

TRADINGSPTS EXCHANGE SYSTEMS LIMITED

BALANCE SHEET as at 19 May 2003

	Notes	At 19 May 2003 £
Fixed assets		
Investments	2	701,600
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Current assets		
Debtors	3	59,496
Creditors: amounts falling due within one year	4	(59,496)
		<hr/>
Net current assets		-
		<hr/>
Net assets		701,600
		<hr/>
Capital and reserves		
Called up share capital	5	701,600
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Shareholders' funds	6	701,600
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TRADINGSPO RTS EXCHANGE SYSTEMS LIMITED

NOTES TO THE BALANCE SHEET AND RELATED NOTES at 19 May 2003

1 Accounting policies

The accounts have been prepared in accordance with applicable accounting standards. The more important accounting policies adopted are described below.

Basis of accounting

The accounts have been prepared under the historical cost convention and on a going concern basis.

Investments

Investments are held at cost less any provision for impairment.

| | | | |----------|--------------------|---------------------------------| | 2 | Investments | At 19 May
2003
£ | |----------|--------------------|---------------------------------|

Acquired on 19 May 2003	701,600
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TradingSports Holdings SAH ("TSH") was purchased on 19 May 2003 by way of a share for share exchange (see note 5).

Additional information on subsidiary undertakings:

Subsidiary	Country of incorporation	Activity	Ordinary
TradingSports Holdings SAH	Luxembourg	Holding company	100%

| | | | |----------|----------------|---------------------------------| | 3 | Debtors | At 19 May
2003
£ | |----------|----------------|---------------------------------|

Prepayments	59,496
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| | | | |----------|------------------|----------| | 4 | Creditors | £ | |----------|------------------|----------|

Other creditors	59,496
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TRADINGSPO RTS EXCHANGE SYSTEMS LIMITED

NOTES TO THE BALANCE SHEET AND RELATED NOTES at 19 May 2003

5	Called up share capital	At 19 May 2003 £
	Authorised	
	25,000,000 ordinary shares of £0.10 each	2,500,000
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	Allotted, called up and fully paid	
	7,016,000 ordinary shares of £0.10 each	701,600
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On 3 February 2003 one £1 ordinary share was issued for the consideration of £1.

On 15 May 2003 the Company re-denominated its £1 ordinary shares as £0.10 ordinary shares.

On 15 May 2003 the Company increased its authorised share capital from £1,000 to £2,500,000 by the creation of a further 24,990,000 ordinary shares of £0.10 each.

On 19 May 2003 the Company issued 7,015,990 ordinary shares as consideration for the purchase of the entire issued share capital of TSH. In accordance with the share for share agreement the shareholders of TSH received 200 £0.10 ordinary shares in the Company for every share they owned in TSH.

6	Shareholders' funds	£
	Issued share capital	701,600
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	Closing shareholders' funds at 19 May 2003	701,600
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