Global Investment Research and Analysis

Timing is everything!

stockcube

Stockcube Plc
Annual Report & Accounts 2007

stockcube

Stockcube provides technical research and financial analysis for clients around the world.

Our Mission

We aim to deliver and to provide for our customers:

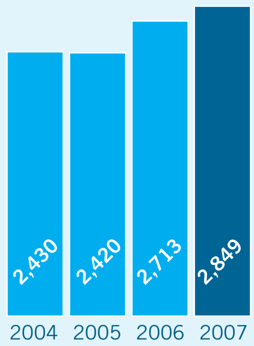
- **High-quality technical research and investment analysis**
- **Advice and data to assist institutions and private investors**
- **Stock market and sector analysis consultancy for institutional investors**
- **Software technology for the financial services sector**

Stockcube Plc is a leading provider of independent financial research.

Our analytical services have been used by institutional and private clients for over forty years and cover all investment classes including stocks, bonds, mutual funds, currencies and commodities.

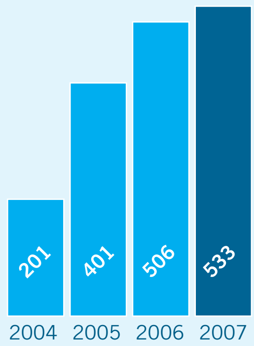
We bring together a broad range of analytical and technical disciplines and our indicators and techniques are recognised as industry standard and used by investors across the globe.

Turnover (£'000)



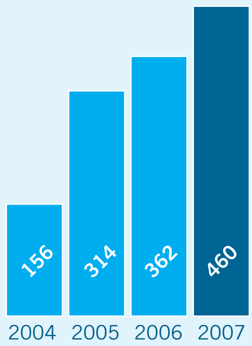
+5%

Profit Before Tax (£'000)



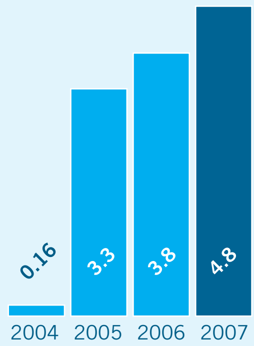
+5%

Profit After Tax (£'000)



+27%

Earnings per Share (p)



+27%

Highlights

- Group turnover **5%** up on last year
- Profit before tax up **5% to £533,000**
- Strong balance sheet with net assets of **27p per share,** of which **24p is cash**
- Earnings per share up **27% to 4.8p**
- Dividend (proposed) increased by **25% to 1.25 pence per share**

Julian Burney, Chief Executive Officer, said:

"2007 was a difficult year for some of our consultancy customers, particularly in the Japanese markets, but overall Stockcube performed very well buoyed by encouraging performances from our wider market services and third party software activities.

"In accordance with our policy of pursuing scalable, organic, growth we returned surplus cash of 25p per share to shareholders during 2007. We are continuing to generate growth and sustainable profits and cash flows from our core trading activities and we disposed of our investment in Sportcal just prior to the year end.

"We remain confident in our future and are proposing an increase of 25% in the dividend in respect of 2007 to 1.25 pence per share."

For further information:

Stockcube Plc	Julian Burney	020-7352-4001
Blue Oar Securities Plc	William Vandyk	020-7448-4400

Contents

Our Business

Stockcube's divisions and subsidiaries publish over 60 pieces of individual research each week. The Group has four main subsidiary businesses.

stockcube

Timing is everything!

Europe's leading technical research consultancy for equities.

Stockcube Research has a global reach, supplying high quality research to institutional fund managers on five continents from offices in London and New York.

Our unique, custom portfolio and watch-list analysis ensures that we provide relevant research, tailored exactly to the individual manager's requirements.

www.stockcuberesearch.com

Investors Intelligence

A History of Innovation

Investors Intelligence is a leading independent provider of research and technical analysis of stocks, currencies, commodities and financial futures.

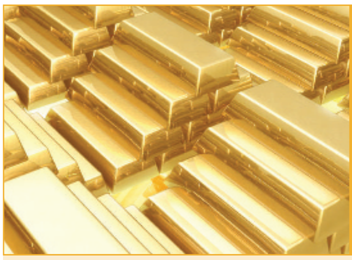
Since pioneering the use of point & figure charting in the 1950s, many of our analytical tools have become industry standards such as the NYSE Bullish % and the Advisors Sentiment Survey. We now produce technical analysis-based advisories for the majority of international financial markets. Our services are subscribed to by investors, traders and financial professionals around the world.

www.investorsintelligence.com

Stockcube's team of analysts cover stock and stock indices across the globe, as well as currencies, commodities, bonds and internationally traded financial futures.

Our subscription-based research is highly regarded in Europe, USA and Asia and our analysts are frequent contributors to the world's financial media.

fullermoney



"Empowerment Through Knowledge"

Fullermoney is one of the world's most highly regarded research services covering global strategy and investment trends.

Fullermoney analyses the major markets — stocks, bonds, currencies and commodities — from both a technical, behavioural and fundamental economic perspective.

www.fullermoney.com

ecube

Technology

ecube are innovative and professional software developers focusing on the financial and web publishing sectors. With our long experience, established software tools and exceptional PhD-led team, we build web-based and integrated desktop solutions that lead the industry.

www.ecube.co.uk

Chairman's Statement

"In 2007 the Group held its own. The outcome for the current year will depend on how well our institutional customers cope with ongoing market turbulence."

Introduction

2007 was a complex year for our customers, starting well with bright prospects for the world's economy but ending in the 'credit crunch' and the threat of global recession. Nevertheless, the group held its own in an erratic year for the world's stock and other financial markets and in several areas showed relatively small but significant advances. In addition, in the middle of the year £2.233 million, half the group's cash holdings, were returned to our shareholders

Financial review

Turnover showed a net increase of 5% from £2.713 million in 2006 to £2.849 million for the year ended 31 December 2007. Profit before tax was £533,000, an increase of 5% over 2006 (£506,000). Basic earnings per share increased by 27% from 3.8p per 10p ordinary share in 2006 to 4.8p in 2007, helped by crystallisation of losses for tax purposes on the eventual disposal of our shareholding in Sportcal. Like for like EPS on a full tax charge for 2007 would have been 4.1p, an increase of 8% over 2006.

After providing for cash still to be returned to shareholders in respect of outstanding redeemable B shares, our balance sheet had net assets of 26.9p per ordinary share at 31 December 2007, of which 24.0p was in cash deposits.

Business review

Turnover from **Stockcube Research**, our institutional consultancy service fell by 7% against 2006, due in the main to reduced revenues from investors exposed to Japanese stock. In common with other independent research providers, we continued to experience teething problems from interpretation by customers and potential customers of the mechanisms through which research commissions are identified, collected and paid on behalf of institutional investors.

Ongoing improvements and enhancements to our **Fullermoney** service helped generate an increase of 12% in the number of subscriptions during the year. Revenues from subscriptions increased by 26% as we continue to achieve a fair market price for our work. Our bi-annual London **Chart Seminars** continue to sell out and together with specialist consultancy work have helped generate an increase of 113% in contribution to group profits.

Investors Intelligence had a mixed year with a reduction in subscription income made up by increases in business data and analysis services, generating an overall uplift of 10% in sales.

Income from our US subsidiary, **Chartcraft**, was up by 8% over 2006 in US dollar terms but due to the dollar's continued weakness showed nil growth when translated to sterling.

Ecube, our in-house software business, which continues to develop and support the Group's technology needs, generated a 106% increase in turnover from third parties in 2007. The high level of repeat business reflects well on our technology team's ability to deliver value for money bespoke software.

