Soyers Capital Limited

Consolidated Financial Statements

For the Period From July 31, 2006 to July 31, 2007

D M C T LLP

Chartered Accountants

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AUDITORS' REPORT

To the Shareholders of
Soyers Capital Limited

We have audited the consolidated balance sheet of **Soyers Capital Limited** as at **July 31, 2007** and the consolidated statements of operations and deficit and cash flows for the period from July 31, 2006 to July 31, 2007. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at **July 31, 2007** and the results of its operations and its cash flows for the period from July 31, 2006 to July 31, 2007, in accordance with Canadian generally accepted accounting principles.

DMCT, LLP

DMCT, LLP, Licensed Public Accountants

October 17, 2007
Toronto, Ontario

Soyers Capital Limited

Consolidated Balance Sheet
As at July 31, 2007

	Note	
Assets		
Current		
Cash and cash equivalents		**$ 724,296**
Accounts receivable		**98,156**
Prepaids		**464**
		822,916
Property and equipment	4	**32,608**
		$ 855,524
Liabilities		
Current		
Accounts payable and accrued liabilities		**$ 88,336**
Due to related party	5	**26,522**
Loan payable	6	**18,996**
		133,854
Shareholders' Equity		
Capital stock	7	**735,683**
Deficit		**(14,013)**
		721,670
		$ 855,524

Approved by the Board **"Laurence Lubin"** Director **"Haron Ezer"** Director
(Signed) (Signed)

See accompanying notes.

Soyers Capital Limited

Consolidated Statement of Operations and Deficit
For the Period From July 31, 2006 to July 31, 2007

	Note	
Revenue		**$ 561,883**
Expenses		
Salaries and benefits		**160,070**
Production costs		**117,169**
Consulting fees		**125,848**
Professional fees		**76,398**
General and administrative		**91,259**
Amortization		**5,152**
		575,896
Net loss and deficit at end of period		**$ (14,013)**
Loss per share - basis and diluted	12	**$ (0.001)**

See accompanying notes.

Soyers Capital Limited

Consolidated Statement of Cash Flows
For the Period From July 31, 2006 to July 31, 2007

	Note	
Cash flows from operating activities		
Net loss for the period		**$ (14,013)**
Add item not affecting cash		
Amortization		**5,152**
		(8,861)
Changes in non-cash working capital items		
Accounts receivable		**(98,156)**
Prepaids		**(464)**
Accounts payable and accrued liabilities		**88,336**
		(19,145)
Cash flows used in investing activity		
Purchase of property and equipment		**(37,760)**
Cash flows from financing activities		
Due to related party		**26,522**
Loan payable		**18,996**
Cash acquired	1	**735,583**
Issuance of capital stock		**100**
		781,201
Increase in cash during the period and cash and cash equivalent at end of period		**$ 724,296**

See accompanying notes.

1. NATURE OF OPERATIONS

Soyers Capital Limited ("Soyers" or the "Company"), has its head office in Toronto, Ontario. The Company is engaged in the business of creating digital video solutions for distribution across various media channels.

On May 4, 2007, Soyers acquired all of the issued and outstanding securities of BlueRush.TV Inc. ("BlueRush"), which constituted the Company's Qualifying Transaction. Soyers issued 20,000,000 common shares to the shareholders of BlueRush in exchange for all of the issued and outstanding shares of BlueRush. The transaction resulted in the former shareholders of BlueRush obtaining control of Soyers, and consequently the transaction was accounted for as a reverse takeover with BlueRush as the acquirer and continuing company. Since Soyers did not constitute a business, the transaction was accounted for as a capital transaction, that is, a financing and recapitalization of BlueRush.

