

DE LA RUE QUEST LIMITED
REGISTERED NUMBER: 3804638

DIRECTORS' REPORT
AND ACCOUNTS

FROM 1 APRIL 2001 TO 30 MARCH 2002



DE LA RUE QUEST LIMITED

Directors' Report

The Directors submit their report together with the financial statements for the period 1 April 2001 to 30 March 2002.

Principal activity and Business review

The Company acts as Trustee of the De La Rue Qualifying Employee Share Ownership Trust and is operated in conjunction with the De La Rue Sharesave Scheme ("Sharesave") for the benefit of employees and directors of De La Rue plc and its subsidiaries.

The Company did not trade during the year, resulting in neither a profit nor loss. The directors do not recommend the payment of a dividend.

Directors and Directors' interests

The names of the Directors holding office during the period were as follows:

C Chamberlain
C L Fluker
J Langford (resigned 31/10/01)
P Caunt (appointed 31/10/01)

At 30 March 2002 no Directors or members of their families, as defined by the Companies Act 1985, held any beneficial interests in shares of any member of the Group other than the ultimate parent undertaking, De La Rue plc. The holdings of Ms C L Fluker were as follows:

	1 April 2001	30 March 2002
Ordinary Shares	7,152	7,152
Share Price Improvement Plan	136,000	163,600
Executive Share Options	46,900	18,100
Sharesave Options	6,967	6,967

Ms Fluker was granted a further 27,600 options at 506.42 pence under the De La Rue Share Price Improvement Plan on 25 June 2001. Ms Fluker exercised 5,000 options at 449.00 pence and 23,800 options at 365.67 pence under various De La Rue Executive Share Option Schemes on 10 August 2001. The market value of shares in De La Rue plc at the date of exercise was 509.00 pence. No other options were granted or exercised during the year and none lapsed.

At 30 March 2002 Ms Fluker's options under the De La Rue Sharesave Scheme are exercisable from March to September 2004 at prices ranging between 150.00 pence and 351.90 pence. Those options under the De La Rue Executive Share Option Scheme are exercisable at various dates up to July 2006 at prices ranging between 607.00 pence and 934.00 pence and those under the De La Rue Share Price Improvement Plan are exercisable from November 2002 to June 2005 at prices ranging between 215.30 pence and 506.42 pence.

The holdings of Mr P Caunt were as follows:

	1 April 2001	30 March 2002
Ordinary Shares	869	3,659
Sharesave Options	3,790	1,875

Mr Caunt exercised 2,790 options at 150.00 pence under the De La Rue (1993) Sharesave Scheme on 1 March 2002. At 30 March 2002 Mr Caunt's options under the De La Rue Sharesave Scheme are exercisable from June 2003 to 1 September 2005 at prices ranging between 221.10 pence and 434.10 pence. .

The market price of the ordinary shares at 30 March 2002 was 463.50 pence and the price range during the year was 400.00 pence to 535.00 pence.

Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board


J F Hermans

Secretary

22 January 2003

Registered Office:
De La Rue House
Jays Close
Viables
Basingstoke
Hants
RG22 4BS

DE LA RUE QUEST LIMITED

Balance Sheet at 30 March 2002 and 1 April 2001

£

Current Assets

Debtors

Amount due from parent undertaking

2

Capital and reserves

Authorised:

100 ordinary shares of £1.00 each

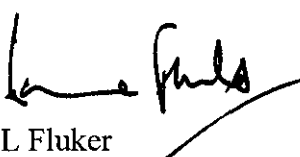
100

Allotted, called up and fully paid:
ordinary shares of £1

2

The Company was entitled to the audit exemption under Section 249AA(1) of the Companies Act 1985 (in the case of a dormant company since incorporation).

The accounts were approved by the Board of Directors on **22** January 2003.


C L Fluker
Director

The notes to the accounts are on page 4.

DE LA RUE QUEST LIMITED

Notes to the Financial Statements

1 Accounting Policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The accounts have been prepared as at 30 March 2002.

2 Profit and Loss Account

The Company did not trade during the year ended 30 March 2002 and has received no income and incurred no expenditure and consequently no profit and loss account has been prepared.

3 Directors' emoluments

The Directors have neither received nor waived any remuneration.

4 Immediate and Ultimate parent undertaking

The immediate and ultimate parent undertaking is De La Rue plc, a Company incorporated in Great Britain and registered in England and Wales. The De La Rue Group is the only group of which the Company is a member and for which group accounts are prepared. Copies of the group accounts are available from the Secretary, De La Rue plc, De La Rue House, Jays Close, Viables, Hants, RG22 4BS.