

LAS VEGAS FROM HOME.COM ENTERTAINMENT INC.  
Consolidated Balance Sheets  
June 30, 2005 and December 31, 2004  
(Canadian Dollars)  
(Unaudited - Prepared by Management)

	June 30 2005	December 31 2004
	----- (unaudited)	----- (audited)
<b>ASSETS</b>		
Current		
Cash & term deposits	\$ 2,371,078	\$ -
Marketable securities (note 5)	383	383
Accounts receivable	1,219,569	1,203,471
Prepays & security deposits	16,002	102,899
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	3,607,032	1,306,753
Due from related parties (note 10(c))	630,800	371,347
Equipment & Software Development (note 6)	1,795,157	904,747
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	\$ 6,032,989	\$ 2,582,847
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<b>LIABILITIES</b>		
Current		
Bank indebtedness	\$ -	\$ 20,717
Accounts payable & accrued liabilities	1,541,655	1,361,239
Due to related parties (note 10(b))	-	8,525
Other obligations (note 7)	-	516,008
Obligation under capital lease (note 8)	19,904	19,904
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	1,561,559	1,926,393
Obligation under capital lease (note 8)	13,560	23,190
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	1,575,119	1,949,583
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<b>SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		
Capital stock (note 9)	19,090,101	17,299,101
Subscription received	1,883,470	750,000
Contributed Surplus (note 9(e))	2,601,332	2,451,298
Deficit	(19,117,033)	(19,867,135)
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	4,457,870	633,264
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Total Liabilities & Stockholders' Equity	\$ 6,032,989	\$ 2,582,847
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LAS VEGAS FROM HOME.COM ENTERTAINMENT INC.  
Consolidated Statements of Operations and Deficit  
Six Months Ended June 30  
(Canadian Dollars)  
(Unaudited - Prepared by Management)

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2005	2004	2005	2004
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	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenues	\$ 2,676,154	\$ 281,334	\$ 4,760,210	\$ 558,010
Interest	8,470	1,645	9,725	1,748
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	2,684,624	282,979	4,769,935	559,758
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Expenses				
Advertising and promotion	1,006,807	120,265	1,753,776	218,511
Amortization	72,861	27,679	138,197	49,792
Bank, interest and foreign exchange charges	753	3,936	3,126	9,550
Commission fees	24,710	-	24,710	-
Consulting and professional fees	145,109	19,175	235,236	98,250
Donations	15,000	-	25,000	-
Legal, accounting and audit	29,912	8,043	63,661	11,171
Management fees	45,000	45,000	90,000	90,000
Office	108,324	29,487	153,140	64,672
Net revenue sharing	-	87,277	-	87,277
Regulatory and transfer	23,411	4,650	25,509	6,627
Rent	97,829	54,473	176,454	111,572
Salaries and benefits	469,089	309,319	803,341	618,318
Shareholder communication	10,383	4,713	10,633	5,097
Software				

licensing fees	16,552	-	16,552	-
Technical consulting	-	-	-	2,600
Telephone	16,936	(24,524)	26,313	(17,756)
Transaction fees	205,824	4,257	382,112	20,222
Travel, meals and entertainment	107,733	18,737	189,455	71,742
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	2,396,233	712,487	4,117,215	1,447,645
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Gain/(loss) before other items	288,391	(429,508)	652,720	(887,887)
Other items				
Purchase and Termination of net revenue sharing Agreement	-	(381,501)	-	(381,501)
Write down of marketable securities	-	(47,369)	-	(53,924)
Gain on settlement of debt	97,382	-	97,382	-
Write off demand loan	-	(3,800)	-	(3,800)
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	97,382	(428,870)	97,382	(439,225)
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Net gain/(loss) for period	385,773	(862,178)	750,102	(1,327,112)
Deficit, beginning of period	(19,502,806)	(14,688,482)	(19,867,135)	(14,223,548)
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Deficit, end of period	(19,117,033)	(15,550,660)	(19,117,033)	(15,550,660)
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Weighted average number of shares	77,925,844	55,882,902	77,925,844	55,882,902
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Weighted				

average gain/(loss) per common share	0.005	(0.02)	0.01	(0.02)
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LAS VEGAS FROM HOME.COM ENTERTAINMENT INC.  
Consolidated Statements of Cash Flows  
Six Months Ended June 30  
(Canadian Dollars)  
(Unaudited - Prepared by Management)

	Three Months ended		Six months ended	
	June 30		June 30	
	2005	2004	2005	2004
	-----	-----	-----	-----
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Cash provided by (used for)				
Operations				
Net				
gain/(loss)	\$ 385,773	\$ (862,178)	\$ 750,102	\$ (1,327,112)
Items not				
affecting cash				
Amortization	72,861	27,679	138,197	49,792
Capitalization				
of deferred				
amortization	3,737	-	7,677	-
Foreign				
exchange	7,377	-	-	-
Stock-based				
compensation	150,034	-	150,034	-
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	619,782	(834,499)	1,046,010	(1,277,320)
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Changes in non-cash working capital:				
Receivables	279,719	107,498	(16,098)	(37,028)
Prepays	(732)	(1,952)	86,897	68,639
Receivable				
from related				
party	(132,636)	658,605	(259,453)	35,818
Payables and				
accruals	260,919	280,576	180,416	316,331
Payable to				
related				
parties	(11,494)	13,661	(8,525)	5,680
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	395,776	1,058,388	(16,763)	389,440

	1,015,558	223,889	1,029,247	(887,880)
Financing				
Issuance of common shares for cash	888,280	62,727	1,791,000	1,368,202
Capital subscriptions	683,470	-	1,133,470	-
Repayment of capital lease	(4,935)	(3,453)	(9,630)	(6,124)
Other obligations	(210,350)	-	(516,008)	-
	1,356,465	59,274	2,398,832	1,362,078
Investing				
Equipment	(541,960)	(94,304)	(565,927)	(112,573)
Marketable securities	-	85,519	-	(61,230)
Additions to software development	(235,236)	-	(470,357)	-
	(777,196)	(8,785)	(1,036,284)	(173,803)
Increase in cash and cash equivalents	1,594,827	274,378	2,391,795	300,395
Cash and cash equivalents, beginning of period	776,251	26,017	(20,717)	-
Cash and cash equivalents, end of period	2,371,078	300,395	2,371,078	300,395