Accordingly:

(i) the assets and liabilities of BlueRush are included in the balance sheet at their historic carrying values;

(ii) these financial statements reflect the period from BlueRush's date of incorporation, July 31, 2006, to July 31, 2007;

(iii) the net assets of Soyers, consisting solely of cash, are included in the balance sheet in the amount of $735,583;

(iv) capital stock, contributed surplus and deficit of Soyers are eliminated in the amounts of $806,087, $17,103, and $87,607, respectively.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared by management in accordance with generally accepted accounting principles in Canada, within the framework of the significant accounting policies summarized below:

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, BlueRush. Inter-company balances and transactions are eliminated upon consolidation.

Cash and Cash Equivalents

Cash and cash equivalents consists of cash in the bank and highly liquid investments with maturities of 3 months or less.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property and Equipment

Property and equipment are recorded at cost and are amortized over their estimated useful lives, at the following annual rates:

Computer equipment	- 30%, declining balance basis
Furniture and fixtures	- 20%, declining balance basis

Impairment of Long-Lived Assets

Long-lived assets comprise property and equipment. The Company recognizes an impairment loss for a long-lived asset when events or changes in circumstances cause its carrying value to exceed the total undiscounted cash flows expected from its use and eventual disposition. An impairment loss is measured as the excess of the carrying value of the asset over its fair value.

Share Issue Costs

Costs incurred in connection with the issuance of capital stock are recorded in share capital.

Revenue Recognition

The Company generates revenue from the creation of rich media marketing solutions. Revenue is recognized using the percentage of completion method based on an assessment at the end of each month as to the extent of progress in each project, as compared to the total estimated project cost. Revenue is recorded when collection is reasonably assured.

Accounting for Stock-Based Compensation and Other Stock-Based Payments

The Company applies a fair value based method of accounting for all stock-based payments. Accordingly, stock-based payments are measured at the fair value of the consideration received or the fair value of the equity instruments issued or liabilities incurred, whichever is more reliably measurable. Stock-based compensation is charged to operations over the vesting period and the offset is credited to contributed surplus. Consideration received upon the exercise of stock options is credited to share capital and the related contributed surplus is transferred to share capital.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities, as well as for the benefit of losses available to be carried forward to future years for tax purposes. Future income tax assets and liabilities are measured using enacted or substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. Future income tax assets are recorded in the financial statements if realization is considered more likely than not.

Loss Per Share

Basic earnings per share is calculated on the basis of the weighted average number of shares outstanding for the year. The treasury stock method is used to compute the dilutive effect of options. Options have been excluded from the calculation of diluted earnings per share when the effect would be antidilutive.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the year. Actual results could differ from those estimates.

Significant areas requiring the use of management estimates relate to the determination of the progress in each project for purposes of revenue recognition, the useful lives of property and equipment for amortization purposes, amounts recorded as accrued liabilities, valuation allowance on future tax assets and the fair values of financial instruments.

3. ADOPTION OF NEW ACCOUNTING POLICIES

The Accounting Standard Board of the Institute of Chartered Accountants of Canada issued Handbook Sections 3855 - Financial Instruments - Recognition and Measurement, 3861 - Financial Instruments - Disclosure and Presentation, 3251 - Equity, and 1530 - Comprehensive Income, which will be applied by the Company for its interim and annual consolidated financial statements for fiscal period beginning on August 1, 2007.

Section 3855 prescribes the timing of when a financial asset, financial liability, or non-financial derivative is to be recognized on the balance sheet and the measurement of such amount. Section 3861 establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. Section 3251 establishes standards for the presentation of equity and changes in equity.

Section 1530 introduces new standards for the presentation and disclosure of components of comprehensive income. Comprehensive income is defined as the change in net assets of an enterprise during a reporting period from transactions and other events and circumstances from non-owner sources. It includes all changes in net assets during a period except those resulting from investments by owners and distributions to owners.

The Company determined that the impact of the implementation of these new standards on its 2008 consolidated financial statements is not material.

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	Net
Computer equipment	$ 19,760	$ 3,952	$ 15,808
Furniture and fixtures	18,000	1,200	16,800
	$ 37,760	$ 5,152	$ 32,608

5. DUE TO RELATED PARTY

Amount due to an officer and director of the Company is non-interest bearing, unsecured, and due on demand.

