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Company Registration No. 00899099 (England and Wales)

WIRE & PLASTIC PRODUCTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003



Finn-Kelcey & Chapman
Chartered Accountants
Stourside Place
Station Road
Ashford Kent

WIRE & PLASTIC PRODUCTS LIMITED

COMPANY INFORMATION

Directors	G C Sampson Sir Martin Sorrell
Secretary	G C Sampson
Company number	00899099
Registered office	Pennypot Industrial Estate Hythe Kent
Auditors	Finn-Kelcey & Chapman Stourside Place Station Road Ashford Kent
Business address	Pennypot Industrial Estate Hythe Kent
Bankers	HSBC 47 High Street Hythe Kent
Solicitors	Girlings Fourth Floor Stourside Place Station Road Ashford Kent

WIRE & PLASTIC PRODUCTS LIMITED

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WIRE & PLASTIC PRODUCTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

The directors present their report and financial statements for the year ended 31 December 2003.

Principal activities and review of the business

The principal activity of the company during the year was the manufacture, wholesale and distribution of wire and plastic products and holloware and kitchenware.

The directors note with regret the sudden death of the former secretary D M Green.

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 January 2003:

G C Sampson
Sir Martin Sorrell

In accordance with the company's Articles of Association, Sir Martin Sorrell retires by rotation and, being eligible, offers himself for re-election.

Directors' interests

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

Wire & Plastic Products Limited

	<i>Ordinary shares of £ 1 each</i>	
	<i>31 December 2003</i>	<i>1 January 2003</i>
G C Sampson	-	-
Sir Martin Sorrell	-	-

The interests of Sir Martin Sorrell in the ordinary share capital of WPP Group plc, the ultimate holding company, are disclosed in the accounts of that company.

No director had any beneficial interest in any contract of significance with the company during the year.

Auditors

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

WIRE & PLASTIC PRODUCTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

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.

On behalf of the board



G C Sampson

Director

20 May 2004

WIRE & PLASTIC PRODUCTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WIRE & PLASTIC PRODUCTS LIMITED

We have audited the financial statements on pages 4 to 16 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on pages 7 and 8.

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 2 the company's directors are responsible for the preparation of the 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.

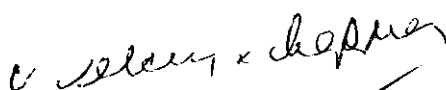
Basis of audit opinion

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 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Finn-Kelcey & Chapman

20 May 2004

Chartered Accountants
Registered Auditors

Stourside Place
Station Road
Ashford Kent

WIRE & PLASTIC PRODUCTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Turnover	2	2,250,089	2,439,108
Cost of sales		(1,470,512)	(1,671,889)
Gross profit		<u>779,577</u>	<u>767,219</u>
Distribution costs		(136,645)	(157,696)
Administrative expenses		(442,058)	(469,428)
Other operating income		27,377	20,204
Operating profit	3	<u>228,251</u>	<u>160,299</u>
Other interest receivable and similar income	4	21,080	44,304
Profit on ordinary activities before taxation		<u>249,331</u>	<u>204,603</u>
Tax on profit on ordinary activities	5	48,991	(35,415)
Profit for the financial year	16	<u><u>298,322</u></u>	<u><u>169,188</u></u>

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

WIRE & PLASTIC PRODUCTS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2003

	2003 £	2002 £
Profit for the financial year	298,322	169,188
Unrealised surplus on revaluation of properties	-	170,520
Total recognised gains and losses relating to the year	<u>298,322</u>	<u>339,708</u>

WIRE & PLASTIC PRODUCTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2003

	Notes	2003 £	2002 £
Fixed assets			
Intangible assets	6	1	1
Tangible assets	7	715,673	742,455
Investment properties	8	400,000	400,000
Investments	9	4,505,549	4,505,549
		<u>5,621,223</u>	<u>5,648,005</u>
Current assets			
Stocks	10	560,995	545,562
Debtors	11	841,959	708,151
Cash at bank and in hand		906,667	579,621
		<u>2,309,621</u>	<u>1,833,334</u>
Creditors: amounts falling due within one year	12	<u>(4,467,940)</u>	<u>(4,281,342)</u>
Net current liabilities		<u>(2,158,319)</u>	<u>(2,448,008)</u>
Total assets less current liabilities		<u>3,462,904</u>	<u>3,199,997</u>
Provisions for liabilities and charges	13	<u>-</u>	<u>(35,415)</u>
		<u>3,462,904</u>	<u>3,164,582</u>
Capital and reserves			
Called up share capital	15	2,498,000	2,498,000
Revaluation reserve	16	332,946	332,946
Profit and loss account	16	631,958	333,636
Shareholders' funds - equity interests	17	<u>3,462,904</u>	<u>3,164,582</u>

The financial statements were approved by the Board on 20 May 2004


G C Sampson
Director

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The company is a wholly owned subsidiary undertaking and the ultimate holding company publishes consolidated financial statements including a consolidated cash flow statement. This statement deals with cash flows of the group. Accordingly the company relies on the exemptions conferred by Financial Reporting Standard No 1 (revised) and does not prepare a cash flow statement.

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of WPP Group plc, a company incorporated in England and Wales and is included in the consolidated accounts of that company.

1.2 Compliance with accounting standards

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

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Trade mark

The Trade mark is valued at cost less accumulated amortisation.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	No depreciation is provided
Land and buildings short leasehold	Straight line over the life of the lease
Plant and machinery	20% p.a. on written down value.
Fixtures, fittings & equipment	20-30% p.a. on written down value.
Motor vehicles	25% straight line

The company has adopted the transitional arrangements of FRS 15, whereby the valuation of land and buildings carried out in October 1984 and 1985 has not been updated.