Repayment of surplus cash to shareholders

On 27 June 2007, we completed a capital reorganisation and following shareholder and Court approval repaid 25p cash per ordinary share to shareholders. This return of surplus capital has not deflected us from continuing to provide high quality services to our customers and sustained annual returns to our shareholders.

Sportcal

In December 2007, we sold our entire 34.4% holding in Sportcal Global Communications Limited for £225,000 to two of the other shareholders in the business. Net of provisions for impairment and amortisation of goodwill, the disposal generated a loss of £20,000 for 2007. As explained above, the crystallisation of the loss of £237,000 for corporation tax purposes reduced this year's tax provision from a notional rate of 30% to an effective rate of 13.7%.

Staff

I should like to thank all our staff for their contributions during the year.

Dividend

We are pleased to seek shareholder approval at the AGM for a dividend of 1.25 pence per share in respect of the results for 2007, an increase of 25% over 2006.

Outlook

We face turbulent times with the confidence that the Group continues to provide excellent research, analytical services and cost-effective technology solutions for our customers – all, most certainly, needed now more than ever with experience and clarity of vision at a premium amongst the noise of the headlines and news bulletins.

The current year has started solidly enough but the outcome will depend in the main on how well our institutional customers cope with ongoing market turbulence and the strength of their own investors' support and appetite for risk.

Edward Forbes
Chairman
London
22 April 2008

Report on Directors' Remuneration

Directors' remuneration is decided by a Remuneration Committee.

The role of the remuneration committee is to review the performance of the executive Directors of the Group and to set the scale and structure of their remuneration, including bonus arrangements. The remuneration committee also administers the Group's employee share option schemes and recommends the allocation of share options to Directors, senior management and other employees. Approval of this report will not be sought at the annual general meeting.

Remuneration policy for executive Directors

The policy of the board is to provide executive remuneration packages sufficient to attract and retain the Directors needed to run the Company successfully, bearing in mind the Company's size and available capital. The aim of the board is to maintain a policy that:

— provides remuneration levels which reflect the Directors' responsibilities and contain incentives to deliver the Company's objectives

— rewards Directors according to both individual and Company performance

— establishes an appropriate balance between fixed and variable elements of total remuneration with the intention that the performance related element will form an increasingly significant proportion of the package as the Company's revenue grows

— aligns the interests of the executive Directors with those of the shareholders through the use of performance related rewards and share options in the Company

— ensures that Directors' packages are in line with the Company's remuneration policy

The remuneration committee has responsibility for making recommendations to the board on the Company's general policy on remuneration and also specific packages for individual Directors. It carries out the policy on behalf of the board. The committee comprises Dennison Veru and Timothy Horlick, both of whom are independent, non-executive Directors.

Service agreements

Julian Burney, Shirley Yeoh and Andrew Ashman each have a continuous employment contract which is terminable at not less than six months' notice by either party.

Edward Forbes is seconded to the Company from Pendulum Ventures, as chairman on the terms of a consultancy agreement, which is terminable at three months' notice.

Directors' remuneration

Details of the Directors' remuneration can be found in note 6 to the financial statements. Details of each Director's interests in shares and share options are set out in the Directors' Report. Only basic salary is treated as pensionable. There are four main elements of each Director's remuneration package:

- basic salary
- share option incentives
- benefits
- discretionary bonus

Basic salary

Basic salaries are usually reviewed annually by the committee and are set to reflect market conditions, personal performance and those paid for similar jobs in comparable organisations.

Share options incentives — Executive Directors

Following the capital reorganisation on 27 June 2007, whereby 25p cash was returned to shareholders, the exercise prices of the Directors' interests in the Company's Founder and Executive share option schemes were adjusted from 85p to 60p. In all other respects, the scheme remains the same. No options have been exercised or have lapsed in the year.

The executive Directors have interests in the Company's Share Option Schemes, details of which are below:

	Number of ordinary shares under options	Date of grant	Expiry date of option	Exercise price
Founder Employee Share Plan				
Julian Burney	—	—	—	—
Shirley Yeoh	105,000	19 April 2000	18 April 2010	60p
Andrew Ashman	303,000	19 April 2000	18 April 2010	60p
Revenue Approved Executive Share Option Scheme				
Julian Burney	12,000	4 May 2000	3 May 2010	250p
Shirley Yeoh	12,000	4 May 2000	3 May 2010	250p
Andrew Ashman	12,000	4 May 2000	3 May 2010	250p
No. 2 Executive Share Option Scheme				
Julian Burney	100,000	1 May 2004	30 April 2014	60p
Shirley Yeoh	10,000	1 May 2004	30 April 2014	60p
Andrew Ashman	10,000	1 May 2004	30 April 2014	60p

All options are due to expire ten years from the date of the grant.

Benefits

Benefits for executive Directors include health and life insurance and payments to defined contributions pension plans.

Discretionary Bonus

Discretionary bonuses may be payable based on the performance of the individual and the Company.

Non-executive Directors

The remuneration arrangements of the Chairman and non-executive Directors are decided by the board and are set out below. Edward Forbes is not remunerated by the Company. His services are provided by Wilmore Investments Corporation Inc. for up to 20 hours per week at fees of £30,000 per year pro rata with his actual hours, subject to a minimum fee of £10,000 per year. The non-executive Directors are not paid a fee for services. However, they are entitled to reimbursement of travel, hotel and other expenses incurred by them in performing their duties as Directors.

Report on Directors' Remuneration continued

Share options incentives — Non-Executive Directors

The non-executive Directors have options in the No. 2 Executive Share Option Scheme, details of which are below:

	Number of ordinary shares under options	Date of grant	Expiry date of option	Exercise price
Timothy Horlick	45,000	18 April 2000	17 April 2010	60p
	40,000	29 April 2002	28 April 2012	60p
	85,000			
Dennison Veru	45,000	1 May 2000	30 April 2010	60p
	40,000	29 April 2002	28 April 2012	60p
	85,000			
Pendulum Ventures	90,000	18 April 2000	17 April 2010	60p
	40,000	29 April 2002	28 April 2012	60p
	130,000			

No options have been exercised or have lapsed in the year.

Option plan for staff

The Directors believe it is in the interests of the Company to grant incentives to employees through participation in the Company's growth. The Company has therefore established three discretionary executive share option schemes: the Stockcube Founder Employee Share Plan (closed to new members on 18 April 2000), the Stockcube Plc (Revenue Approved) Executive Share Option Scheme and the Stockcube Plc (No. 2) Executive Share Option Scheme (the 'Unapproved Scheme'). (See the Directors' Report.) Agreements granting options have also been entered into with the non-executive Directors and consultants.

Directors' Report

The Directors present their report and the financial statements for the year ended 31 December 2007.

Principal activities

The Company is the holding Company of a Group whose principal activities during the period continued to be provision of research and analysis of price trends in stocks and other financial instruments and website development.

Business Review

On 27 June 2007, the Company underwent a capital reorganisation to return surplus cash of 25p cash per ordinary share to shareholders of the Company.

The review of the Group's business is included in the Chairman's statement and the key performance indicators are shown in the Highlights.

Results for the year and dividends

The profit for the year, after taxation, amounted to £460,000 (2006: £362,000).

The Directors recommend the payment of a 1.25p dividend per ordinary share (2006:1.0p).

