financial controls, including suitable monitoring procedures. The objectives of the systems are to safeguard Company assets, ensure proper accounting records are maintained and that the financial information used within the business and for publication is reliable. Any such system can only provide reasonable, but not absolute, assurance against material misstatement or loss. Internal financial control monitoring procedures undertaken by the Board include the review of financial reports, the monitoring of performance and the prior approval of all significant expenditure.

Gavin Preston
Director
24 September 2010

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the directors are required to:

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

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

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Gavin Preston
Chief Executive
24 September 2010

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Independent Auditor's Report

We have audited the financial statements on pages 10 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

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

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in the notes on page 13 of the financial statements concerning the Company's ability to continue as a going concern. The Company incurred a net loss of £274,000 during the year ended 31 March 2010 and, at that date, the Company's current liabilities exceeded its total assets by £83,000. The Company is currently seeking new finance in order to fund its operations. The directors have a reasonable expectation that additional investment might be made into the Company, although there can be no certainty over this position. These conditions, along with the other matters explained on page 13 of the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments, if any, that would result if the Company was unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Independent Auditor's Report

Matters on which we are required to report by exception

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

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

DAVID CLARK (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

2 Bloomsbury Street

London WC1B 3ST

24 September 2010

Legendary Investments Plc
Annual Report for the year ended 31 March 2010

Profit and Loss Account
for the year ended 31 March 2010

	Notes	2010 £'000	2009 £'000
Net (loss)/gain on investments held for trading		(7)	131
Net administrative expenses		(81)	(132)
Exceptional provision against debtors	2	(63)	(550)
Share option charge	11	(123)	–
Operating loss		<u>(274)</u>	<u>(551)</u>
Loss on ordinary activities before taxation	1	(274)	(551)
Tax on loss on ordinary activities	4	–	–
Loss for the financial year	13	<u>(274)</u>	<u>(551)</u>
Loss per share			
– basic and fully diluted (pence)	5	<u>(0.04)p</u>	<u>(0.08)p</u>

A separate statement of recognised gains and losses has not been prepared as the Company has no recognised gains or losses in the current or prior period other than the loss noted above.

All activities derive from continuing operations.

Legendary Investments Plc
Annual Report for the year ended 31 March 2010

Balance Sheet
as at 31 March 2010

	Notes	2010 £'000	2009 £'000
Current assets			
Financial assets held for trading	6	–	8
Debtors due within one year	7	39	66
		<u>39</u>	<u>74</u>
Creditors: amounts falling due within one year	8	(122)	(141)
Net liabilities		<u>(83)</u>	<u>(67)</u>
Capital and reserves			
Called up share capital	9	695	628
Share premium account	10	8,338	8,270
Share option reserve		123	–
Profit and loss – deficit	13	(9,239)	(8,965)
Equity shareholders' deficits	13	<u>(83)</u>	<u>(67)</u>

The financial statements were approved by the Board and authorised for issue on 24 September 2010.

Gavin Preston
Chief Executive

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Cash Flow Statement for the year ended 31 March 2010

	Notes	2010 £'000	2009 £'000
Net cash outflow from operating activities	14	<u>(139)</u>	<u>(75)</u>
Financing			
Increase in other loan		4	69
Issue of new ordinary shares		<u>135</u>	<u>–</u>
Decrease in cash	16	<u>–</u>	<u>(6)</u>

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Notes to the Financial Statements

31 March 2010

Accounting convention

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention, modified by the revaluation of investments.

Impairment of asset values

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company has become a party to the contractual provisions of the instrument.

All investments are initially recognised at cost, being the fair value of the consideration given.

After initial recognition, investments that are classified as held for trading are measured at fair value. Gains or losses on investments held for trading are recognised in income.

For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted bid prices at the close of business on the balance sheet date.

Deferred taxation

Deferred tax is recognised in respect of differences between the Company's taxable profits and its results as stated in the financial statements that have originated but not reversed at the balance sheet date.

