

## QUARTERLY REPORT

FORM 51-901F

### ISSUER DETAILS

Issuer Name	Acrex Ventures Ltd.
Address	9131 Jaskow Gate Richmond, B.C. V7E 5H6
Telephone	(604) 664-7723
Fax	(604) 277-1752
Contact	Carl R. Jonsson
Contact Telephone	(604) 683-9262
For Quarter Ended	March 31, 2001
Date of Report	May 15, 2001

### CERTIFICATE

The schedules required to complete this Quarterly Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Quarterly Report will be provided to any shareholder who requests it.

DIRECTOR'S SIGNATURE              “T.J. Malcolm Powell”              DATE: May 15, 2001

DIRECTOR'S SIGNATURE              “Carl R. Jonsson”              DATE: May 15, 2001

**FINANCIAL STATEMENTS**

**ACREX VENTURES LTD.**

**VANCOUVER, BRITISH COLUMBIA, CANADA**

**MARCH 31, 2001**

1. NOTICE TO READER
2. STATEMENT OF EARNINGS AND DEFICIT
3. BALANCE SHEET
4. STATEMENT OF CASH FLOWS
5. NOTES TO FINANCIAL STATEMENTS

**BEDFORD CURRY & CO.**  
CHARTERED ACCOUNTANTS

MICHAEL J. BEDFORD INC.

**NOTICE TO READER**

We have compiled the balance sheet of ACREX Ventures Ltd. as at March 31, 2001 and the statement of earnings and retained earnings and cash flows for the period then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Vancouver, British Columbia, Canada  
April 10, 2001

**BEDFORD CURRY & CO.**  
CHARTERED ACCOUNTANTS

## ACREX Ventures Ltd.

### STATEMENT OF EARNINGS AND DEFICIT

*Unaudited - See Notice to Reader*

	Three months ended March 31,	
	2001	2000
<b>EXPENSES</b>		
Business investigation costs	\$ 8,000	-
Legal	5,566	1,182
Filing fees	4,420	1,279
Accounting	3,268	3,075
Transfer agent fees	691	762
Office and general	111	17
<b>NET LOSS</b>	<b>(22,056)</b>	<b>(6,315)</b>
Deficit, beginning of period	(2,590,412)	(2,523,480)
<b>DEFICIT, end of period</b>	<b>\$ (2,612,468)</b>	<b>(2,529,795)</b>
<b>LOSS PER SHARE</b>	<b>\$ (0.007)</b>	<b>(0.002)</b>

# ACREX Ventures Ltd.

## BALANCE SHEET

Unaudited - See Notice to Reader

	March 31, 2001	December 31, 2000
<b>ASSETS</b>		
Current		
Cash	\$ 3,425	11,644
Accounts receivable	148	1,359
Income taxes recoverable	9,595	9,595
	<b>\$ 13,168</b>	<b>22,598</b>
<b>LIABILITIES</b>		
Current		
Accounts payable	\$ 35,027	22,401
<b>SHAREHOLDERS' EQUITY</b>		
Share capital [Note 4]	2,515,609	2,515,609
Share subscriptions [Note 5]	75,000	75,000
Deficit	(2,612,468)	(2,590,412)
	<b>(21,859)</b>	<b>197</b>
	<b>\$ 13,168</b>	<b>22,598</b>

APPROVED ON BEHALF OF THE BOARD:

"T.J. MALCOLM POWELL"  
\_\_\_\_\_  
Director

"CARL R. JONSSON"  
\_\_\_\_\_  
Director

## ACREX Ventures Ltd.

### STATEMENT OF CASH FLOWS

*Unaudited - See Notice to Reader*

	Three months ended March 31,	
	2001	2000
<b>OPERATIONS</b>		
Net loss	\$ (22,056)	(6,315)
Changes in non-cash working capital items:		
Decrease in accounts receivable	1,211	11,000
Increase (decrease) in accounts payable	12,626	(6,127)
	<b>(8,219)</b>	(1,442)
Decrease in cash	<b>(8,219)</b>	(1,442)
Cash, beginning of period	<b>11,644</b>	1,861
<b>CASH, end of period</b>	<b>\$ 3,425</b>	419

# ACREX Ventures Ltd.

## NOTES TO FINANCIAL STATEMENTS

*Three months ended March 31, 2001*

### 1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

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ACREX Ventures Ltd., incorporated in British Columbia, is a public company listed on the Canadian Venture Exchange.

The Company is in the process of investigating business opportunities.

The ability of the Company to realize assets at their carrying values and to discharge liabilities in the normal course of business is dependent on future profitable operations and/or the obtaining of additional debt or equity financing.

### 2. SIGNIFICANT ACCOUNTING POLICIES

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**Use of estimates in the preparation of financial statements** - 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reporting period. Actual results could differ from those estimates.

**Financial instruments** - The Company's financial instruments consists of cash, accounts receivable, accounts payable and note payable. It is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from its other financial instruments mentioned and that their fair values approximate their carrying values, unless otherwise noted.

**Income taxes** - The Company follows the liability method of accounting for income taxes. Under this method, income tax liabilities and assets are recognized for the estimated tax consequences attributable to differences between the amounts reported in the financial statements and their respective tax bases using enacted income tax rates. The effect of a change in income tax income rates on future income tax liabilities and assets is recognized in income in the period that the change occurs.

### 3. PROPOSED RE-ORGANIZATION

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By an agreement dated September 5, 2000 the Company agreed to purchase 100% of the the outstanding shares of Rapid Response Systems Inc. ("Rapid") by the issue of 6,000,000 common shares of the Company. The transaction is awaiting regulatory approval. Rapid is developing products for use in disaster response, emergency preparedness fire fighting, rescue operations, marine oil spill recovery and environmental industries.

This transaction would result in a "reverse takeover" for accounting purposes and would deem Rapid to be the acquiror.

### 4. SHARE CAPITAL

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The Company has authorized share capital of 25,000,000 common voting shares without par value. The issued share capital is as follows:

<b>March 31, 2001</b>	December 31, 2000
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	<b>Number</b>	<b>Amount</b>	Number	Amount
Balance, beginning and end of period	<b>3,056,516</b>	<b>\$ 2,515,609</b>	3,056,516	\$ 2,515,609

# **ACREX Ventures Ltd.**

## **NOTES TO FINANCIAL STATEMENTS**

*Three months ended March 31, 2001*

### **5. SHARE SUBSCRIPTIONS**

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The Company has received \$75,000, pursuant to a private placement financing of 150,000 units. Each unit entitles the holder to one common share and one share purchase warrant, exercisable at \$0.75 for two years.

### **6. RELATED PARTY TRANSACTIONS**

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The Company incurred legal fees of \$5,566 (2000: 1,182) from a law firm of which a director is a partner.