Directors and their interests

The Directors at 31 December 2007 and their interests in the share capital of the Company were as follows:

	31 December 2007 Ordinary shares Beneficial	31 December 2006 Ordinary shares Non-beneficial	31 December 2006 Ordinary shares Beneficial	31 December 2006 Ordinary shares Non-beneficial
Edward Forbes	—	50,100	—	50,100
Julian Burney	2,697,416	849,134	750,000	2,796,550
Shirley Yeoh	5,000	—	5,000	—
Andrew Ashman	—	150,000	—	150,000
Dennison Veru	15,000	—	15,000	—
Timothy Horlick	7,500	—	7,500	—

Share option schemes and other share options

Following the capital reorganisation on 27 June 2007, the Company's share options and the option prices were adjusted accordingly.

The Company has adopted the following share option schemes:

(i) *The Stockcube Founder Employee Share Plan ('The Plan')*
Under this plan, options to subscribe for 711,000 ordinary shares were granted to existing Group employees at the placing price of 25p (250p following consolidation of the ordinary shares in May 2006). This scheme is now closed. Following renunciations by leavers, there remain outstanding options over 559,500 ordinary shares. The exercise price of the shares was rebased to 85p in May 2006 and was further adjusted to 60p following the capital reorganisation in June 2007.

(ii) *The Stockcube Plc (Revenue Approved) Executive Share Option Scheme ('The Approved Scheme')*
Application was granted by the Inland Revenue for this scheme under Schedule 9 of the Income and Corporation Taxes Act 1988 ('Taxes Act'). Options granted under this scheme (which following Revenue approval, are 'approved options') are at the discretion of the Remuneration Committee. There are outstanding options over 239,441 ordinary shares.

(iii) *The Stockcube Plc (No. 2) Executive Share Option Scheme ('The Unapproved Scheme')*
Application will not be made to the Inland Revenue for the approval of this scheme. Options granted under this scheme (which will, therefore, be 'unapproved') are at the discretion of the Remuneration Committee. There are outstanding options over 544,705 ordinary shares. The exercise price of the options in this scheme was rebased to 60p following the capital reorganisation in June 2007.

Details of share options issued to Directors are disclosed in the Report on Directors' Remuneration on pages 4 and 5.

Corporate governance

So far as is practicable and to the extent appropriate having regard to the size of Stockcube, the board will consider and where appropriate comply with the principles set out in the Combined Code.

Stockcube has established audit and remuneration committees. These committees comprise non-executive Directors, Timothy Horlick and Dennison Veru. The audit committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported on. It receives and reviews reports from management and the Company's auditors relating to annual and interim financial statements and the internal control systems in use throughout the Group. The roles and responsibilities of the remuneration committee are outlined on page 6.

The main areas of compliance are as follows:

The Board

The Company is directed by the board comprising four executive and two non-executive Directors. The Directors hold board meetings at

Directors' Report continued

which operating and financial reports are considered. The board is responsible for formulating, reviewing and approving the group's strategy, budgets, major items of capital expenditure and senior personnel appointments.

The key elements of financial control are as follows:

Control Environment — presence of a clear organisational structure and well-defined lines of responsibility and delegation of appropriate level of authority.

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The Company has in place a risk management programme that seeks to limit adverse effects on the financial performance of the Company. The Company does not use derivative financial instruments to manage interest rate costs and, as such, no hedge accounting is applied.

Risk Management — business strategy and plans are reviewed by the board.

Financial Reporting — a comprehensive system of budgets and forecasts with monthly reporting of actual results against targets is in operation.

Control Procedures and Monitoring Systems — authorisation levels, procedures and other systems of internal financial controls are documented, applied and regularly reviewed.

Business Risk

The board is responsible for identifying and evaluating the major business risks faced by the Group and for determining and monitoring the appropriate course of action to manage these risks.

The board conducts a review of the effectiveness of the Group's systems of internal control and risk management on an annual basis. Following this review it has concluded that the Group's financial, operational and compliance controls and risk management procedures are appropriate and suitable to enable the board to safeguard shareholders' interests and the Group assets.

Due to the nature and size of the Group at present, the board considers that it is not appropriate to have a dedicated internal control function. The board will continue to review this recommendation on at least an annual basis.

The process and systems of internal control are designed to manage, rather than eliminate, the risk of failure to achieve the Group's objectives, and can therefore only provide reasonable and not absolute assurance against material misstatement or loss.

Creditor payment policy

It is the Group's policy that payments to suppliers are made in accordance with the terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

At 31 December 2007, the Group had an average of 26 (2006:33) days' purchases owed to trade creditors.

Disclosure of Information to the auditors

So far as each of the Directors is aware at the time the report is approved:

- there is no available relevant audit information of which the auditors are unaware and
- that Directors had taken all steps that each Director ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors were aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s234ZA of the Companies Act 1985

Auditors

A resolution to reappoint the auditors, Nexia Smith & Williamson will be proposed at the next annual general meeting.

Approved by the board of Directors
And signed on behalf of the board

S Yeoh
Secretary
22 April 2008

Statement of Directors' Responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Directors are required to prepare financial statements for each financial year which present fairly the financial position of the Company and of the Group and the financial performance and cash flows of the Company and of the Group for that period. In preparing those financial statements, the Directors are required to:

— select suitable accounting policies and then apply them consistently;
— present information, including accounting policies in a manner that provides relevant, reliable, comparable and understandable information;
— provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
— state that the Company and the Group have complied with IFRS, subject to any material departures disclosed and explained in the financial statements.
— confirm that they have complied with these requirements and, having a reasonable expectation that the Company and the Group has adequate resources to continue in operational existence for the foreseeable future, continue to adopt the going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the shareholders of Stockcube Plc

We have audited the Group and parent Company financial statements ('the accounts') of Stockcube Plc for the year ended 31 December 2007 which comprise the Group Income Statement, the Group and Company Balance Sheets, the Group and Company Statement of Changes in Equity, the Group and Company Cash Flow Statements and the related notes 1 to 29. These financial statements have been prepared under the accounting policies set out therein.

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 auditors' 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' responsibilities for preparing the Annual Report and the accounts in accordance with applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union applied in accordance with the provision of the Companies Act 1985 are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. The information given in the Directors' Report includes that specific information presented in the Chairman's Statement that is cross-referred from the Business Review section of the Directors' Report.

We also report to you if, in our opinion, 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 the information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report, Directors' Remuneration Report and the Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 Group and 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, in accordance with IFRS, as adopted by the European Union applied in accordance with the provisions of the Companies Act 1985, of the state of the Group's and Company's affairs as at 31 December 2007 and of the Group's profit for the year then ended;

— the financial statements have been properly prepared in accordance with the Companies Act 1985; and

— the information given in the Directors' Report is consistent with the financial statements.