Deferred tax assets are only recognised where there is an expectation that they will result in a reduction in corporation tax payments in the foreseeable future.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

Going concern

The Company's business activities, together with the financial position of the Company and the factors likely to affect its future development, performance and position are set out in the Chief Executive's Statement.

As explained in the Chief Executive's Statement, subsequent to the year end, the Company obtained a facility of £30,000 in exchange for the issue of warrants. These funds are sufficient to cover the Company's short-term cash flow requirements. Currently the Company is exploring various options, including discussions regarding various investments, to secure the Company's future in the best interest of the shareholders' and Company. Discussions are ongoing with various investors, the outcome of which will determine whether or not the Company is a going concern. Based on discussions conducted to date, the directors have a reasonable expectation that additional investment might be made into the Company, although there can be no certainty over this position.

The directors have concluded that the circumstances highlighted above represent a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern and that, therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and considering the uncertainties described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Notes to the Financial Statements

31 March 2010

The directors have also considered what the impact would be of preparing these financial statements on a break up basis and have concluded that there would be no significant difference between this and the financial statements as currently presented.

Share based payments

The cost of providing share-based payments to employees is charged to the income statement over the vesting period of the related share options or share allocations. The cost is based on the fair value of the options and share allocations determined using the Black Scholes pricing model, which is appropriate given the vesting and other conditions attached to the options. The value of the charge is adjusted at each balance sheet date to reflect expected and actual levels of vesting.

1 Loss on ordinary activities before tax

	2010 £'000	2009 £'000
Loss on ordinary activities before tax for the year is stated after charging:		
Auditor's remuneration – statutory audit	12	17
– Services relating to taxation	7	9
– Other services	4	10
	<u> </u>	<u> </u>

2 Exceptional provision against debtors

	2010 £'000	2009 £'000
Exceptional provision against balances held with brokers	63	550
	<u> </u>	<u> </u>

As announced on 28 November 2008, the Company received notification that Echelon Wealth Management Limited (“Echelon”) was in provisional liquidation. On the basis of the lack of progress made in recovering amounts owed by Echelon, a provision has been taken against the outstanding amount of the monies due.

3 Directors

	2010 Number	2009 Number
Number of employees		
The average monthly number of employees, including directors, during the year was:	2	2
	<u> </u>	<u> </u>
	£'000	£'000
Directors' emoluments		
Directors' fees	26	47
	<u> </u>	<u> </u>

Legendary Investments Plc
Annual Report for the year ended 31 March 2010

Notes to the Financial Statements
31 March 2010

4 Tax on loss on ordinary activities

	2010	2009
	£'000	£'000
Analysis of charge in the year:		
Current tax	–	–
Deferred tax	–	–
	<u>–</u>	<u>–</u>
	<u>–</u>	<u>–</u>
Factors affecting tax charge for year:		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK (28%). The differences are explained below:		
Loss on ordinary activities before tax	(274)	(551)
	<u>–</u>	<u>–</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK 28% (2009: 28%)	(77)	(154)
Expenses not deductible for tax purposes	–	5
Tax losses unutilised	77	149
	<u>–</u>	<u>–</u>
Current tax charge for year	<u>–</u>	<u>–</u>

As at 31 March 2010 the Company had losses of approximately £5.7m (2009: £5.6m) available to carry forward against future income arising from the same trade. No deferred tax asset is recognised in respect of these losses due to the uncertainty as to the utilisation of the losses in the foreseeable future.

Future tax charges will be dependent on the split of profits for tax purposes as between revenue and capital items, and the utilisation of losses incurred to date.

5 Loss per ordinary share

	2010	2009
	£'000	£'000
Loss for the financial year	(274)	(551)
	<u>–</u>	<u>–</u>
Average number of ordinary shares in issue ('000)	683,917	627,667
	<u>–</u>	<u>–</u>
Basic loss per share (pence)	(0.04)p	(0.08)p
	<u>–</u>	<u>–</u>
Fully diluted loss per share (pence)	(0.04)p	(0.08)p
	<u>–</u>	<u>–</u>

The share options and warrants do not give rise to any dilution and therefore the fully diluted loss per share is equal to the basic loss per share.