6. LOAN PAYABLE

Loan payable bears interest at prime plus 1%, is unsecured and due on demand.

7. CAPITAL STOCK

Authorized
unlimited common shares

Issued - common shares

	Number	Value
Number of Soyers shares issued and outstanding as at July 1, 2006	9,278,000	$ 620,398
Issued in connection with a private placement [(i)]	3,040,000	304,000
Transaction costs	-	(118,311)
Elimination of share capital of Soyers due to reverse takeover (Note 1(iv))	-	(806,087)
Shares issued to former shareholders of BlueRush	20,000,000	100
Net asset value of Soyers (Note 1)	-	735,583
Balance, July 31, 2007	**32,318,000**	**$ 735,683**

(i) Soyers completed a non-brokered private placement of 3,040,000 common shares at a price of $0.10 per share for total proceeds of $304,000.

8. STOCK OPTIONS

Stock Option Plan

Pursuant to resolutions of the Board of Directors, a Stock Option Plan (the "Plan") has been established. The aggregate number of common shares reserved for issuance under the Plan will not exceed 10% of the total issued and outstanding common shares. The Plan is available to the Company's directors, officers, employees and consultants. Options granted pursuant to the Plan will have terms not to exceed five years, and are granted at an option price which will not be less than the fair market price at the time the options are granted.

The Company had the following stock options outstanding under the Plan at July 31, 2007:

Number of Options	Exercise Price	Expiry Date
785,850	$ 0.100	January 13, 2010
70,000	$ 0.120	April 6, 2010
70,000	$ 0.100	August 31, 2011
925,850		

These options were granted by Soyers prior to the reverse takeover described in Note 1.

9. RELATED PARTY TRANSACTIONS

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount. Related party transactions have been listed below, unless they have been disclosed elsewhere in the financial statement.

Included in professional fees is $16,800 paid to a corporation controlled by an officer and director of the Company.

10. COMMITMENTS

The Company has the following lease commitments for premises.

2008	$	45,393
2009		47,895
2010		7,731
2011		7,731
2012		1,289
	$	**110,039**

11. INCOME TAXES

(i) Income Tax Expense

The following table reconciles income taxes calculated at combined Canadian federal/ provincial tax rates with the income tax expense in the financial statements:

Loss before income taxes	**$**	**(14,013)**
Statutory rate		**36.1 %**
Expected income tax recovery	**$**	**(5,059)**
Non-deductible expenses and other		**852**
Change in valuation allowance relating to operations		**(472)**
Other		**4,679**
Income tax expense	**$**	**-**

(ii) Future Income Taxes

The temporary differences that give rise to future income tax assets and future income tax liabilities are presented below:

Amounts related to tax loss carry forwards	**$**	**40,736**
Property and equipment		**1,674**
Transaction costs		**36,528**
		78,938
Less: Valuation allowance		**(78,938)**
	$	**-**

(iii) As at July 31, 2007, the Company has income tax losses of approximately $125,341 which are available to reduce future taxable income. The losses expire as follows:

2014	$	6,171
2015		24,223
2026		56,461
2027		38,486
	$	**125,341**

No net future tax asset has been recognized with respect to the above tax losses.

12. LOSS PER SHARE

Loss per share has been calculated based on the weighted average number of shares outstanding during the year of 23,058,361.

13. FINANCIAL INSTRUMENTS

Fair Value

It is management's opinion that the fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, amount due to related party and loan payable approximate their carrying values due to the relatively short term maturities of these instruments.

Credit Risk

Credit risk arises from the possibility that the entities to which the Company sells products may experience financial difficulties and be unable to fulfil their contractual obligations. The Company mitigates its credit risk by setting credit policies and by proactively managing the credit exposure to individual accounts. Furthermore, the Company is not exposed to significant credit risk to any one customer.