Nexia Smith & Williamson
Chartered Accountants
Registered Auditors
22 April 2008

25 Moorgate
London
EC2R 6AY

Consolidated Income Statement

for the year ended 31 December 2007

	Notes	2007 £'000	2006 £'000
Continuing operations			
Revenue	3	**2,849**	2,713
Cost of sales		**(355)**	(317)
Gross profit		**2,494**	2,396
Administrative expenses		**(2,143)**	(2,091)
Operating profit	5	**351**	305
Investment revenues	8	**174**	190
Share of profit for associate	15	**8**	11
Profit before taxation		**533**	506
Taxation	9	**(73)**	(144)
Profit for the year		**460**	362
Basic earnings per share	12	**4.8p**	3.8p
Diluted earnings per share	12	**4.8p**	3.8p

Consolidated Balance Sheet

as at 31 December 2007

	Notes	2007 £'000	2006 £'000
Non current assets			
Intangible assets	13	**17**	17
Property, plant and equipment	14	**339**	336
Investment in associate	15	**—**	237
Deferred tax assets	10	**55**	—
		411	590
Current assets			
Trade and other receivables	16	**791**	719
Cash and cash equivalents	17	**2,308**	4,185
		3,099	4,904
Current liabilities			
Trade and other payables	18	**(868)**	(693)
Corporation tax	18	**(54)**	(132)
		(922)	(825)
Net current assets		**2,177**	4,079
Net assets		**2,588**	4,669
Equity			
Share capital	21	**961**	961
Share premium account		**1,327**	3,774
Merger reserve		**568**	568
Translation reserve		**7**	5
Retained earnings		**(275)**	(639)
Equity shareholders' funds		**2,588**	4,669

The financial statements were approved by the board on 22 April 2008 and signed on its behalf

Julian Burney
Director

Consolidated Statement of Changes in Equity

for the year ended 31 December 2007

Group	Share capital £000	Share premium account £000	Merger reserve £000	Translation reserve £000	Retained earnings £000	Total shareholders' funds £000
At 1 January 2006	961	3,774	568	(28)	(929)	4,346
Exchange differences on retranslation of net assets of subsidiary undertaking	—	—	—	33	—	33
Net income/(expense) recognised directly in equity	—	—	—	33	—	33
Profit for the year	—	—	—	—	362	362
Total recognised income and expense for 2006	—	—	—	33	362	395
Dividends paid	—	—	—	—	(72)	(72)
At 31 December 2006	961	3,774	568	5	(639)	4,669
Exchange differences on retranslation of net assets of subsidiary undertaking	—	—	—	2	—	2
Net income/(expense) recognised directly in equity	—	—	—	2	—	2
Profit for the year	—	—	—	—	460	460
Total recognised income and expense for 2007	—	—	—	2	460	462
Capital reorganisation — cash	—	(2,403)	—	—	—	(2,403)
Capital reorganisation — legal expenses	—	(44)	—	—	—	(44)
Dividends paid	—	—	—	—	(96)	(96)
At 31 December 2007	961	1,327	568	7	(275)	2,588

Company Balance Sheet

as at 31 December 2007

	Notes	2007 £'000	2006 £'000
Non-current assets			
Investments	15	**1,473**	1,778
Current assets			
Trade and other receivables	16	**617**	388
Cash and cash equivalents	17	**2,082**	4,084
Total current assets		**2,699**	4,472
Current liabilities			
Trade and other payables	18	**(1,684)**	(1,362)
Net current assets		**1,015**	3,110
Net assets		**2,488**	4,888
Equity			
Share capital	21	**961**	961
Share premium account		**1,327**	3,774
Retained earnings		**200**	153
Total equity		**2,488**	4,888

The financial statements were approved by the board on 22 April 2008 and signed on its behalf

Julian Burney
Director

Company Statement of Changes in Equity

for the year ended 31 December 2007

	Share capital £'000	Share premium account £'000	Retained earnings £'000	Total shareholders' funds £'000
At 1 January 2006	961	3,774	131	4,866
Profit for the year	—	—	94	94
Total recognised income and expense for 2006	—	—	94	94
Dividends paid			(72)	(72)
At 31 December 2006	961	3,774	153	4,888
Net income/(expense) recognised directly in equity	—	—	—	—
Profit for the year	—	—	143	143
Total recognised income and expense for 2006	—	—	143	143
Capital reorganisation — cash repaid to shareholders	—	(2,403)	—	(2,403)
Capital reorganisation — legal expenses	—	(44)	—	(44)
Dividends paid	—	—	(96)	(96)
At 31 December 2007	961	1,327	200	2,488

Statement of Cash Flows

for the year ended 31 December 2007

Group	Note	2007 £'000	2006 £'000
Net cash inflow from operating activities	24	**342**	194
Cash flows from investing activities			
Interest and other income received		**174**	190
Purchases of property, plant and equipment		**(20)**	(27)
Net cash generated from investing activities		**154**	163
Cash flows from financing activities			
Capital reorganisation — Cash repaid to shareholders and associated expenses		**(2,277)**	—
Equity dividends paid		**(96)**	(72)
Net cash used in financing activities		**(2,373)**	(72)
Net (decrease)/increase in cash and cash equivalents		**(1,877)**	285
Cash and cash equivalents at beginning of year		**4,185**	3,900
Cash and cash equivalents at end of year	17	**2,308**	4,185

Company	Note	2007 £'000	2006 £'000
Net cash inflow from operating activities	24	**198**	176
Cash flows from investing activities			
Interest and other income received		**173**	188
Cash flows from financing activities			
Capital reorganisation — Cash repaid to shareholders and associated expenses		**(2,277)**	—
Equity dividends paid		**(96)**	(72)
Net cash used in financing activities		**(2,373)**	(72)
Net (decrease)/increase in cash and cash equivalents		**(2,002)**	292
Cash and cash equivalents at beginning of year		**4,084**	3,792
Cash and cash equivalents at end of year	17	**2,082**	4,084

1. Statement of compliance

The condensed consolidated financial information has been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as adopted by the European Union applied in accordance with the provisions of the Companies Act 1985. These are the Group's first IFRS consolidated financial statements and IFRS 1 *First Time Adoption of International Financial Reporting Standards* has been applied. The Group's transition date to IFRS is 1 January 2006 being the first day of the comparative period to 31 December 2006, and accordingly the financial report together with the comparative information have been prepared using accounting policies consistent with IFRS.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial information in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of current and contingent assets and liabilities and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgements are continually reviewed and are based on historical experience and other factors, and expectations of future events that are believed to be reasonable under the circumstances. The judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are:

- Property, plant and equipment

These are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is provided at rates calculated to write off the value of each asset over its estimated useful life. The value of the assets is reviewed for impairment if events or circumstances indicate the carrying values may not be recoverable.

- Impairment of goodwill

Determining whether goodwill is impaired requires estimation of the value in use, which is calculated by estimating the future cash flow expected to arise from the cash-generating capability of the units and discounted by a suitable discount rate in order to calculate the present value. No provision for impairment was made in the period and the carrying value at the balance sheet date was £17,000.

- Share-based payments

In determining the fair value of equity settled share based payments and the related charge to the income statement, the Group makes assumptions about future events and market conditions. The fair value is determined using a valuation model, which is dependent on future estimates including timing with which the options will be exercised and the future volatility of the Group's share price. These assumptions are based on publicly available information and reflect market expectations and the advice of qualified experts. Different assumptions about these factors could affect the reported value of share-based payments.

2. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period covered by these financial statements.

Basis of preparation

The financial information has been prepared in accordance with International Financial Report Standards ("IFRS") for the first time. The disclosures required by IFRS 1 concerning the transition from UK GAAP ("Generally Accepted Accounting Principles") to IFRS are given in note 29.

Basis of consolidation

The Group financial statements incorporate the financial statements of Stockcube Plc and all of its subsidiary undertakings for the year to 31 December 2007.

Notes to the Financial Statements continued

for the year ended 31 December 2007

2. Accounting policies continued

Entities other than subsidiary undertakings, in which the Group has a participating interest and over whose operating and financial policies the Group exercises a significant influence are treated as associates. In the Group financial statements, associates are accounted for using the equity method. The equity accounting method involves recording the investment initially at cost to the Group and then, in subsequent periods, adjusting the carrying amount of the investment to reflect the Group's share of the associate's results less any impairment of goodwill and any other changes such as dividends to the associate's net assets.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

IFRS transition

IFRS 1 permits companies adopting IFRS for the first time to take certain exemptions from the full requirements of IFRS in the transition period. The financial information has been prepared on the basis of the following exemption:

- Business combinations prior to 1 January 2006 have not been restated to comply with IFRS 3 "Business Combinations".