Legendary Investments Plc
Annual Report for the year ended 31 March 2010

Notes to the Financial Statements
31 March 2010

6 Financial assets held for trading

	2010	2009
	£'000	£'000
Listed investments	—	8

7 Debtors: amounts due within one year

	2010	2009
	£'000	£'000
Balances held with brokers	652	616
Less: provision for impairment	(613)	(550)
	<u>39</u>	<u>66</u>

Balances held with brokers represent the Company's financial assets, upon which no interest is received.

There have been no movements in the provisions against debtors other than the charge for the year.

8 Creditors: amount falling due within one year

	2010	2009
	£'000	£'000
Trade creditors	13	—
Accruals	21	57
Other loans	88	84
	<u>122</u>	<u>141</u>

Trade creditors and other loans represent the Company's financial liabilities measured at amortised cost. Due to their short term nature, carrying value approximated to fair value.

The other loans bear no interest and are due within one year.

9 Share capital

	2010	2009
	£'000	£'000
Authorised		
3,000,000,000 ordinary shares of £0.001 each	<u>3,000</u>	<u>3,000</u>
Allotted, called up and fully paid		
695,167,198 (2009: 627,667,198) ordinary shares of £0.001 each	<u>695</u>	<u>628</u>

On 28 May 2009, the Company placed 67,500,000 ordinary shares of nominal value 0.1p per share at 0.2p per share thereby raising £135,000.

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Notes to the Financial Statements

31 March 2010

10 Share premium

	Called up Share Capital £'000	Share Premium Account £'000
At 1 April 2009	628	8,270
Ordinary shares of 0.1 pence each issued	67	68
At 31 March 2010	<u>695</u>	<u>8,338</u>

On 28 May 2009 the Company issued 67,500,000 ordinary shares of nominal value 0.1p per share at a premium of 0.1p per share there by raising £135,000.

11 Share based payment

Legendary Investment Plc unapproved Share Option Plan

The Company has a share option plan under which it grants options and shares to certain directors and employees of the Company. If the options remain unexercised for a period after 10 years from the date of grant, the options expire.

The Company has unapproved and approved share option schemes in which the Directors participate. Details of Directors' outstanding share options as at the year ended 31 March 2010 are shown below.

	Exercise Price per share	Number at 31 March 2010	Number at 1 April 2009
Gavin Preston	0.4p	150,000,000	–
Eaitisham Ahmed	2p	–	125,000,000
Zafarullah Karim	0.4p	100,000,000	75,000,000

The options remain in force, as long as their holder remains an employee of the Company and are exercisable immediately.

The market price of the Company's ordinary shares ranged from a high of 0.235p to a low of 0.105p during the year and shares had been suspended up until 28 May 2009.

Since 31 March 2010 all options were cancelled (see note 18).

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Notes to the Financial Statements

31 March 2010

11 Share based payment (continued)

For the year ended 31 March 2010

Movements in ordinary share options outstanding

	Number	Weighted average exercise price pence
1 April 2009	200,000,000	1.4p
Granted during the	175,000,000	0.4p
Cancelled in the year	(125,000,000)	2p
At 31 March 2010	<u>250,000,000</u>	<u>0.4p</u>

All options were exercisable at the end of the year.

During the year 75,000,000 share options were re-priced from an exercise price of 0.8p to 0.4p.

There were no movements in the number of share options in issue in 2009.

Fair value

The fair value of the options is estimated at the date of grant using a Black-Scholes option pricing model that uses assumptions noted in the table below. No performance conditions were included in the fair value calculations.

