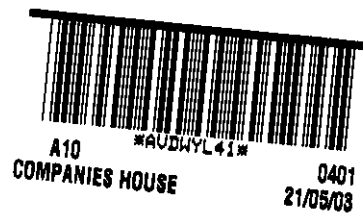


Company Registration No. 2220081 (England and Wales)

MARVELBID LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002



MARVELBID LIMITED

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MARVELBID LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2002

The directors present their report and financial statements for the year ended 30 June 2002.

Principal activities

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

Directors

The following directors have held office since 1 July 2001:

T G Coughlan
F E Gormley

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 June 2002	1 July 2001
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.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gallagher & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

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;
- 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



F E Gormley

Director

15 January 2003

MARVELBID LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MARVELBID LIMITED

We have audited the financial statements of MARVELBID LIMITED on pages 3 to 6 for the year ended 30 June 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 the company's affairs as at 30 June 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Gallagher & Co

15 May 2003

Chartered Accountants
Registered Auditors

69/85 Tabernacle Street
London
EC2A 4RR

MARVELBID LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2002 £	2001 £
Administrative expenses		(250)	(250)
Loss on ordinary activities before taxation	2	(250)	(250)
Tax on loss on ordinary activities		-	-
Loss on ordinary activities after taxation	5	(250)	(250)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.


MARVELBID LIMITED

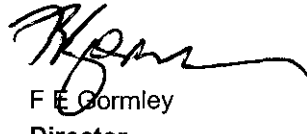
BALANCE SHEET AS AT 30 JUNE 2002

	Notes	2002 £	£	2001 £	£
Current assets					
Stocks		-		15,000	
Creditors: amounts falling due within one year	3	<u>(2,855,728)</u>		<u>(2,870,478)</u>	
Net current liabilities			<u>(2,855,728)</u>		<u>(2,855,478)</u>
Total assets less current liabilities			<u>(2,855,728)</u>		<u>(2,855,478)</u>
			<u>(2,855,728)</u>		<u>(2,855,478)</u>
Capital and reserves					
Called up share capital	4		2		2
Profit and loss account	5		<u>(2,855,730)</u>		<u>(2,855,480)</u>
Shareholders' funds - equity interests	6		<u>(2,855,728)</u>		<u>(2,855,478)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 15 January 2003


T G Coughlan
Director


F E Gormley
Director

MARVELBID LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Stock

Work in progress is valued at the lower of cost and net realisable value.

1.4 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating loss

	2002	2001
	£	£
Operating loss is stated after charging:		
Auditors' remuneration	250	250

3 Creditors: amounts falling due within one year

	2002	2001
	£	£
Other creditors	2,855,728	2,870,478

4 Share capital

	2002	2001
	£	£
Authorised		
1,000 Ordinary shares of £ 1 each	1,000	1,000
Allotted, called up and fully paid		
2 Ordinary shares of £ 1 each	2	2

5 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2001	(2,855,480)
Retained loss for the year	(250)
Balance at 30 June 2002	(2,855,730)

MARVELBID LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

6	Reconciliation of movements in shareholders' funds	2002 £	2001 £
	Loss for the financial year	(250)	(250)
	Opening shareholders' funds	(2,855,478)	(2,855,228)
		<hr/>	<hr/>
	Closing shareholders' funds	(2,855,728)	(2,855,478)
		<hr/>	<hr/>

7 Control

The ultimate parent company is Wandle Holdings PLC Limited, a company registered in England and Wales.