International Financial Reporting Standards

The Group follows the Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee of the IASB and endorsed by the European Union that are relevant to its operations. At the date of authorisation of these financial statements the Group is aware of the following IFRS which was in issue but has not been applied in these financial statements as it was not mandatory effective:

— IAS 1: Presentation of Financial Statements (revised 2007)
— IAS 27: Consolidated Separate Financial Statements
— IFRS 3: Business Combinations (revised 2008)
— IFRS 8: Operating Segments
— IFRS 11: IFRS 2 — Group and Treasury Share Transactions
— IFRIC 12: Service Concession Arrangements
— IFRIC 1: Customer Loyalty Programme
— IFRIC 14: IAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding requirements and their Interaction

The Directors do not anticipate that the adoption of these statements and interpretations will have material impact on the Group's financial statements in the period of initial application.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is provided on all tangible fixed assets at rates calculated to write off evenly the cost of each asset over its expected useful life, less estimated residual value, based on prices prevailing at the date of the acquisition of each asset:

Leasehold	—	over the period of lease
Computer equipment	—	33% per annum
Fixtures, fittings and equipment	—	15 to 20% per annum

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any provision for impairment.

Business combinations and goodwill

On acquisition, the assets and liabilities and contingent liabilities of subsidiaries are measured at their fair values at the date of acquisition. Any excess of cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets (i.e. discount on acquisition) is credited to profit and loss in the period of acquisition. Goodwill arising on consolidation is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss and is not subsequently reversed.

Revenue recognition

Revenue from subscriptions is recognised over the period of the subscription contract with amounts invoiced/received in advance included in deferred income. Commission receivable and other revenue are recognised when the customer confirms that a fee is due and payable or when cash is received.

2. Accounting policies continued

Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expense that are tax deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability to current tax is calculated using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are recognised in respect of all temporary differences and deferred tax assets are recognised only to the extent that the Directors consider that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current assets and liabilities on a net basis.

Foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Exchange gains and losses on short-term foreign currency borrowings and deposits are included within net interest payable. Exchange differences on all other transactions, except relevant foreign currency loans, are taken to operating profit.

The assets and liabilities of foreign operations are translated to pound sterling at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to pound sterling at rates approximating to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised directly in a separate component of equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Operating lease commitments

Rentals payable under operating leases are charged in the income statement on a straight line basis over the initial period of the lease contract, even if the payments are not made on such basis.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Notes to the Financial Statements continued

for the year ended 31 December 2007

2. Accounting policies continued

Investments are initially measured at fair value, which ordinarily equates to cost, including transaction costs. At subsequent reporting dates, available-for-sale investments are measured at fair value or at cost where fair value is not readily ascertainable. Gains and losses arising from changes in fair value are recognised directly in equity until the investment is disposed of or if previously in equity is included in net profit of loss for the period.

Trade and other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due. The amount of any provision is recognised in the income statement.

Cash and cash equivalents comprise cash held by the Group and short term bank deposits with an original maturity of three months or less.

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Pensions

The Company contributes to various defined contribution pension schemes for the benefit of the Directors and staff. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the schemes.

Share-based payment

The cost of share-based employee compensation arrangements, whereby employees receive remuneration in the form of shares or share options, is recognised as an employee benefit expense in the income statement.

The total expense to be apportioned over the vesting period of the benefit is determined by reference to the fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The assumptions underlying the number of awards that are expected to vest are subsequently adjusted for the effects of non market-based vesting to reflect the conditions prevailing at the balance sheet date. Fair value is measured by the use of a binomial model. The expected life used in the model has been adjusted, based on management's best estimate, of the effects of the non-transferability, exercise restrictions and behavioural considerations.

3. Revenue

Revenue, which is stated net of value added tax, represents the sales value of work done in the year.

Revenue is attributable mainly to the continuing activity of the provision of research and analysis of price trends in stocks, commodities, currencies and interest rates.

An analysis of the Group's revenue is as follows:

	2007 £'000	2006 £'000
Rendering of services	**2,849**	2,713
Investment income	**174**	190
	3,023	2,903

4. Business and geographical segments

Segmental information is presented in the consolidated financial statements in respect of the Group's geographical segments, which are the primary basis of segment reporting. The Group's operations are in two geographical segments, the United Kingdom and United States. The Group's operations are predominantly in one business segment.

	UK 31 Dec 2007 £'000	**USA 31 Dec 2007 £'000**	**Total 31 Dec 2007 £'000**	UK 31 Dec 2006 £'000	USA 31 Dec 2006 £'000	Total 31 Dec 2006 £'000
External revenue	**2,609**	**240**	**2,849**	2,483	230	2,713
Inter-segment sales	**231**	**—**	**231**	203	—	203
Eliminations	**(231)**	**—**	**(231)**	(203)	—	(203)
Total revenue	**2,609**	**240**	**2,849**	2,483	230	2,713
Segment results	**490**	**86**	**576**	523	49	572
Unallocated expenses			**(225)**			(267)
Group operating profit			**351**			305
Net financing income	**174**	**—**	**174**	190	—	190
Share of associate's profits	**8**	**—**	**8**	11	—	11
			533			506
Income tax expense			**(73)**			(144)
Profit for the year			**460**			362

	£'000	£'000
Other segment items include		
Capital expenditure	**20**	27
Depreciation	**18**	18

	UK 31 Dec 2007 £'000	**USA 31 Dec 2007 £'000**	**Total 31 Dec 2007 £'000**
Segment assets	**3,433**	**22**	**3,455**
Unallocatted assets	**55**	**—**	**55**
Total assets	**3,488**	**22**	**3,510**
Segment liabilities	**(603)**	**(95)**	**(698)**
Unallocatted liabilities	**(224)**		**(224)**
Total liabilities	**(827)**	**(95)**	**(922)**
Net assets/(liabilities)	**2,661**	**(73)**	**2,588**

Segment assets and liabilities are reconciled to entity assets and liabilities as follows:

	Assets	**Liabilities**
Unallocated:	**3,455**	**(698)**
Deferred tax	**55**	**—**
Current tax	**—**	**(54)**
Financial liability	**—**	**(170)**
Total	**3,510**	**(922)**

Notes to the Financial Statements continued

for the year ended 31 December 2007

5. Operating profit

This is stated after charging/(crediting):

	2007 £'000	2006 £'000
Depreciation of owned fixed assets	**18**	18
Fees payable to Company's auditors for the audit of parent Company and consolidated accounts	**18**	10
Fees payable to Company's auditors and its associates for other services:		
— the audit of Company's subsidiaries pursuant to legislation	**24**	20
— tax services	**8**	9
Staff costs (see Note 7)	**1,663**	1,588
Operating lease rentals — land and buildings	**47**	44
Profit on disposal of fixed assets	**—**	(1)
Loss on disposal of associate	**20**	—
Foreign currency exchange	**2**	22

The Company has taken advantage of the exemption provided under section 230 of the Companies Act 1985 not to publish its individual income statement and related notes. The profit dealt with in the financial statements of the parent Company was £143,000 (2006: £94,000).

6. Directors' emoluments

	2007 £'000	2006 £'000
Fees	**10**	10
Emoluments	**345**	347
Company contributions paid to defined contributions pension schemes	**16**	16
	361	373

	2007 £'000	2006 £'000
Emoluments of the highest paid Director	**130**	130
Company contributions paid to defined contribution pension scheme	**6**	6
	136	136

	2007 No	2006 No
Members of defined contribution pension schemes	**3**	3

Further information on Directors' emoluments is given on pages 6, 7 and 8.