Expected life of options (years)	5
Exercise price	0.4p
Share price at grant date	0.19p
Risk free rate	2.84%
Expected share price volatility	50%
Expected dividend yield	-
Estimate of % of options vesting	100%
Assumed staff attrition	0%
Fair value of options	0.049p

The Company uses historical data to estimate option exercise and employee termination within the valuation model. Expected volatilities are based on implied volatilities as determined by simple average of a sample of listed companies base in similar sectors. The risk free rate for period within the contractual life of the option is based on the UK gilt yield curve at the time of the grant.

Other Information

The share based payment charged for the year was £123,000 (2009: £Nil).

Legendary Investments Plc
Annual Report for the year ended 31 March 2010

Notes to the Financial Statements
31 March 2010

12 Profit and loss reserve

	2010	2009
	£'000	£'000
At the start of the year	(8,965)	(8,414)
Loss for the year	(274)	(551)
At the end of the year	<u>(9,239)</u>	<u>(8,965)</u>

13 Reconciliation of movements in shareholders' deficit

	2010	2009
	£'000	£'000
Opening shareholders' (deficit)/funds	(67)	484
Loss for the financial year	(274)	(551)
Share issue	135	–
Share option charge	123	–
Closing shareholders' deficit	<u>(83)</u>	<u>(67)</u>

14 Reconciliation of operating loss to net cash outflow from operating activities

	2010	2009
	£'000	£'000
Operating loss	(274)	(551)
Loss/(gains) on investments	7	(131)
Exceptional provision against debtors	63	550
Share option charge	123	–
Cash outflow on trading of current asset investments	1	(59)
(Decrease)/increase in creditors	(23)	27
(Increase)/decrease in debtors	(36)	89
Net cash outflow from operating activities	<u>(139)</u>	<u>(75)</u>

15 Analysis of net debt

	At 31 March	Cash	At 31 March
	2009	flows	2010
	£'000	£'000	£'000
Other loan	<u>(84)</u>	<u>(4)</u>	<u>(88)</u>

16 Reconciliation of net cash flow to movement in net debt

	2010	2009
	£'000	£'000
Decrease in cash in the year	–	(6)
Cash outflow from financing activities	(4)	(69)
Net debt at start of year	(84)	(9)
Net debt at end of year	<u>(88)</u>	<u>(84)</u>

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

Notes to the Financial Statements

31 March 2010

17 Financial instruments

Interest rate risk

The Company had no floating rate financial liabilities at 31 March 2009 and 31 March 2010.

Borrowing facilities

At the year end the Company had no overdraft facility (2009: £Nil).

Currency risk

Due to the short term nature of trading in foreign currency investments, the Company has limited exposure to currency risk.

Credit risk

The events of the credit crunch led to extreme market conditions and a number of financial institutions failing. Following this event, the Directors have adopted the policy of diversifying the brokers that the Company utilises. The Directors believe that this reduces the credit risk to which the Company is exposed.

Liquidity risk

The Company manages liquidity risk by investing primarily in listed investments. The Directors believe that these factors limit the Company's exposure to liquidity risk.

Market risk

The Company monitors its investments in listed investments on a regular basis, and takes action when it deems appropriate.

18 Post balance sheet events

Subsequent to the balance sheet date, all of the Company's investments were liquidated. In addition, £88,379 of other loans that was interest free and had no fixed term for repayment was waived.

An investor group provided a facility of £30,000 to the Company in return for 260,000,000 warrants with an exercise price of 0.1p per share. At the time of the grant, the Company's shares were trading at 0.075p per share.

In addition, subsequent to the provision of the facility and grant of warrants, 250,000,000 options held by the directors of the Company were cancelled as detailed below:

		Exercise Price per share	Number	Resultant Number as at 24 September 2010
Gavin Preston	Cancelled	0.4p	150,000,000	–
Zafarullah Karim	Cancelled	0.4p	100,000,000	–

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of LEGENDARY INVESTMENTS Plc (the “Company”) will be held at the Holiday Inn (Orchard 2) Gibson Road, London SM1 2RF, on 1 November 2010 at 12.00 pm, or if later, following the conclusion of the Annual General Meeting of which notice has been given to commence at 11.30 am on the same day at the same place as the aforesaid, for the purpose of considering, in accordance with the provisions of section 656 of the Companies Act 2006, whether any, and if so what, steps should be taken to deal with the situation arising by virtue of the fact that the net assets of the Company are half or less of its called up share capital.

