

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Financial Statements
and Supplemental Material
Year Ended December 31, 2006

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Contents

Independent Auditors' Report	3
Financial statements:	
Balance sheet	4
Statement of operations	5
Statement of changes in stockholders' equity	6
Statement of cash flows	7
Summary of significant accounting policies	8-10
Notes to financial statements	11-14
Independent Auditors' Report on Supplemental Material:	15
Supplemental material:	
Schedule of general and administrative expenses	16



Independent Auditors' Report

To the Stockholders
Shariah Capital, Inc.
New Canaan, Connecticut

We have audited the accompanying balance sheet of Shariah Capital, Inc., formerly Meyer Fund Management, LLC, as of December 31, 2006, and the related statements of operations, stockholders' equity (deficit) and cash flows for the year then ended. 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 auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shariah Capital, Inc. at December 31, 2006, and the results of their operations and cash flows for the year ended in conformity with accounting principles generally accepted in the United States of America.

BDO Seidman, LLP

May 2, 2007

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Balance Sheet

<i>December 31,</i>	2006
Assets	
Cash	\$1,093,734
Certificates of deposit	3,517,817
Due from related parties (Note 2)	29,097
Prepaid expenses and other current assets	91,589
Property and equipment-net (Note 3)	6,223
Total assets	\$4,738,460
Liabilities and Stockholders' Equity	
Accounts payable	\$ 9,446
Accrued expenses and other current liabilities	568,171
Total liabilities	577,617
Commitments (Note 4)	
Stockholders' equity:	
Common stock, \$.01 par value, 70,000,000 shares authorized; 58,440,600 shares issued and outstanding	584,406
Additional paid in-capital	4,164,899
Retained deficit	(588,462)
Total stockholders' equity	4,160,843
Total liabilities and stockholders' equity	\$4,738,460

*See accompanying significant accounting policies and
notes to financial statements.*

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Statement of Operations

<i>December 31,</i>	2006
Revenues	
Consulting	\$ 222,500
Interest income	30,328
Rental income (Note 4)	19,500
Conference attendee and sponsorship	18,868
Total revenues	\$ 291,196
Expenses	
General and administrative expenses (Notes 3 and 4)	\$ 885,726
Consultant expenses	31,431
Conference hosting expenses	15,107
Interest expense	3,120
Total expenses	\$ 935,384
Net loss	\$ (644,188)
Earnings (loss) per share, basic and diluted	\$ (.01)
Weighted average shares outstanding, basic and diluted	50,886,497

*See accompanying significant accounting policies and
notes to financial statements.*

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Statement of Changes in Stockholders' Equity

Year ended December 31, 2006

	Common Stock		Additional paid- in capital	Retained Earnings/ (Deficit)	Total
	Shares	Amount			
Balance at December 31, 2005	-	\$ -	\$ -	\$ 55,726	\$ 55,726
Shares issued (Note 1)	5,550,000	55,500	5,494,500	-	5,550,000
Shares issued in lieu of payment for services (Note 1)	190,600	1,906	188,694	-	190,600
Conversion of Meyer Fund Management LLC membership interests to common stock	50,000,000	500,000	(500,000)	-	-
Restricted stock compensation expense (Note 6)	-	-	72,329	-	72,329
Issuance of restricted common stock	2,700,000	27,000	(27,000)	-	-
AIM offering expenses	-	-	(1,063,624)	-	(1,063,624)
Net loss	-	-	-	(644,188)	(644,188)
Balance at December 31, 2006	58,440,600	\$ 584,406	\$ 4,164,899	\$ (588,462)	\$ 4,160,843

*See accompanying significant accounting policies and
notes to financial statements*

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Statement of Cash Flows
(Note 5)

<i>For the year ended December 31,</i>	2006
Cash flows from operating activities:	
Net loss	\$ (644,188)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Common stock issued in lieu of payment for services	190,600
Stock compensation expense	72,329
Depreciation and amortization	1,251
Changes in operating assets and liabilities:	
Prepaid expenses and other current assets	(82,920)
Deferred revenue	(25,000)
Accounts payable	(2,831)
Accrued expenses and other current liabilities	520,464
Net cash provided by operating activities	29,705
Cash flows used in investing activities:	
Purchase of certificate of deposit	(3,517,817)
Purchase of property and equipment	(2,259)
Net cash used in investing activities	(3,520,076)
Cash flows from financing activities:	
Proceeds from sale of common stock, net of AIM expenses	1,936,376
Proceeds from bridge loan	1,200,000
Proceeds from issuance of common stock to investee	1,350,000
Due from related parties	(18,000)
Net cash provided by operating activities	4,468,376
Net increase in cash	978,005
Cash, beginning of period	115,729
Cash, end of period	\$ 1,093,734