7. Staff costs

	2007 £'000	2006 £'000
Wages and salaries	**1,453**	1,399
Social security costs	**164**	154
Other pension costs (note 19)	**46**	35
	1,663	1,588

The average monthly number of employees during the year was made up as follows:

	2007 No.	2006 No.
Management and administration	**24**	26

8. Investment revenues

	2007 £'000	2006 £'000
Bank interest receivable	**156**	190
Other interest	**18**	—
	174	190

Notes to the Financial Statements continued

for the year ended 31 December 2007

9. Tax on profit on ordinary activities

The taxation charge is comprised as follows:

	2007 £'000	2006 £'000
Current tax	**127**	146
Adjustments for prior periods	**1**	(2)
Deferred tax credit	**(55)**	—
	73	144

The difference between the total tax expense shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2007 £'000	2006 £'000
Profit before tax	**533**	506

	2007 £'000	2006 £'000
Tax on ordinary activities multiplied by standard rate of Corporation Tax in UK of 30% (2006: 30%)	**160**	152
Effects of:		
Expenses not deductible for tax purposes	**5**	5
Under provision in respect of previous years	**1**	(2)
Unutilised tax losses	**(55)**	—
Utilisation of brought forward tax losses	**(38)**	(11)
Total income tax expense for the year	**73**	144

10. Deferred tax

	2007 £'000	2006 £'000
At 1 January 2007		
Credited to the income statement	**(55)**	—
At 31 December 2007	**(55)**	—
Tax value of loss carried forward	**(55)**	—

11. Dividends

	2007 £'000	2006 £'000
Amounts recognised as distributions to equity holders for the year:		
Final dividend for the year ended 31 December 2006 of 1p (2006: 0.75p) per share	**96**	72
Amounts proposed as distributions to equity holders for the year:		
Final dividend for the year ended 31 December 2007 of 1.25p (2006: 1p) per share	**120**	96

12. Earnings per share

Earnings	2007 £'000	2006 £'000
Earnings for the purposes of basic and diluted earnings per share being net profit attributable to equity shareholders	**460**	362

Number of shares	'000	'000
Weighted average number of ordinary shares for the purposes of basic earnings per share	**9,611**	9,611
Number of dilutive shares under option	**—**	—
Weighted average number of ordinary shares for the purposes of basic earnings per share	**9,611**	9,611

Profit per ordinary share (pence):		
Basic	**4.8p**	3.8p
Diluted	**4.8p**	3.8p

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. Based on these calculations there were no dilutive potential ordinary shares in 2007 (2006: nil).

Notes to the Financial Statements continued

for the year ended 31 December 2007

13. Goodwill

Cost	Goodwill £'000
At 1 January 2006 and 1 January 2007	20
Amortisation:	
At 1 January 2006 and 1 January 2007	3
Provided during the year	—
At 31 December 2006 and 31 December 2007	3
Net book value at 31 December 2006 and 31 December 2007	17
Net book value at 1 January 2006 and 1 January 2007	17

14. Property, plant and equipment

Group	Land and buildings Long leasehold £'000	Computer equipment £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 January 2006	309	225	141	675
Additions	—	8	19	27
Disposals	—	(1)	—	(1)
At 1 January 2007	309	232	160	701
Additions	—	17	3	20
Disposals	—	(8)	—	(8)
At 31 December 2007	309	241	163	713
Depreciation				
At 1 January 2006	23	218	107	348
Provided during the year	3	10	5	18
Disposals	—	(1)	—	(1)
At 1 January 2007	26	227	112	365
Provided during the year	3	6	8	17
Disposals	—	(8)	—	(8)
At 31 December 2007	29	225	120	374
Net book value				
At 31 December 2007	280	16	43	339
At 31 December 2006	283	5	48	336

15. Investments

Group	Associated undertaking £'000
Cost	
At 1 January 2007	437
Provision for diminution in value	—
Disposal	(437)
At 31 December 2007	—
Accumulated provision and amortisation	
At 1 January 2006	200
Provision for diminution in value	—
Share of profits of associate	(8)
Disposal of associate	(192)
At 31 December 2007	—
Net book value	
31 December 2007	—
Net book value	
31 December 2006	237

Company	Subsidiary undertaking £'000	Associates £'000	Total £'000
Cost			
At 1 January 2007 and 31 December 2007	1,473	437	1,910
Disposal	—	(437)	(437)
At 31 December 2007	1,473	—	1,473
Provision for impairment			
At 1 January 2007	—	132	132
Share of profit of associate	—	(8)	(8)
Disposal of associate		(124)	(124)
At 31 December 2007	—	—	—
Net book value			
At 31 December 2007	1,473	—	1,473
At 31 December 2006	1,473	305	1,778

Notes to the Financial Statements continued

for the year ended 31 December 2007

15. Investments continued

Associates	Share of net tangible assets £'000	Goodwill £'000	Total £'000
At 1 January 2007	(13)	250	237
Share of associate's profit	8	—	8
Disposal	5	(250)	(245)
At 31 December 2007	—	—	—

The Company's investment in its associate Sportcal Global Communications Limited was sold on 14 December 2007 for £225,000 to Sportcal's existing shareholders.

At 31 December 2007, the Company held more than 20% of the nominal value of the share capital of the following:

Name of company	Country of incorporation	Holding	Proportion held	Nature of business
Subsidiary undertaking				
Stockcube Research Limited	England	Ordinary shares	100%	Research, analysis and forecasting trends in stocks and commodities
Ecube Limited	England	Ordinary shares	100%	Website and technology research and development
Chartcraft Inc	USA	Ordinary shares	100%	Analysis of price trends of equities and other financial instrument

16. Trade and other receivables

	Group 2007 £'000	Group 2006 £'000	**Company 2007 £'000**	Company 2006 £'000
Trade receivables	**491**	639	**—**	—
Amounts owed by Group undertakings	**—**	—	**364**	366
Other debtors	**258**	34	**250**	20
Prepayments and accrued income	**42**	46	**3**	2
	791	719	**617**	388

Trade receivables are classified within the category "Loans and receivables" as defined by IAS 39. Trade receivables are non-interest bearing and generally have a 30–40 days term. Due to their short maturities, the fair value of trade receivables approximates their book value.

17. Cash and cash equivalents — Group

Group	2007 £'000	2006 £'000
Cash at bank and in hand	**521**	109
Short term deposits	**1,787**	4,076
At 31 December	**2,308**	4,185

Company	2007 £'000	2006 £'000
Cash at bank and in hand	**295**	8
Short term deposits	**1,787**	4,076
At 31 December	**2,082**	4,084

Bank deposits are classified within the category "Loans and receivables" as defined by IAS 39. The Directors consider that the carrying amount of these assets approximates to their fair value. The credit risk on liquid funds is limited because the counter-parties are UK financial institutions with high credit rating.

18. Trade and other payables

	Group 2007 £'000	Group 2006 £'000	Company 2007 £'000	Company 2006 £'000
Trade payables	**49**	68	**9**	4
Amounts due to Group undertakings	**—**	—	**1,468**	1,313
Income tax	**54**	132	**—**	—
Other taxes and social security costs	**114**	155	**—**	—
Accruals and deferred income	**535**	470	**37**	45
Financial liability — B shares of 5p each (note 22)	**170**	—	**170**	—
	922	825	**1,684**	1,362

The Directors consider the carrying value of Trade and other payables and financial liabilities (B shares) approximates to their fair value.

