

QUEST EQUITIES & DERIVATIVES LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER, 2001

&

TRADING AND PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER, 2001

COMPANY NUMBER 3431936



BARSHAM BRADFORD & HAMILTON

CHARTERED ACCOUNTANTS
1 LINCOLN'S INN FIELDS
WC2A 3AA

QUEST EQUITIES & DERIVATIVES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

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The following page does not form part of the statutory accounts.

Detailed Trading & Profit and Loss Account	Appendix 1
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QUEST EQUITIES & DERIVATIVES LIMITED

COMPANY INFORMATION

31ST DECEMBER 2001

Incorporated in England on 10th September 1997
Number 3431936

DIRECTORS

Helen Margaret Kenny

SECRETARY

Barsham Secretaries Limited

REGISTERED OFFICE

1 Lincolns Inn Fields
London
WC2A 3AA

BANKERS

Coutts & Co.
440 Strand
London
WC2R 0QS

QUEST EQUITIES & DERIVATIVES LIMITED

REPORT OF THE DIRECTORS

The Directors present their report, together with the financial statements of the Company for the year ended 31st December 2001.

Principal Activities

The company continues to develop its investment portfolio but this has been curtailed due to the volatile equities market.

Change of name

The company changed its name on 22nd May 2002 to Quest Equity Dynamics Limited

Results

The trading results for the year appear on page four of the accounts.

Directors

The Director who served during the year and their respective interests in the Share Capital of the Company as at 31st December, 2001, were as follows:-

	31.12.2001	1.1.2001
H. M. Kenny	1,000	1,000

Directors' Responsibilities

The Directors are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the year and of the profit and losses of the company.

The Directors confirm that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the year ended 31st December 2001.

The Directors also confirm their responsibility to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for maintaining adequate accounting records, for safeguarding the assets of the company, and for taking reasonable steps to prevent and detect fraud and other irregularities.

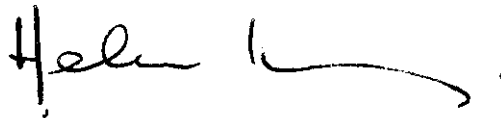
QUEST EQUITIES & DERIVATIVES LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER, 2001

continued

Small Company Exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to Small Companies provided by Part II of Schedule 8 to the Companies Act 1985.

On Behalf of the Board,

A handwritten signature in black ink, appearing to read 'H.M. Kenny', followed by a horizontal flourish.

H.M. Kenny
Director

14/7/02

QUEST EQUITIES & DERIVATIVES LIMITEDPROFIT & LOSS ACCOUNTFOR THE YEAR ENDED 31ST DECEMBER, 2001

	Notes	2 0 0 1 £	2 0 0 0 £
Turnover	(1)	-	336,100
Administration costs		(122,621)	(143,449)
Operating Profit	(2)	(122,621)	192,651
Interest received		23,282	32,120
Taxation on ordinary activities	(3)	(99,339)	224,771
Profit on Ordinary Activities After Taxation		19,324	(45,625)
Dividends paid		-	-
Retained reserves for the year		(80,015)	179,146
Balance Brought Forward		626,246	447,100
Balance Carried Forward		£ 546,231	£ 626,246

The company has no recognised gains or losses other than the profit for the year.

None of the company's activities were acquired or discontinued during the above financial year.

QUEST EQUITIES & DERIVATIVES LIMITED**BALANCE SHEET****AS AT 31ST DECEMBER, 2001**

		2 0 0 1		2 0 0 0	
	Notes	£	£	£	£
Fixed Assets					
Tangible Fixed Assets	(4)		7,179		10,842
Current Assets					
Investments	(5)	14,425		103,806	
Debtors	(6)	20,168		376	
Cash at bank		507,459		561,347	
		<hr/>		<hr/>	
		542,052		665,529	
Creditors:					
Amounts falling due within one year	(7)	2,000		49,125	
		<hr/>		<hr/>	
Net Current Assets			540,052		616,404
			<hr/>		<hr/>
Net Assets			£ 547,231		£ 627,246
			<hr/>		<hr/>
Capital & Reserves					
Called up share capital	(8)		1,000		1,000
Profit & Loss account			546,231		626,246
			<hr/>		<hr/>
			£ 547,231		£ 627,246
			<hr/>		<hr/>

Balance sheet continued on next page.....