*See accompanying significant accounting policies and
notes to financial statements*

Shariah Capital, Inc. (formerly Meyer Fund Management, LLC)

Summary of Significant Accounting Policies

The Company and Nature of Operations

Shariah Capital, Inc. (“the Company”) was formed on September 6, 2006 as a Delaware Corporation. The Company is a multi-dimensional company that creates Shariah-compliant financial products and services under its own brand name, under co-branding arrangements with joint venture partners or on a private label basis. The Company’s targeted clients are financial institutions and investment management firms that are building product platforms primarily directed to the Middle East and Far East and, specifically to, Islamic institutional and high net worth investors. The firm also is exploring and expects to pursue a number of business opportunities with financial and investment firms in Europe, Asia and the United States.

On September 26, 2006, the Company increased the authorized shares of common stock that it may issue to 70,000,000 shares.

On November 8, 2006, the Company acquired the assets and liabilities of Meyer Fund Management, LLC (“Meyer”), the predecessor Company. The existing members of Meyer were given 50,000,000 shares of common stock in the Company, based on their existing percentage holdings in Meyer. The merger was accounted for as entities under common control, whereby the Company recognized the assets and liabilities of Meyer at their carryover basis as of the date of the merger. Accordingly, the accompanying financial statements present the operations of both Meyer Fund Management, LLC and Shariah Capital, Inc. Post merger, Meyer has since been dissolved.

Revenue Recognition

The Company recognizes revenue in the month when the services are provided.

Property, Equipment and Depreciation

Property and equipment are stated at cost. Depreciation and amortization are provided principally on the straight-line method over the estimated useful lives. Fully depreciated assets are written off in the year following its last depreciation charge. The estimated useful lives of the computer equipment is 5 years.

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Summary of Significant Accounting Policies

Cash and cash equivalents

Cash and cash equivalents consist of short term highly liquid investments purchased with original maturities of three months or less and are readily convertible into cash.

Concentration of Credit Risk

The Company maintains cash balances with a financial institution. The balance in this account at this institution at times maybe in excess of the FDIC insured limit. The Company has not expensed any losses on such accounts.

Additionally, the Company maintains a brokerage account with a financial institution. The balance in this account at this institution at times may be in excess of the SIPC insured limit. The Company has not expensed any losses on such accounts.

Advertising

The Company expenses advertising costs as they are incurred.

Income Taxes

On September 6, 2006, Shariah Capital, Inc. was incorporated in Delaware as a C Corp. under the provisions of the Internal Revenue Code. The Company is responsible for minimum taxes to the States of Delaware and Connecticut. Due to the current year loss, no income tax provision has been made in the accompanying financial statements and only the required minimum and capital taxes have been provided for.

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes." Under this method, deferred income taxes are recognized for the tax consequences of "temporary differences" by applying statutory tax rates expected to be applicable in future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities.

A valuation allowance reduces deferred tax assets when it is more likely than not that some or all of the deferred tax assets will not be realized. (See Note 7.)

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Summary of Significant Accounting Policies

Use of Estimates

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

Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net income (loss) by the weighted average common shares outstanding. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average common shares outstanding adjusted for incremental dilution of potentially dilutive securities. There were no potentially dilutive securities in 2006.

Shariah Capital, Inc. (formerly Meyer Fund Management, LLC)

Notes to Financial Statements

- 1. Private Placement and Recapitalization** On September 1, 2006, the Company entered into a “Master Participation Agreement” with numerous individuals and entities. These participants funded the Company in the aggregate of \$1.2 million. The funding provided working capital to the Company and to fund costs and expenses related to having its common stock admitted for trading on the London Alternative Investment Market (the “AIM”) on terms and conditions as defined in the Agreement. On December 13, 2006, the Company started publicly trading on the AIM under the ticker symbol (“SCAP”). In total, the Company raised \$5,740,600, of which \$1,200,000 was raised from the bridge loan per the Master Participation Agreement, \$3,000,000 as part of the private placement, and the remaining \$1,540,600 raised from an investee (AIM representative). Included in the funds raised are shares issued in lieu of payment for professional services that amounted to \$190,600. Total costs incurred amounted to approximately \$1,064,000.
- 2. Related Party Transactions** As of December 31, 2006, the Company had a receivable from the President in the amount of \$30,000. The amount was paid in January 2007. As of December 31, 2006, the Company had a payable to the President in the amount of \$903. The amount was paid in January 2007.
- 3. Property and Equipment – net** Property and equipment – net, held and used at December 31, 2006 consists of the following:

	2006
Computer equipment	\$8,449
Less: Accumulated depreciation and amortization	2,226
	\$6,223

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Notes to Financial Statements

Depreciation expense amounted to \$1,251 for the year ended December 31, 2006 and is included in general and administrative expenses.