19. Other financial commitments

At 31 December 2007, the Group had future aggregate minimum lease payments under non-cancellable operating leases as set out below:

	Land and buildings 2007 £'000	Land and buildings 2006 £'000
Operating leases which expire:		
Within one year	**35**	43
Within two to five years	**27**	20
More than five years	**27**	20

Notes to the Financial Statements continued

for the year ended 31 December 2007

20. Derivatives and other financial instruments

The Group's principal financial instruments are investments and cash. The Group has other financial instruments such as trade debtors and trade creditors that arise directly from its operations. As permitted by FRS 13 short-term debtors and creditors have been excluded from the disclosure of financial liabilities and financial assets. The Group's policy is not to enter into any derivative transactions such as interest rate swaps or financial foreign currency contracts. The Group has significant cash resources and no borrowings or borrowing facilities. In respect of financial liabilities, there are no interest rate or liquidity risks. In view of the significant short-term deposit balances earning interest at variable rates, the results of the Group are significantly impacted by changes in interest rates.

In view of the low level of foreign currency transactions, the board does not consider that there are significant risks in this respect. Substantially all of the financial assets and liabilities are denominated in £ sterling.

Financial assets

The Group's main financial asset is £2,308,000 (2006: £4,185,000) of short-term deposits and cash at floating interest rates, all of which are denominated in sterling, except £325,000 (2006: £220,000) denominated in US dollars and £31,000 denominated in euros (2006: £19,000). The financial assets with floating interest rates generate interest based on LIBOR, which are fixed in advance for periods of up to three months. The cash is available to make selected complementary acquisitions and strategic alliances as opportunities arise.

The fair value of the Group's financial assets is not considered to be materially different from the book value.

Given the size of the Company, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of Directors are implemented by the Company's finance department.

Credit risk

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the board.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the balance sheet and at the reporting date was:

	2007 £'000	2006 £'000
Trade receivables	**491**	639
Cash and cash equivalents	**2,308**	4,185
	2,799	4,824

Liquidity risk

The Group actively maintains a combination of short-term interest bearing deposits that are designed to ensure the Company has sufficient available funds for operations and planned expansions.

The following table shows the contractual maturities of the Group's financial liabilities, all of which are measured at amortised cost:

	Trade payables £'000	Accruals and deferred income £'000	Financial liability B shares £'000	Total £'000
At 31 December 2007				
Less than 1 year	49	535	170	754
Between 1 and 2 years	—	—	—	—
Between 2 and 5 years	—	—	—	—
Over 5 years	—	—	—	—
Total contractual cash flows	49	535	170	754
Carrying amount of financial liabilities measured at amortised cost	49	535	170	754
At 31 December 2006				
Less than 1 year	68	470	—	538
Between 1 and 2 years	—	—	—	—
Between 2 and 5 years	—	—	—	—
Over 5 years	—	—	—	—
Total contractual cash flows	68	470	—	538
Carrying amount of financial liabilities measured at amortised cost	68	470	—	538

20. Derivatives and other financial instruments continued

Interest rate risk and sensitivity analysis

The Company has interest-bearing assets and no interest-bearing liabilities. Interest-bearing assets comprise only cash balances which earn interest at fixed and floating rates. The Directors review the appropriateness of this policy from time to time, should the Company's operations change in size or nature.

The Group has not entered into derivatives transactions.

The Group's cash and cash equivalents earned interest at variable rates of LIBOR plus 1.5 points and base rates.

As at 31 December 2007, if LIBOR had increased by 0.5% with all other variables held constant, post-tax profit and equity would have been £10,500 (2006: £14,000) higher. Conversely, if LIBOR had fallen by 0.5% with all other variables held constant, post-tax profit and equity would have been £10,500 (2006: £14,000) lower.

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continued as a going concern in order to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

The Group defines capital as being share capital plus reserves. The Board of Directors will monitor the level of capital as compared the Group's long-term debt commitments and adjusts the ratio of debt to capital as is determined to be necessary, by issuing new shares, reducing or increasing debt, paying dividends and returning capital to shareholders.

The Group is not subject to any externally imposed capital requirements.

21. Share capital

	Allotted, called up and fully Paid		Authorised	
	No	£	No	£
Ordinary 10p shares				
At 1 January 2007 and 31 December 2007	9,610,630	961,063	14,500,000	1,450,000

On 27 June 2007, the Company completed a capital reorganisation and following shareholder and Court approval repaid 25p cash per ordinary share to shareholders. £2,233,000 was repaid to shareholders in June 2007, with the remaining £170,000 to be repaid in June 2008. The exercise options price of the Founders and Executive option plans were adjusted accordingly.

22. Capital reorganisation

On 20 June 2007, the Company was granted court approval to repay part of its capital by way of capitalisation of part of the share premium account. For each Ordinary share, five 'B' shares of 5p each were credited as fully paid at par. Each 'B' share was then cancelled and repaid to shareholders on 27 June 2007, unless subject to an election to defer cancellation until 2008. The nominal value of B shares subject to this election as at 30 June 2007 was £170,071 and is shown as a financial liability in the balance sheet.

Total 'B' shares issued	48,053,150 shares at 5p each	£2,402,657
Total 'B' shares redeemed on 27 June 2007	44,651,725 shares at 5p each	£2,232,586
Balance of 'B' shares to be redeemed in June 2008	3,401,425 shares at 5p each	£170,071

Notes to the Financial Statements continued

for the year ended 31 December 2007

23. Share-based payments

At 31 December 2007, the following share options were outstanding:

Date of grant	Option plan	Option price	Outstanding 31 December 2006	Granted/ (lapsed) during year	Outstanding 31 December 2007
18 April 2000	Executive	60p	135,000	—	135,000
19 April 2000	Founders	60p	559,500	—	559,500
1 May 2000	Executive	60p	45,000	—	45,000
4 May 2000	Approved	250p	115,000	—	115,000
18 April 2001	Executive	60p	60,000	—	60,000
29 April 2002	Executive	60p	120,000	—	120,000
1 May 2002	Approved	85p	84,194	—	84,194
1 May 2002	Executive	60p	60,000	—	60,000
1 January 2003	Approved	85p	2,500	—	2,500
1 October 2003	Approved	85p	28,147	—	28,147
1 October 2003	Executive	60p	4,705	—	4,705
1 May 2004	Executive	60p	120,000	—	120,000
1 November 2004	Approved	85p	9,500	—	9,500
Totals			1,343,546	—	1,343,546

Share options are granted to Directors and selected employees. During the year no options were exercised. All options will be satisfied by the issue of ordinary shares and are exercisable three years after the date of grant and expire after ten years from the date of grant. Options are not conditional on the employee completing any specific number of years' service (the vesting period).

The model used in the calculation of share-based payments was the Binomial option pricing model and the charge over the three years was immaterial. The weighted average remaining contractual life of these options is 5½ years.

24. Cash generated from operations

Group	**2007 £'000**	2006 £'000
Operating profit	**351**	305
Depreciation	**18**	19
Loss on disposal of associate	**20**	—
(Increase) in trade receivables	**(17)**	(293)
Increase in trade payables	**176**	279
Cash generated from operations	**548**	310
Tax paid	**(206)**	(116)
Net cash inflow from operating activities	**342**	194

Company	**2007 £'000**	2006 £'000
Operating profit/(loss)	**50**	(105)
(Increase)/decrease in trade receivables	**(4)**	203
Increase in trade payables	**152**	78
Net cash inflow from operating activities	**198**	175

25. Pension commitments

The Group makes contributions to various defined contribution pension schemes on behalf of the Directors and staff. These are based on either 3% or 5% of gross salary. Contributions are charged to the income statement as they are paid. At the year-end £3,399 (2006: £3,966) was still outstanding.