By order of the Board

Gavin Preston

Director

Dated: 24 September 2010

Registered Office:
2nd Floor
Berkeley Square House
Berkeley Square
London W1J 6BD

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

NOTICE OF GENERAL MEETING

Notes:

1. A member who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak, and to vote instead of him/her. A proxy need not be a member of the Company. Only shareholders, proxies and authorised representatives of corporations that are shareholders are entitled to attend the meeting.
2. In the case of joint holders the signature of one holder on the form of proxy will be accepted by the vote of the senior who tenders a vote whether in person or by proxy to the exclusion of the votes of any joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of such joint holdings.
3. In the case of a corporation the form of proxy must be signed on its behalf by a duly authorised officer of the corporation.
4. A form of proxy is provided with this notice. To be effective a form of proxy together with any power of attorney or other authority under which it is executed or a copy thereof certified notarially or in accordance with the Power of Attorney Act 1971 or as the Directors shall accept must be sent to the Company Secretary, Legendary Investments plc, c/o Capita Registrars, PXS, the Registry, 34 Beckenham Road, Beckenham BR3 4TU so as to arrive not later than 48 hours before the start of the meeting.
5. Any alteration made to the form of proxy should be initialled.
6. Completion of the form of proxy will not affect the right of a member to attend and vote at the meeting.
7. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members registered in the register of members of the Company as at 12.00 pm on 30 October 2010, this being 48 hours before the start of the Meeting, shall be entitled to attend and vote at this meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the right of any person to attend or vote at this meeting.
8. To be entitled to attend and vote at the General Meeting (and for the purpose of determination by the Company of the number of votes they may cast), members must be entered on the Company's Register of Members by 12.00 pm on 30 October 2010, this being 48 hours before the start of the Meeting.

Legendary Investments Plc

General Meeting

PROXY FORM

Before completing this form, please read the explanatory notes below.

I/We being a member of the Company appoint the Chairman of the meeting or (see note 3)

as my/our proxy to attend, speak and vote on my/our behalf at the General Meeting of the Company to be held at Holiday Inn (Orchard 2) Gibson Road, London SM1 2RF, on 1 November 2010 at 12.00 pm or if later, following the conclusion of the Annual General Meeting of which notice has been given to commence at 11.30 am on the same day at the same place as the aforesaid, and at any adjournment of the meeting.

Signature: _____ Dated: _____ 2010

Notes to the proxy form

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
5. To appoint a proxy using this form, the form must be:
 - completed and signed;
 - sent or delivered to the Company Secretary, Legendary Investments plc, c/o Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, BR3 4TU; and
 - received by Capita Registrars no later than 12.00 pm on 30 October 2010, this being 48 hours before the start of the Meeting.
6. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.
7. Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
8. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
9. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
10. You may not use any electronic address provided in this proxy form to communicate with the Company for any purposes other than those expressly stated.



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PXS
34 Beckenham Road
BECKENHAM
BR3 4TU

Second Fold

First Fold

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Legendary Investments Plc (the “Company”) will be held at Holiday Inn (Orchard 2) Gibson Road, London SM1 2RF, on 1 November 2010 at 11.30 am for the following purposes:

ORDINARY BUSINESS

To consider and if thought fit, pass the following resolutions, as ordinary resolutions:

- Resolution 1. To receive the financial statements for the year ended 31 March 2010 together with the Reports of the Directors and Auditors thereon.
- Resolution 2. To re-elect Gavin Anthony Preston, the Director retiring by rotation.
- Resolution 3. To appoint Baker Tilly UK Audit LLP as the Company’s Auditor until the conclusion of the next Annual General Meeting, and to authorise the Directors to determine the Auditors’ remuneration.

