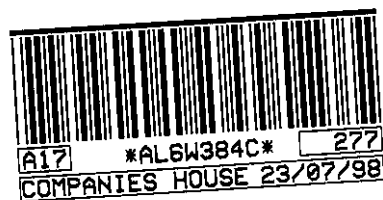


Blick Group Management Services Limited Directors' Report and Financial Statements

For the year ended 30 September 1997

Company number 1345093



Blick Group Management Services Limited

Directors' Report

For the year ended 30 September 1997

Page 1

The Directors present their report and financial statements for the year ended 30 September 1997.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Company has not traded during the year and has made neither a profit nor a loss. There are no plans at present for the Company to resume trading.

Post balance sheet event

On 8 May 1998 the whole of the issued share capital of the company was transferred from Blick Dormants Limited to Blick plc, the ultimate parent company for a total consideration of £2.

DIRECTORS

The Directors of the company during the year were:

Mr MJ Lee
Mr CD MacInnes
Mr IH Scott-Gall (resigned 1 April 1998)
Mr I Watkins (resigned 21 February 1997)
Mr A C Sauntson
Mr M Melvin

On 1 October 1997 Mr GG Cooke and Mr GR Purvis were appointed as directors.

DIRECTORS INTERESTS IN THE SHARES OF THE COMPANY

None of the Directors had any interest in shares of the Company at any time during the year. MR MJ Lee, MR CD MacInnes, Mr GR Purvis and Mr IH Scott-Gall are also Directors of the ultimate parent company, Blick plc, and their interests in the shares of that company are disclosed in the financial statements of that company.

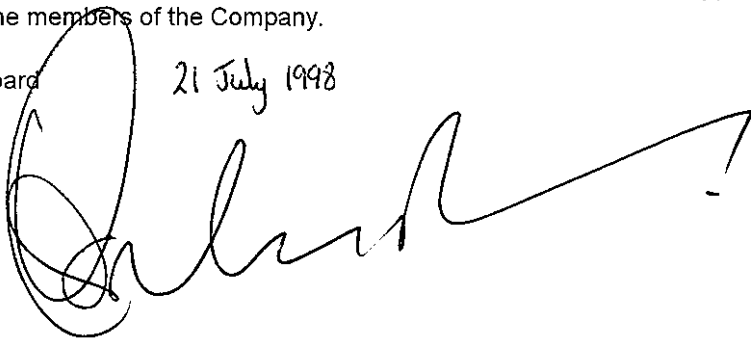
The interests of the other directors in the shares of Blick plc are disclosed in note 5 of the financial statements.

AUDITORS

In accordance with Section 252 of the Companies Act 1985, a resolution not to appoint auditors has been passed by the members of the Company.

By order of the Board

21 July 1998



CD MacInnes
Secretary

Blick House
Bramble Road
Swindon
SN2 6ER

Blick Group Management Services Limited

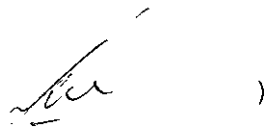
Balance Sheet as at 30 September 1997

	Note	1997 £	1996 £
Current assets			
Debtors	2	<u>2</u>	<u>2</u>
Net current assets		<u><u>2</u></u>	<u><u>2</u></u>
Share capital and reserves			
Called up share capital	3	<u>2</u>	<u>2</u>
		<u><u>2</u></u>	<u><u>2</u></u>

The company was dormant throughout the year ended 30 September 1997.

Signed on behalf of the board on: 21 July 1998

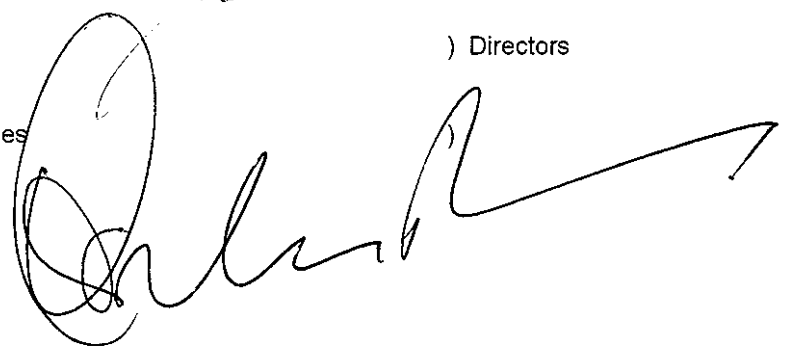
Mr MJ Lee



)

) Directors

Mr CD MacInnes



Blick Group Management Services Limited

Notes to the Accounts

Page 3

1 Accounting policies

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

2 Debtors

	1997 £	1996 £
Amounts due from parent undertaking	<u>2</u>	<u>2</u>

3 Called up share capital

At 30 September 1997 and at 30 September 1996

	No	£
Authorised Ordinary shares of 100p each	<u>100</u>	<u>100</u>
Allotted and fully paid Ordinary shares of 100p each	<u>2</u>	<u>2</u>

4 Parent company

At 30 September 1997 the company was a wholly owned subsidiary of Blick Dormants Limited.

On 8 May 1998 all of the company's share capital was transferred to Blick plc, the ultimate parent company.

Both companies are registered in England and Wales.

Copies of the financial statements for Blick plc are available from the Company Secretary, Blick House, Bramble Road, Swindon, SN2 6ER.

Blick plc is the parent company of the largest and smallest group of which this company is a member and for which group accounts are drawn up.

5 Directors' interests

At 30 September 1997 the interests of the other directors in the ordinary shares of Blick plc were as follows:

Blick plc	1997	1996
Mr G G Cooke	2,048	2,048
Mr M Melvin	1,000	-

The Blick plc Group Share Option scheme

	Options exercisable		No of	Option
	from	to	shares	price
Mr G G Cooke	24.06.97	23.06.04	4,000	439p
	17.06.99	16.06.06	8,000	547p
Mr M Melvin	17.06.99	16.06.06	14,000	547p
Mr A C Sauntson	24.06.97	23.06.04	4,200	439p
	17.06.99	16.06.99	6,000	547p

The Blick Group Sharesave Scheme

	Options exercisable		No of	Option
	from	to	shares	price
Mr G G Cooke	01.03.98	30.08.98	1,599	340p
	01.03.99	31.08.99	907	380p
	01.03.00	31.08.00	896	385p
	01.03.01	31.08.01	862	400p
	01.03.00	31.08.00	263	370p
Mr A C Sauntson	01.03.98	30.08.98	3,198	340p
	01.03.99	31.08.99	1,815	380p