26. Related parties

Key management are those persons having authority and responsibilities for the planning, controlling and directing the activities of the Group. In the opinion of the board, the Group's key management are the Directors of Stockcube plc. Information regarding their compensation is given below in aggregate for each category specified in IAS 24 *Related Party Disclosures:*

Group	**2007 £'000**	2006 £'000
Short-term employee benefits	**399**	404
Post-employment benefits	**—**	—
Other long-term benefits	**—**	—
Share-based payments	**—**	—

During the year £15,000 (2006: £15,000) was receivable from New Church Cars Limited, a company of which Julian Burney is a Director, for the rental of office space. At the year end, £13,219 (2006: £nil — change position) was owing by New Church Cars Limited, which has now been received.

Company	**2007 £'000**	2006 £'000
The following transactions with subsidiaries occurred in the year:		
Dividends received	**250**	145

27. Contingent liabilities

A contingent liability existed due to the Company being a member of a VAT group. No security has been provided for this contingent liability. At 31 December 2007, the Group had a VAT liability of £59,439 (2006: £22,552).

28. Controlling party

There is no ultimate controlling party.

29. Transition to IFRS

Stockcube Plc reported under UK GAAP in its previously published financial statements for the year ended 31 December 2006. In preparing the opening IFRS balance sheet and comparative information for the year ended 31 December 2006, the Group has adjusted amounts previously reported in financial statements prepared in accordance with UK GAAP. In addition, there is a reconciliation of net assets under UK GAAP to IFRS at the transition date for this Company, being 1 January 2006.

Reconciliation of equity	Previous GAAP £'000	Effect of transition to IFRS £'000	IFRS £'000
Total equity			
At 1 January 2006	4,346	—	4,346
At 31 December 2006	4,651	18	4,669
Reconciliation of profit			
Profit for the year			
At 31 December 2006	344	18	362

Effect on transition of IFRS

The equity and retained earnings have been adjusted by adding back goodwill previously amortised to the Income Statement under UK GAAP. The effect is to increase Intangible assets by £1,000, Investments in associate by £17,000 and Profit before taxation by £18,000 at 31 December 2006.

A separate reserve called the Translation reserve has been set up to show the effect of exchange differences that arose prior to the date of transition to IFRS.

The above changes increased deferred tax liability as follows based on a tax rate of 30%:

	1 January 2006 £'000	31 December 2006 £'000
Investment in associate	—	5

Cash flow statement

The Group's consolidated cash flow statement was presented in accordance with IAS7. The statements present substantially the same information as that required under UK GAAP, with the following exceptions:

- Under UK GAAP, cash flows are presented under nine standard headings, whereas under IFRS, cash flows are required to be classified under operating, investing and financing activities.
- Under UK GAAP, cash and cash equivalents, which include cash and short-term deposits, were shown as cash in hand and deposits repayable on demand.

Notice of Meeting

NOTICE IS HEREBY GIVEN that THE ANNUAL GENERAL MEETING OF STOCKCUBE Plc will be held at Unit 1.23, Plaza 535, King's Road, London, SW10 0SZ, at 11.00 a.m. on 22 May 2008, for the purpose of considering and, if thought fit, passing the resolutions set out below. Resolutions 1 to 7 will be proposed as ordinary resolutions and resolution 8 will be proposed as a special resolution.

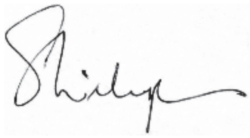
As ordinary business

1. To receive the accounts and the reports of the Directors and auditors for the year ended 31 December 2007.
2. To re-elect, as a Director of the Company, Mr Edward Forbes pursuant to article 31.1 of the Company's Articles of Association and who, being eligible, offers himself for re-election.
3. To re-elect, as a Director of the Company, Mr Julian Burney pursuant to article 31.1 of the Company's Articles of Association and who, being eligible, offers himself for re-election.
4. To reappoint Nexia Smith & Williamson as auditors, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
5. To authorise the Directors to agree the auditors' remuneration.
6. To grant the board the authority to grant further options during the year as the board sees fit, up to the limit approved prior to flotation.
7. To declare a final dividend of 1.25p per ordinary share in respect of the year ended 31 December 2007 payable on 3 June 2008 to shareholders registered in the register of members of the Company at the close of business on 2 May 2008.

As special business

8. That the Company be and is generally and unconditionally authorised for the purposes of section 166 of the Companies Act 1985 (the "Act") to make one or more market purchases (within the meaning of section 163(3) of the Act) on the London Stock Exchange of ordinary shares of 10p each in the capital of the Company provided that:
   (a) the maximum aggregate number of ordinary shares authorised to be purchased is 961,063 (representing 10% of the Company's issued ordinary share capital);
   (b) the minimum price which may be paid for such shares is 10p per share;
   (c) the maximum price which may be paid for such shares shall not be more than 5% above the average of the middle market quotations for an ordinary share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the ordinary share is purchased;
   (d) unless previously renewed, varied or revoked, the authority conferred shall expire at the conclusion of the Company's next annual general meeting or 12 months from the date of passing this resolution, if earlier; and
   (e) the Company may make a contract or contracts to purchase ordinary shares under the authority conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

By Order of the board



Shirley Yeoh
Secretary
29 April 2008

Registered Office:
Unit 1.23
Plaza 535
King's Road
London SW10 0SZ

Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the annual general meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Capita Registrars on 08716 640 300 (or +44 (0)20 8639 3399 if calling from outside the United Kingdom). Calls cost 10p per minute from most landlines, plus network charges.
2. To be valid any Form of Proxy or other instrument appointing a proxy must be received by post at Capita Registrars Proxy Department, PO Box 25, Beckenham, Kent, BR3 4BR or (during normal business hours only) by hand at Capita Registrars, Proxies, 34 Beckenham Road, Beckenham, Kent, BR3 4TU no later than 11.00 am on 20 May 2008.
3. The return of a completed Form of Proxy or any other such instrument will not prevent a Shareholder attending the annual general meeting and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the annual general meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the annual general meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.00 pm on 20 May 2008 (or, in the event of any adjournment, 6.00 pm on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. As at 6.00 pm on 28 April 2008 (being the last business day prior to the publication of this Notice) the Company's issued share capital consists of 9,610,630 Ordinary Shares, carrying one vote each and 3,401,425 "B" shares carrying no votes. Therefore, the total voting rights in the Company as at 28 April 2008 are 9,610,630 votes.

Directors and Advisers

Directors

Edward Forbes
Chairman

Julian Burney
Chief Executive

Shirley Yeoh
Finance Director

Andrew Ashman
Director

Dennison Veru
Non-executive Director

Timothy Horlick
Non-executive Director

Secretary

Shirley Yeoh

Nominated advisers and brokers

Blue Oar Securities Plc
30 Old Broad Street
London
EC2R 1HT

Auditors

Nexia Smith & Williamson
25 Moorgate
London
EC2R 6AY

Tax advisers

Smith & Williamson
25 Moorgate
London
EC2R 6AY

Solicitors

Reynolds Porter Chamberlain
Tower Bridge House
St Katharine's Way
London
E1W 1AA

Bankers

Barclays Bank PLC
PO Box 5606
United Kingdom House
7th Floor, 180 Oxford Street
London
BX3 2BB

Registered office

Unit 1.23
Plaza 535
King's Road
London
SW10 0SZ

Design and print by Jonesandpalmer www.jonesandpalmer.co.uk

stockcube

Unit 1.23, Plaza 535,
King’s Road,
London, SW10 0SZ

www.stockcube.com