

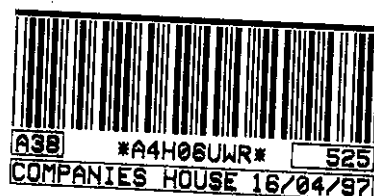
MARVELBID LIMITED

Company No: 2220081

FINANCIAL STATEMENTS

- for the year ended -

30 JUNE 1996



GALLAGHER & CO

## MARVELBID LIMITED

### REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 30 June 1996.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company continues to be that of property development.

The directors are pleased to be able to report that after several unsuccessful attempts, the company has at last found a suitable site to develop, the benefits of which, they are confident, will show through in the future.

#### **DIVIDEND AND TRANSFER TO RESERVES**

The directors do not recommend payment of a dividend.

#### **FIXED ASSETS**

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

#### **DIRECTORS AND THEIR INTERESTS**

The directors at the balance sheet date, were as follows:

T G Coughlan  
F E Gormley

Neither director had an interest in the share capital of the company. Their interest in the shares of the holding company are shown in the accounts of that company.

#### **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 the 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;
- 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.

MARVELBID LIMITED

REPORT OF THE DIRECTORS (Continued)

AUDITORS

The auditors, Gallagher & Co, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

Date: 27 March 1997

By Order of the Board

  
F E Gormley  
Secretary

MARVELBID LIMITED

AUDITORS' REPORT

AUDITORS' REPORT TO THE SHAREHOLDERS OF MARVELBID LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

**Respective responsibilities of the directors and auditors**

As described on the Directors' Report the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
GALLAGHER & CO  
Chartered Accountants  
Registered Auditors

P O Box 698  
69/85 Tabernacle Street  
London EC2A 4RR

Date: 14 April 1997

MARVELBID LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1996

	Notes	1996 £	1995 £
Administrative expenses		-	(3,000)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	(3,000)
Tax on profit on ordinary activities		-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>	6	-	(3,000)

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

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 7 to 9 form part of these financial statements.

MARVELBID LIMITED

BALANCE SHEET AT 30 JUNE 1996

	Notes	£	1996 £	£	1995 £
<b>CURRENT ASSETS</b>					
Stocks	2	15,000		-	
Debtors	3	2		2	
		<u>15,002</u>		<u>2</u>	
<b>CREDITORS: Amounts falling due within one year</b>					
	4	(3,054,594)		(3,039,594)	
<b>NET CURRENT LIABILITIES</b>					
			(3,039,592)		(3,039,592)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<u>(3,039,592)</u>		<u>(3,039,592)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			2		2
Profit and loss account	6		(3,039,594)		(3,039,594)
			<u>(3,039,592)</u>		<u>(3,039,592)</u>

The financial statements were approved  
by the board on 27 March 1997 and  
signed on its behalf by

F E Gormley



Director

The notes on pages 7 to 9 form part of these financial statements.

MARVELBID LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 1996

	Notes	£	1996	£	£	1995	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	8		-			-	
NET CASH INFLOW BEFORE FINANCING							
Financing:							
Receipts of other creditors		-		(3,026,594)			
Repayment of short-term loans (other than cash equivalents)		-		3,026,594			
NET CASH INFLOW FROM FINANCING			-			-	
INCREASE IN CASH AND CASH EQUIVALENTS			-			-	

The notes on pages 7 to 9 form part of these financial statements.

**MARVELBID LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996**

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF ACCOUNTING**

The financial statements have been prepared under the historical cost convention.

**1.2 STOCKS**

Stocks are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

<b>2. STOCKS</b>	<b>1996 £</b>	<b>1995 £</b>
Land held for development	15,000	-
	<u>15,000</u>	<u>-</u>
	<u><u>15,000</u></u>	<u><u>-</u></u>
<b>3. DEBTORS</b>	<b>1996 £</b>	<b>1995 £</b>
Amounts owed by group undertakings	2	2
	<u>2</u>	<u>2</u>
	<u><u>2</u></u>	<u><u>2</u></u>
<b>4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>1996 £</b>	<b>1995 £</b>
Amounts owed to group undertakings	28,000	13,000
Other creditors	3,026,594	3,026,594
	<u>3,054,594</u>	<u>3,039,594</u>
	<u><u>3,054,594</u></u>	<u><u>3,039,594</u></u>

The company's outside creditors are due to be paid from the profits generated from future developments, which the directors are confident will be achieved.

**MARVELBID LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996**

5.	SHARE CAPITAL	1996 £	1995 £
	<u>Authorised</u>		
	Equity interests:		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<u>Allotted, called up and fully paid</u>		
	Equity interests:		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
6.	PROFIT AND LOSS ACCOUNT		
		1996 £	1995 £
	Accumulated losses at 1 July 1995	(3,039,594)	(3,036,594)
	Profit for the financial year	<u>-</u>	<u>(3,000)</u>
	Accumulated losses at 30 June 1996	<u>(3,039,594)</u>	<u>(3,039,594)</u>
7.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
		1996 £	1995 £
	Profit for the financial year	-	(3,000)
	Shareholders' funds at 1 July 1995	<u>(3,039,592)</u>	<u>(3,036,592)</u>
	Shareholders' funds at 30 June 1996	<u>(3,039,592)</u>	<u>(3,039,592)</u>
	Represented by:-		
	Equity interests	<u>(3,039,592)</u>	<u>(3,039,592)</u>
		<u>(3,039,592)</u>	<u>(3,039,592)</u>

**MARVELBID LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996**

**8. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	1996 £	1995 £
Operating profit	-	(3,000)
Increase in stocks	(15,000)	-
Increase in creditors due within one year	15,000	3,029,594
	<u>-</u>	<u>3,026,594</u>

**9. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR**

	1996 £	1995 £
Share capital (including premium) at 1 July 1995	<u>2</u>	<u>2</u>
Share capital (including premium) at 30 June 1996	<u>2</u>	<u>2</u>

**10. ULTIMATE PARENT COMPANY**

The ultimate parent company is Wandle Holdings Plc, a company registered in England.