SPECIAL BUSINESS

To consider and if thought fit, pass the following resolution as an ordinary resolution:

- Resolution 4. THAT in substitution for all previous authorities and with effect from the time of the passing of this resolution, the directors be generally and unconditionally authorised to exercise all powers of the Company, pursuant to Section 551 of the Companies Act 2006 (the “Act”), to exercise all the powers on the Company to allot shares or grant rights to subscribe for or to convert any securities into shares up to an aggregate nominal amount of £660,000, provided that this authority shall expire at the conclusion of the next Annual General Meeting after the passing of this resolution save that in each case, the Company may make offers and enter into agreements during the relevant period which would, or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after the authority ends.

To consider and if thought fit, pass the following resolution as a special resolution:

- Resolution 5. THAT, subject to the passing of resolution 4 above, the Directors be empowered pursuant to Section 570 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred on them by resolution 4 above as if Section 561(1) of the said Act did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal value of £660,000.

Such power shall expire, unless sooner revoked, at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, save that in each case, that the Company may make offers and enter into agreements during the relevant period which would, or might, require equity securities to be allocated after the authority ends.

For the purposes of this resolution:

- (a) references to any allotment of equity securities shall include a sale of treasury shares; and
- (b) the nominal amount of any securities shall be taken to be in case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

Legendary Investments Plc
Annual Report for the year ended 31 March 2010

NOTICE OF ANNUAL GENERAL MEETING

To consider and if thought fit, pass the following resolution as a special resolution:

Resolution 6. THAT the investment policy of the Company, as set out below, be approved:

Investments will be made in sectors including but not limited to e-commerce and technology, specifically in businesses with the potential for high capital appreciation over a relatively short period of time. In certain cases, investments may be made in the anticipation of receiving dividends, and such investments may be held for longer periods. The focus will be primarily on high growth economies and companies. The intention has been, and is, to build prudently yet rapidly the capital base of the Company with a view to expanding its investing base.

The investments will be structured using both equity and debt, including leverage through the use of derivatives. Such leverage is expected to be limited to 100 percent of the gross asset value of the Company at the time of investment. Dependent on the nature and size of the investments, the Company may take a passive or active role in the investments: typically, investments will be held for between one and three years, but may be held for shorter periods where appropriate.

By order of the Board

Gavin Preston
Director
Dated: 24 September 2010

Registered Office:
2nd Floor
Berkeley Square House
Berkeley Square
London W1J 6BD

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak, and to vote instead of him/her. A proxy need not be a member of the Company. Only shareholders, proxies and authorised representatives of corporations that are shareholders are entitled to attend the meeting.
2. In the case of joint holders the signature of one holder on the form of proxy will be accepted by the vote of the senior who tenders a vote whether in person or by proxy to the exclusion of the votes of any joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of such joint holdings.
3. In the case of a corporation the form of proxy must be signed on its behalf by a duly authorised officer of the corporation.
4. A form of proxy is provided with this notice. To be effective a form of proxy together with any power of attorney or other authority under which it is executed or a copy thereof certified notarially or in accordance with the Power of Attorney Act 1971 or as the Directors shall accept must be sent to the Company Secretary, Legendary Investments plc, c/o Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, BR3 4TU so as to arrive not later than 48 hours before the start of the meeting.
5. Any alteration made to the form of proxy should be initialled.
6. Completion of the form of proxy will not affect the right of a member to attend and vote at the meeting.
7. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those members registered in the register of members of the Company as at 11.30 am 30 October 2010, this being 48 hours before the start of the Meeting, shall be entitled to attend and vote at this meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the right of any person to attend or vote at this meeting.
8. Resolution 4, which is an ordinary resolution, authorises the Directors to allot unissued shares or any other instrument including options up to an aggregate nominal value of £660,000. This authority, if granted, will expire on the conclusion of the next Annual General Meeting.
9. If shares are to be allotted using the authority under resolution 5, and are to be paid for in cash, Section 561(1) of the Companies Act 2006 requires that those equity securities are offered first to existing shareholders in proportion to the number of Ordinary Shares they each hold at that time. An offer of this type is called a 'rights issue' and the entitlement to be offered the shares first is known as a 'pre-emption right'.

