

Company Registration Number 959214

CHASE WEB LIMITED
REPORT AND FINANCIAL STATEMENTS
31 JULY 1998

St Ives House
Lavington Street
London SE1 ONX



CHASE WEB LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the fifty-two weeks ended 31 July 1998 (the financial year).

1. PRINCIPAL ACTIVITY

The Company is a wholly owned subsidiary of St Ives plc and acts as an intermediate holding company for a company involved in the printing industry. Profits for the year comprise dividends received from the subsidiary company.

2. REVIEW OF OPERATIONS

The results for the fifty-two weeks ended on 31 July 1998 are shown on page 5.

3. DIVIDENDS

A dividend of £3,475,000 on the ordinary share capital was paid during the financial year (1997 - £3,000,000). The Directors do not propose any further dividend for the financial year.

4. FUTURE PROSPECTS

The Company will continue to act as an intermediate holding company for a company involved in the printing industry.

5. DIRECTORS

The following were directors of the Company throughout the year:-

P. C. Harris
St Ives plc

The Directors' interests in the ordinary shares of St Ives plc, the ultimate parent company, at 1 August 1997 and at 31 July 1998 were:-

	Ordinary Shares		Share Options			
	1998	1997	1998	Exercised	Granted	1997
P. C. Harris	1,000	500	24,437	(1,210)	5,806	19,841

CHASE WEB LIMITED

DIRECTORS' REPORT

St Ives plc, the corporate director, is also the ultimate parent company and therefore has interests in the Company and all other companies within the Group. For a list of companies in which St Ives plc has interests, refer to the Financial Statements of St Ives plc.

Apart from the above at no time during the year did the directors have any interest in the shares or debentures of the Company, or any other company in the Group.

6. YEAR 2000

The company acts as an intermediate holding company. The Directors do not consider the impact of the year 2000 on the company to be significant as the company has no computer equipment and does not trade.

The impact of the year 2000 on the company's subsidiaries is disclosed in their financial statements.

7. AUDITORS

On 11 July 1996 the members of the Company passed an Elective Resolution pursuant to Section 386 of the Companies Act 1985, as amended, to dispense with the obligation to appoint auditors annually. Deloitte & Touche accordingly will remain in office until further notice.

Approved by the Board of Directors and signed on their behalf.



P. C. Harris
Secretary
12 October 1998

CHASE WEB LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for the financial year. These requirements are specified in the Companies Act 1985 and in applicable accounting standards. The Directors also have responsibility for maintaining proper and adequate accounting records, safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.

The Directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the financial statements and that applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

Approved by the Board of Directors and signed on behalf of the Board.



P. C. Harris

Secretary

12 October 1998

CHASE WEB LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of Directors and Auditors

As described on page 3 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 the Company's affairs as at 31 July 1998 and of the profit for the fifty-two weeks then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and
Registered Auditors
Hill House
1 Little New Street
London EC4A 3TR

12 October 1998

CHASE WEB LIMITED

PROFIT AND LOSS ACCOUNT

52 WEEKS ENDED 31 JULY 1998

Continuing Activities

		52 weeks ended 31 July 1998 £	52 weeks ended 1 August 1997 £
	<i>Notes</i>		
Profit on ordinary activities before and after taxation.	2	3,475,000	3,000,000
Dividends	3	<u>(3,475,000)</u>	<u>(3,000,000)</u>
Retained result for the financial year		-	-
Profit and loss account brought forward		<u>-</u>	<u>-</u>
Profit and loss account carried forward		Nil	Nil
		<u><u> </u></u>	<u><u> </u></u>

There were no recognised gains or losses during either year other than as presented in the profit and loss account, and hence, in accordance with Financial Reporting Standard No.3, no separate statement of total recognised gains and losses has been prepared.

CHASE WEB LIMITED

BALANCE SHEET – 31 JULY 1998

	<i>Notes</i>	31 July 1998 £	1 August 1997 £
FIXED ASSETS			
Investments	4	36,449	36,449
CURRENT ASSETS			
Debtors - amount due from group companies		<u>98,949</u>	<u>98,949</u>
		135,398	135,398
		<u><u>135,398</u></u>	<u><u>135,398</u></u>
CAPITAL AND RESERVES			
Called up share capital	5	100,000	100,000
Share premium account		<u>35,398</u>	<u>35,398</u>
Equity shareholders' funds		135,398	135,398
		<u><u>135,398</u></u>	<u><u>135,398</u></u>

The financial statements were approved by the Board of Directors on 12 October 1998 and signed on their behalf by:-



P. C. Harris
Director

CHASE WEB LIMITED

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1998 £	1997 £
Opening equity shareholders' funds	135,398	135,398
Profit for the financial year	3,475,000	3,000,000
Dividends	(3,475,000)	(3,000,000)
	<hr/>	<hr/>
Closing equity shareholders' funds	135,398	135,398
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CHASE WEB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 WEEKS ENDED 31 JULY 1998

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

The accounting period is the fifty-two weeks ended 31 July 1998 (the financial year). The previous accounting period was for the fifty-two weeks ended 1 August 1997.

Fixed asset investments in subsidiaries are stated at cost less provisions for any permanent diminution in value.

2. PROFIT FOR THE FINANCIAL YEAR

The profit for the financial year consists of income from shares in group undertakings amounting to £3,475,000 (1997 - £3,000,000).

No taxation is payable as all income is in respect of UK company dividends received.

For both the current and prior financial year, the Company had no employees and the Directors and auditors were paid by other group companies.

3. EQUITY DIVIDENDS

	52 weeks ended 31 July 1998 £	52 weeks ended 1 August 1997 £
Equity dividends paid during the year:		
Interim	3,475,000	3,000,000
	<hr/>	<hr/>

CHASE WEB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 WEEKS ENDED 31 JULY 1998

4. INVESTMENTS

A) Shares in undertaking	Shares at Cost £
At 31 July 1998 and 1 August 1997	36,449

This represents the Company's investment in St Ives (Plymouth) Limited, a printing company, which is a wholly owned subsidiary incorporated in Great Britain and registered in England and Wales which operates in England.

- B) In accordance with S.228 of the Companies Act 1985, no consolidated financial statements have been prepared as the Company is a wholly owned subsidiary of another company incorporated in Great Britain.
- C) These Financial Statements present information about the company as an individual undertaking and not about its group.
- D) In the opinion of the Directors the value of the Company's investment in the above subsidiary is not less than the amount at which it has been stated in the balance sheet.

5. CALLED UP SHARE CAPITAL

	31 July 1998	1 August 1997
Equity share capital		
Authorised:		
105,000 Ordinary shares of £1 each	£105,000	£105,000
Called up, allotted and fully paid:		
100,000 ordinary shares of £1 each	£100,000	£100,000

CHASE WEB LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 WEEKS ENDED 31 JULY 1998

6. ULTIMATE PARENT COMPANY

The ultimate parent company and ultimate controlling entity is St Ives plc which is incorporated in Great Britain and registered in England and Wales. The immediate parent company and immediate controlling entity is St Ives Holdings Limited, also incorporated in Great Britain and registered in England and Wales. Copies of the financial statements of St Ives plc and St Ives Holdings Limited can be obtained from their registered office at St Ives House, Lavington Street, London SE1 ONX.