4. Commitments

Operating Leases

The Company is a party to an operating lease agreement relating to the rental of its corporate office that expires on August 31, 2007, with an annual base rent of approximately \$72,000. The lease also includes a provision to pay additional rent for their proportionate share of utilities of approximately \$1,600 per month over the lease term. Rent expense amounted to approximately \$92,887 for the year ended December 31, 2006 and is included in general and administrative expenses. The Company sublets a portion of this corporate office on a month-to-month basis to two tenants. Rental income amounted to approximately \$19,500 for the year ended December 31, 2006.

The Company is also a party to a month-to-month operating lease agreement relating to the rental of corporate office space in Dubai, that commenced in April 2007.

The minimum rental commitments required under these operating leases after December 31, 2006 are as follows:

<u>Year ended December 31,</u>	
2007	\$48,000

Employment Agreements

The Company entered into employment agreements with its management employees effective December 7, 2006 whereby annual salaries aggregate \$1,050,000. The agreements provide for 6 to 12 months notice of termination and provide for the annual salaries to be paid through the termination date. In addition, the agreement with the Chairman and Chief Executive Officer of the Company provides for a \$650,000 termination fee.

Shariah Capital, Inc. (formerly Meyer Fund Management, LLC)

Notes to Financial Statements

**Non Executive
Director Service
Agreement**

Effective December 6, 2006, the Company entered into a Non Executive Director Service Agreement whereby the individual will serve as the Chairman of the audit, nomination and compensation committees of the board of directors for an annual fee of \$32,500. The term of the agreement shall be for a period of not less than six months unless notice is given in writing by either party to terminate the agreement.

**5. Supplemental
Disclosures of
Cash Flow
Information**

Supplemental disclosures of cash flow information are as follows:

	Year ended December 31, 2006
Cash paid during the year for interest	\$ 3,120
Non cash financing transaction:	
Contribution of services in exchange for common stock	\$ 190,600
Conversion of bridge loan into common stock	\$1,200,000

**6. Shared Based
Compensation**

In December 2004, the Financial Accounting Standards Board (“FASB”) issued SFAS 123R, “Share-based Payment,” a revision of SFAS 123 which supersedes APB 25 “Accounting for Stock Issued to Employees”. The Company adopted SFAS 123R using the modified prospective application. Under this method, compensation cost is recognized for all shared-based payments granted, modified, or settled after the date of adoption as well as for any unvested awards that were granted prior to the date of the adoption.

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Notes to Financial Statements

The Company granted 2,700,000 shares of restricted stock on December 7, 2006 to several of its employees. These 2006 restricted stock grants vest over a period of three years. Under the provisions of SFAS 123R, share-based compensation cost is measured at the grant date, based on the calculated fair value of the award, and is recognized as an expense over the employee's requisite service period, which is the vesting period of the grant. Accordingly, compensation expense of \$72,329 was recorded for the year ended December 31, 2006 in connection with the restricted stock grants and is included in general and administrative expenses. Additional compensation expense costs amounting to \$1,073,699, \$713,151, and \$840,822 will be recognized over the next three years.

7. Income Taxes

The Company has net operating loss carry forwards of approximately \$1,100,000 available to reduce any future income taxes, expiring at various times from 2025 to 2026. The tax benefit of these losses and other temporary differences amount to approximately \$469,000, has been fully offset by a valuation allowance due to the uncertainty of its realization.

Independent Auditors' Report On Supplemental Material

Our audit of the basic financial statements included in the preceding section of this report were performed for the purpose of forming an opinion on those statements taken as a whole. The supplemental material presented in the following section of this report is presented for purposes of additional analysis, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

BDO Seidman, LLP

Certified Public Accountants

Melville, New York
May 2, 2007

Shariah Capital, Inc.
(formerly Meyer Fund Management, LLC)

Schedule of General and Administrative Expenses

<i>December 31,</i>	2006
General and administrative expenses:	
Administrative	\$ 400
Advertising	5,000
Automobile	839
Bank service charges	3,860
Charitable Donation	500
Computer	289
Data services	9,317
Depreciation	1,251
Director's Fees	2,708
Incorporation	240
Insurance	57,335
Information technology	9,160
Miscellaneous	466
Office supplies	3,558
Payroll	460,000
Payroll taxes	31,061
Payroll processing	965
Postage and delivery	3,536
Printing and reproduction	1,417
Accounting	85,636
Legal	2,862
Rent	92,887
Securities Filings	4,020
State and Labor Taxes	710
Stock Compensation expense	72,329
Telephone	9,370
Travel and entertainment	24,928
Web services	1,082
Total general and administrative expenses	\$885,726
