

Registered number
4328588

Sports Gaming Limited

Abbreviated Accounts

31 December 2003



Sports Gaming Limited
Independent auditors' Report
to the shareholder of Sports Gaming Limited
under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 6, together with the full accounts of the company for the year ended 31 December 2003 prepared under section 226 of the Companies Act 1985.

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 abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the full accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full accounts.

We conducted our audit of the full accounts in accordance with United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited in respect of consultancy income, over which there was no formal system of control and documentation in place on which we could rely for the purposes of our audit. The reason for the lack of formal controls and documentation is due to the nature and size of the business and the fact that there has been no commercial need for the director to document the origination of the consultancy income. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Qualified Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning consultancy income, in our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect of the limitation on our audit work relating to consultancy income:

- a) we have not obtained all the information and explanations that we considered necessary for the purposes of our audit; and
- b) we were unable to determine whether proper accounting records had been maintained.

AFB Audit Limited

AFB Audit Limited
Registered auditor
3 Coldharbour Business Park
Sherborne
Dorset
DT9 4JW

10 March 2004

Sports Gaming Limited
Abbreviated Balance Sheet
as at 31 December 2003

	Notes	2003 £	2002 £
Fixed assets			
Tangible assets	2	3,854	3,933
Investments	3	100	-
		<u>3,954</u>	<u>3,933</u>
Current assets			
Stocks	2,000	2,000	
Debtors	25,546	43,735	
Cash at bank and in hand	115,886	76,250	
	<u>143,432</u>	<u>121,985</u>	
Creditors: amounts falling due within one year	(59,913)	(39,108)	
Net current assets		<u>83,519</u>	<u>82,877</u>
Total assets less current liabilities		<u>87,473</u>	<u>86,810</u>
Provisions for liabilities and charges		(718)	(747)
Net assets		<u>86,755</u>	<u>86,063</u>
Capital and reserves			
Called up share capital	4	10,000	10,000
Profit and loss account		76,755	76,063
Shareholder's funds		<u>86,755</u>	<u>86,063</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

J. Saumarez Smith

J W Saumarez Smith

Director

Approved by the board on 7 March 2005

Sports Gaming Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2003

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Web design costs	33.3% straight line
Fixtures & Fittings	25% reducing balance

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Foreign currencies

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

Comparatives

The comparative figures in these financial statements have not been audited.

Sports Gaming Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2003

2 Tangible fixed assets	£
Cost	
At 1 January 2003	5,525
Additions	2,475
	<hr/>
At 31 December 2003	8,000
Depreciation	
At 1 January 2003	1,592
Charge for the year	2,554
	<hr/>
At 31 December 2003	4,146
Net book value	
At 31 December 2003	<hr/> 3,854
At 31 December 2002	<hr/> 3,933
3 Investments	£
Cost	
Additions	100
	<hr/>
At 31 December 2003	100

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Sports Information Limited			
Sports Information Limited	England and Wales	Ordinary	100
Vegas Insider.com Incorporated	United States Of America	Ordinary	100

	2003/2004
Capital and reserves	£
Sports Information Limited - As At 31 January 2004	(3,154)
Vegas Insider.com Incorporated - As At 31 December 2003	(95,290)
Profit/(loss) after tax	
Sports Information Limited	(3,254)
(Period 27 January 2003 to 31 January 2004)	
Vegas Insider.com Incorporated	(98,062)
(Period 1 July 2003 to 31 December 2003)	

Sports Gaming Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2003

3 Investments (continued)

Note

Vegas Insider

The results above are those per the U.S. Corporation Income Tax Return submitted, however since the submission of the Return an error has been discovered in the value of deferred revenues which were included and the original figure for deferred revenue has been reduced by \$311,397. The amended results to be submitted are as follows:

	\$
Capital and reserves	
As at 31 December 2003	216,287
Profit/(loss) after tax	
For period 1 June to 31 December 2003	213,515

The directors have elected to implement Section 248 of the Companies Act 1985. Since the company and its subsidiary undertakings are a small group as defined by the above section, there is no requirement to prepare group financial statements.

4 Share capital		2003	2002
		£	£
Authorised:			
Ordinary shares of 10p each		10,000	10,000
		<hr/>	<hr/>
	2003	2002	
	No	No	
			2003
			£
Allotted, called up and fully paid:			
Ordinary shares of 10p each	100,000	100,000	10,000
	<hr/>	<hr/>	<hr/>
Movement in share capital			2003
			£
At 1 January			10,000
Shares issued			-
			10,000
			<hr/>
At 31 December			10,000
			<hr/>

Sports Gaming Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2003

5 Prior Year Adjustment

A fundamental error was identified in the previous year's financial statements in respect of recognition of income. It was noted that invoices raised post year end for work carried out during the financial year had in fact been incorrectly carried forward as work in progress when they should have been recognised as accrued income. As a result of this the previous year's figures have been amended and all work undertaken before the year end but not invoiced until post year end has been included as accrued income.

The effects of the change in policy are summarised below:

	2003 £	2002 £
Profit and loss account		
Sales	(19,055)	19,055
Closing WIP	2,914	(2,914)
Increase(decrease) in profit for year	<u>(16,141)</u>	<u>16,141</u>
Balance sheet		
Other debtors (accrued income)	-	19,055
WIP	-	(2,914)
Profit & Loss Reserve	(16,141)	
Increase (decrease) in net assets	<u>(16,141)</u>	<u>16,141</u>

5 Transactions with the director

The company is controlled by its sole director, J Saumarez Smith by virtue of his 100% share holding in the company.

During the period the director had a loan account with the company. This was not overdrawn at any point during the year and the balance of £41,179 (2002 £11,120) as at 31 December 2003 was the maximum balance on the loan during the year and is included within other creditors.