QUEST EQUITIES & DERIVATIVES LIMITED

BALANCE SHEET (continued)

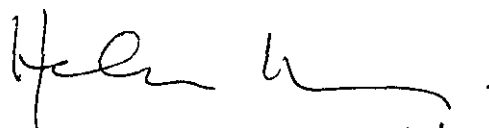
AS AT 31ST DECEMBER, 2001

For the period in question, the company was entitled to exemption from an audit under s249A(1) of the Companies Act 1985. No notice has been deposited under s249B(2) of the act in relation to the accounts for the period. The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with s221 of the Companies Act 1985; and
- (b) preparing accounts which give a true and fair view of the state of affairs of the company, as at the end of the period, and of its profit or loss for the period then ended in accordance with the requirements of s226 of the Companies Act 1985, and which otherwise comply with the requirements of that act relating to accounts, so far as applicable to the company.

The accounts are prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

Signed on behalf of the board



H. Kenny

14/7/02

QUEST EQUITIES & DERIVATIVES LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER, 2001****1. Accounting Policies****a) Basis of Accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

b) Turnover

Turnover, which is stated net of value added tax represents amounts receivable for services supplied, solely in the U.K.

c) Deferred Taxation

No provision has been made in these accounts for the amount of taxation deferred by reason of accelerated capital allowances.

d) Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its anticipated useful life:-

Motor Vehicle	20%	straight line
Furniture & Fittings	20%	straight line

2. Operating Profit

is shown after charging:-

	2 0 0 1	2 0 0 0
	£	£
Director's remuneration	-	97,566
Auditors remuneration	2,000	3,500
Social security costs	90	8,082
	<hr/>	<hr/>

3. Taxation

Provision on results for year

	19,324	(45,625)
	<hr/>	<hr/>

Taxation charge

£	19,324	£ (45,625)
	<hr/>	<hr/>

QUEST EQUITIES & DERIVATIVES LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER, 2001****continued**

4.	Fixed Assets	Furniture & Fittings	Motor Vehicle	Total
	Cost			
	At 1.1.01	8,469	11,500	19,969
	Additions	413	-	413
	Disposals	-	-	-
		<hr/>	<hr/>	<hr/>
	At 31.12.01	8,882	11,500	20,382
		<hr/>	<hr/>	<hr/>
	Depreciation			
	At 1.1.01	2,227	6,900	9,127
	Charge for the year	1,776	2,300	4,076
	Eliminated on disposal	-	-	-
		<hr/>	<hr/>	<hr/>
	At 31.12.01	4,003	9,200	13,203
		<hr/>	<hr/>	<hr/>
	Net Book Values			
	At 31.12.01	4,879	2,300	7,179
		<hr/>	<hr/>	<hr/>
	At 1.1.01	6,242	4,600	10,842
		<hr/>	<hr/>	<hr/>

2001
£

2000
£

5. Investments

Weities.com - At cost	£ -	£ 103,806
Islamiq Plc - At cost	£ 14,425	£ -
	<hr/>	<hr/>

QUEST EQUITIES & DERIVATIVES LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER, 2001**
continued

	2 0 0 1	2 0 0 0
	£	£
6. Debtors		
VAT recoverable	844	376
Corporation tax recoverable	19,324	-
	<hr/>	<hr/>
	£ 20,168	£ 376
	<hr/>	<hr/>
7. Creditors:		
Amounts falling due within one year		
Accruals	2,000	3,500
Corporation Tax payable	-	45,625
	<hr/>	<hr/>
	£ 2,000	£ 49,125
	<hr/>	<hr/>
8. Called Up Share Capital		
Authorised		
1,000 Ord. Shares of £1 each	£ 1,000	£ 1,000
	<hr/>	<hr/>
Allotted, Issued & Fully Paid		
1,000 Ord. Shares of £1 each	£ 1,000	£ 1,000
	<hr/>	<hr/>
9. Reconciliation of Movements in Shareholders' Funds		
Balance b/fwd	627,246	448,100
(Loss)/Profit for the year	(80,015)	179,146
Dividends paid	-	-
	<hr/>	<hr/>
Closing Shareholders' Funds	£ 547,231	£ 627,246
	<hr/>	<hr/>

ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS
TO THE DIRECTORS OF QUEST EQUITIES & DERIVATIVES LIMITED
FOR THE YEAR ENDED 31ST DECEMBER 2001

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st December 2001, set out on pages 4 to 9, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Barham Bradford & Hamilton

Barham Bradford & Hamilton
Chartered Accountants
1 Lincoln's Inn Fields
London WC2A 3AA

16 July 2002