

Sportscard Credit Card Company Limited

**Directors' report and financial
statements**

Registered number 03218753

31 December 2004



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Company information

Company number: 03218753

Directors

P Dubens
A Galvin

Secretary

C Kennedy - Resigned 13 January 2005
A Galvin - Appointed 13 January 2005

Registered office

Apsley House
78 Wellington Street
Leeds
LS1 2EQ

Auditor

KPMG Audit Plc
1 The Embankment
Neville Street
Leeds
LS1 4DW

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2004.

Principal activity

The principal activity of the company was the promotion of a sports related credit card. The company ceased to trade in 2002.

The profit for the period is shown in the profit and loss account on page 5.

Directors and directors' interests

The directors during the period under review were:

P Dubens

AM Galvin

The directors have no interest in the ordinary share capital of the company. P Dubens and AM Galvin are also directors of the ultimate parent company ukbetting plc, and their interests in the share capital of that company are shown in its accounts.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming annual general meeting.

By order of the board

AM Galvin
Director



31 October 2005

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Report of the independent auditors to the members of Sportscard Credit Card Company Limited

We have audited the financial statements on pages 5 to 11.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

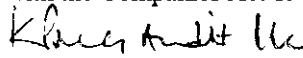
Basis of audit opinion


We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG Audit Plc
Chartered Accountants
Registered Auditor

 2005

Profit and loss account
for the year ended 31 December 2004

	<i>Note</i>	2004 £	2003 £
Turnover	<i>1</i>	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		568	25,148
		<hr/>	<hr/>
Operating profit	<i>2</i>	568	25,148
Interest receivable	<i>4</i>	8	172
Interest payable	<i>4</i>	-	(21)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		576	25,299
Taxation	<i>5</i>	-	11,000
		<hr/>	<hr/>
Retained profit for the year	<i>12</i>	576	36,299
		<hr/>	<hr/>

All the company's turnover and operating profit came from discontinued operations.


There were no recognised gains or losses other than the loss for the year shown above.

There is no material difference between historical cost profits and losses, and those reported in the profit and loss account.

Balance sheet
at 31 December 2004

	<i>Note</i>	2004 £	2003 £
Fixed assets			
Investments	6	2	2
Current assets			
Debtors	7	35,607	35,646
Cash at bank and in hand		422	693
		<hr/>	<hr/>
		36,029	36,339
Creditors: amounts falling due within one year	8	(6,400,827)	(6,401,713)
		<hr/>	<hr/>
Net current liabilities		(6,364,798)	(6,365,374)
		<hr/>	<hr/>
Total assets less current liabilities		(6,364,796)	(6,365,372)
		<hr/>	<hr/>
Net liabilities		(6,364,796)	(6,365,372)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	9	5,000	5,000
Share premium account	10	896,550	896,550
Profit and loss account	12	(7,266,346)	(7,266,922)
		<hr/>	<hr/>
Equity shareholders' deficit	11	(6,364,796)	(6,365,372)
		<hr/>	<hr/>

These financial statements on pages 5 to 11 were approved by the board of directors on 31 October 2005 and were signed on its behalf by:



AM Galvin
 Director

Notes

(forming part of the financial statements)

1 Accounting convention and basis of preparation

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

The accounts have been prepared under the historical cost convention in accordance with applicable UK accounting standards.

The accounts have been prepared on a going concern basis as the ultimate parent undertaking, ukbetting plc, has agreed to provide the necessary financial support for the company to meet its liabilities as they fall due.

As the company is wholly owned subsidiary of a UK parent company it has taken advantage of the exemption permitted by Section 228 of the Companies Act 1985 and consolidated accounts of the company and its subsidiaries have not been prepared.

Turnover

Turnover represents commission invoiced by the company through the promotion of a sports related credit card to customers. Turnover is wholly attributable to the principle activity of the company and arises solely within the United Kingdom.

Investments

Investments are held at cost less any provision for impairment in value. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Deferred taxation

Deferred tax is recognised, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Pension costs

The ultimate parent company, ukbetting plc, operates a defined contribution pension scheme in which the employees of the company participate. The pension cost under this scheme is the amount of contributions payable in respect of the accounting period. The ukbetting plc group provides no other post-retirement benefits to employees.

2 Operating profit/(loss)

This is staged after charging:

	2004 £	2003 £
Auditors' remuneration - audit services	-	11,500
- non-audit services	-	939
	<hr/>	<hr/>

Notes (continued)

3 Directors emoluments and employee information

In 2004 and 2003, directors' emoluments were borne by other group undertakings.

The company had no employees during the current or prior period.

4 Interest

a) Interest payable

	2004 £	2003 £
Bank interest	-	21

b) Interest receivable

	2004 £	2003 £
Bank interest	8	172

5 Taxation

	2004 £	2003 £
<i>UK corporation tax</i>		
Current tax on income for the year	-	9,000
Adjustments in respect of prior years	-	(20,000)
	-	(11,000)

Current tax reconciliation

Loss on ordinary activities before tax	576	25,299
Expected current tax thereon at 30%	173	7,590
Expenses not deductible for tax purposes	-	1,410
Depreciation in excess of capital allowances	-	-
Decrease in tax losses carried forward	(173)	-
Adjustments in respect of prior years	-	(20,000)
	-	(11,000)

There are no material deferred tax assets or liabilities.

Notes (continued)

6 Investments

£

Cost and net book value

At 31 December 2003 and 31 December 2004

2

The following were subsidiary undertakings at the end of the year, the results of which have been included in the consolidated financial statements of the ultimate parent company, ukbetting plc.

Name	Country of registration	Proportion of voting rights held	Nature of business
Sportscard Limited	England & Wales	100%	Dormant
Sports Tickets Limited	England & Wales	100%	Dormant

7 Debtors

	2004 £	2003 £
Other debtors	71	110
Amount due from fellow group undertakings	35,536	35,536
	<u>35,607</u>	<u>35,646</u>

8 Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	220	2,868
Accruals and deferred income	7,000	7,000
Amounts due to group undertakings	6,389,473	6,389,473
Amounts due to parent undertaking	4,134	2,372
	<u>6,400,827</u>	<u>6,401,713</u>

Notes (continued)

9 Share capital

	2004 Number	2003 Number	2004 £	2003 £
<i>Authorised</i>				
Ordinary shares of 1p each	<u>500,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
<i>Allotted and called up</i>				
Ordinary shares of 1p each	<u>500,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

10 Share premium account

	2004 £	2003 £
At 31 December 2003 and 31 December 2004	<u>896,550</u>	<u>896,550</u>

11 Reconciliation of movement in shareholders' deficit

	2004 £	2003 £
Profit for the year	<u>576</u>	<u>36,299</u>
Net change in shareholders' deficit	<u>576</u>	<u>36,299</u>
Opening shareholders' deficit	<u>(6,365,372)</u>	<u>(6,401,671)</u>
Closing shareholders' deficit	<u>(6,364,796)</u>	<u>(6,365,372)</u>

Notes (continued)

12 Movement on reserves

	Profit and loss account £
At 1 January 2004	(7,266,922)
Retained profit for the year	576
	<hr/>
At 31 December 2004	(7,266,346)
	<hr/>

13 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is consolidated in the financial statements of ultimate parent company.

14 Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with entities that are included in the consolidated financial statements of its ultimate parent company.

15 Ultimate parent undertaking

The company's ultimate parent undertaking at the balance sheet date was ukbetting plc, a company registered in England and Wales.

The accounts of ukbetting plc are available from the company's registered office, Apsley House, 78 Wellington Street, Leeds, LS1 2EQ.