In certain circumstances however, it may be in the interests of the Company for the Directors to be able to allot some of the shares for cash other than by way of a rights issue. Resolution 5, which is a special resolution, asks shareholders to waive their pre-emption rights, but only for securities having a maximum aggregate nominal value of £660,000, which represents ninety four point eight percent (94.8%) of the current issued share capital. This percentage is outside the guidelines of the Association of British Insurers, but is essential in order to provide the Company with sufficient capital to continue in business. In August of this year the Company announced that it has obtained a facility for £30,000. This facility bears no interest and has no fixed terms for repayment. In exchange for this facility, the Company issued 260,000,000 warrants at 0.1p on 6 August 2010. At that time the Company's share price was 0.075p. In order to minimise the potential dilution represented by the new warrants, the directors cancelled their 250,000,000 options. In sum, the Company obtained a facility of £30,000 by a net potential increase in dilution of 10,000,000 shares or 1%. Without this facility the Company would not be able to continue in business. In order to provide the Company with flexibility in considering its options going forward, directors are seeking to obtain a waiver of pre-emption rights over an additional 400,000,000 shares. With full exercise of the pre-mentioned warrants, the additional 400,000,000 shares would represent forty one point nine percent (41.9%) of the then enlarged share capital. The directors believe that such flexibility would be in the best interests of the shareholders. This authority will expire at the conclusion of the next Annual General Meeting unless revoked sooner.

Legendary Investments Plc

Annual Report for the year ended 31 March 2010

NOTICE OF ANNUAL GENERAL MEETING

Notes (continued):

10. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determination by the Company of the number of votes they may cast), members must be entered on the Company's Register of Members by at 11.30 am 30 October 2010, this being 48 hours before the start of the Meeting.
11. The following documents will be available for inspection at the meeting convened by this notice:
 - (a) Register of Directors' share interests
 - (b) Directors' service contracts

Legendary Investments Plc

Annual General Meeting

PROXY FORM

Before completing this form, please read the explanatory notes below.

I/We being a member of the Company appoint the Chairman of the meeting or (see note 3)

--

as my/our proxy to attend, speak and vote on my/our behalf at the Annual General Meeting of the Company to be held at Holiday Inn (Orchard 2) Gibson Road, London SM1 2RF, on 1 November 2010 at 11.30 am and at any adjournment of the meeting.

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is properly put before the meeting.

	Resolution	For	Against	Vote withheld
Resolution 1	To receive the financial statements for the year ended 31 March 2010 together with the Report of the Directors and Auditors thereon.			
Resolution 2	To re-elect Gavin Anthony Preston, the Director retiring by rotation.			
Resolution 3	To appoint Baker Tilly UK Audit LLP as the Company's Auditor and to authorise the Directors to determine the Auditor's remuneration.			
Resolution 4	To authorise the Directors to allot shares pursuant to Section 551 of the Companies Act 2006.			
Resolution 5	To waive rights of pre-emption on allotment of shares until the conclusion of the next Annual General Meeting of the Company after the passing of this resolution.			
Resolution 6	To approve the investment policy of the Company as set out in Notice of the Annual General Meeting.			

Signature: _____ Dated: _____ 2010

Notes to the proxy form

- As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
- Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
- To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
- To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
- To appoint a proxy using this form, the form must be:
 - completed and signed;
 - sent or delivered to the Company Secretary, Legendary Investments plc, c/o Capita Registrars, PXS, The Registry, 34 Beckenham Road, Beckenham, BR3 4TU; and
 - received by Capita Registrars no later than 11.30 am on 30 October 2010, this being 48 hours before the start of the Meeting.
- In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.
- Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
- In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
- If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
- You may not use any electronic address provided in this proxy form to communicate with the Company for any purposes other than those expressly stated.



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Legendary Investments PLC