Freehold land and buildings are not depreciated, because in the opinion of the directors, the cost of freehold land and buildings as shown in the accounts is not less than their expected residual value at the end of the assets' useful lives. Investment properties have also not been depreciated, in accordance with Statement of Standard Accounting Practice No. 19. This is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors this policy is necessary for the financial statements to give a true and fair view.

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies - continued

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.8 Stock and work in progress

Stock is valued at the lower of cost and net realisable value.

1.9 Pensions

The pension costs charged in the financial statements represent the contributions payable to a defined money purchase scheme by the company during the year in accordance with FRS 17.

1.10 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985. The results are included in the consolidated accounts of the parent undertaking, WPP Group Plc, a company incorporated in England.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	Operating profit	2003 £	2002 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	28,819	33,924
	Operating lease rentals	39,480	40,590
	Auditors' remuneration	15,840	16,625
	and after crediting:		
	Rents receivable	27,377	20,204
		<hr/>	<hr/>
4	Other interest receivable and similar income	2003 £	2002 £
	Bank interest	21,080	44,304
		<hr/>	<hr/>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

5	Taxation	2003 £	2002 £
	U.K. current year taxation		
	Deferred taxation	(48,991)	35,415

Profits for Corporation Tax purposes of £229,943 (2003: £233,569) have been eliminated by the transfer of losses from another group company which have been surrendered under the group relief provisions, without any corresponding payment.

Based on current capital investment plans, the directors expect to continue to be able to claim capital allowances in excess of depreciation in future years but at a slightly lower level than in the current year.

No provision has been made for deferred tax on gains recognised on revaluing the investment properties. Such tax would become payable only if the assets were sold. The total unprovided amount is £18,574 (2003: 15,218). At present, it is not envisaged that any tax will become payable in the foreseeable future.

6	Intangible fixed assets	Trade mark £
	Net book value	
	At 1 January 2003 & at 31 December 2003	1

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

7 Tangible fixed assets

	Land and buildings freehold	Land and buildings short leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2003	606,471	10,883	685,077	38,974	19,250	1,360,655
Additions	-	-	3,846	941	-	4,787
Disposals	-	-	(9,000)	-	-	(9,000)
At 31 December 2003	606,471	10,883	679,923	39,915	19,250	1,356,442
Depreciation						
At 1 January 2003	-	3,223	585,647	28,930	400	618,200
On disposals	-	-	(6,250)	-	-	(6,250)
Charge for the year	-	730	20,141	3,136	4,812	28,819
At 31 December 2003	-	3,953	599,538	32,066	5,212	640,769
Net book value						
At 31 December 2003	606,471	6,930	80,385	7,849	14,038	715,673
At 31 December 2002	606,471	7,660	99,430	10,044	18,850	742,455

The freehold land and buildings were valued on an open market basis by a firm of independent Chartered Surveyors in October 1984 and 1985.

If these properties were sold for their revalued amounts it would be necessary to replace them with similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

7 Tangible fixed assets - continued

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
Historical cost at 1 January 2003	444,045
Additions	-
	<hr/>
Historical cost at 31 December 2003	444,045
	<hr/>
Depreciation based on cost	
At 1 January 2003	-
Charge for the year	-
	<hr/>
At 31 December 2003	-
	<hr/>
Net book values	
At 31 December 2003	444,045
	<hr/>
At 31 December 2002	444,045
	<hr/>

Legal ownership of the Freehold Land and Buildings transferred from group undertakings is held by the subsidiaries. However the rights of access and future economic benefits are held by the holding company and in accordance with Financial Reporting Standard No 5 (Reporting the substance of transactions) these assets have been shown in the books of Wire & Plastic Products Limited.

No distinction has been made between Freehold Land and Buildings for the purposes of providing depreciation on the grounds that such distinction is not possible and that any non - depreciable element is insignificant to the assets concerned.

8 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 January 2003 & at 31 December 2003	400,000
	<hr/>
At 31 December 2002	400,000
	<hr/>

The tenanted freehold properties were revalued, in accordance with Statement of Standard Accounting Practice No. 19, at open market value by the directors as at 31 December 2003.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

9 Fixed asset investments

	Loans to parent undertaking £	Shares in subsidiary undertakings £	Loans to subsidiary undertakings £	Total £
Cost or valuation				
At 1 January 2003 & at 31 December 2003	1,546,118	2,879,798	79,633	4,505,549

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Alton Wire Products Limited	England	Ordinary	100
Cortursel Limited	England	Ordinary	100
North Kent Plastic Cages Limited	England	Ordinary	100
Staffordshire Holloware Limited	England	Ordinary	100
Wessenden Products Limited	England	Ordinary	100

Shares in subsidiary undertakings includes 100 ordinary shares in Milburn Finance Limited, a fellow group undertaking whose shares are beneficially owned by Refrigeration (Bournemouth) Limited. These shares have in accordance with Financial Reporting Standard No 5 (Reporting the substance of transactions) been shown in the books of Wire & Plastic Products Limited, on the basis that all rights or other access to future economic benefits are controlled by that company.

10 Stocks and work in progress

	2003 £	2002 £
Raw materials and consumables	252,055	253,070
Work in progress	48,201	39,461
Finished goods and goods for resale	260,739	253,031
	<u>560,995</u>	<u>545,562</u>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

11 Debtors	2003 £	2002 £
Trade debtors	500,567	380,592
Amounts owed by parent and fellow subsidiary undertakings	269,954	269,954
Prepayments and accrued income	57,862	57,605
Deferred tax asset	13,576	-
	<u>841,959</u>	<u>708,151</u>

Amounts falling due after more than one year and included in the debtors above are:

	2003 £	2002 £
Prepayments	<u>36,500</u>	<u>36,500</u>

12 Creditors: amounts falling due within one year	2003 £	2002 £
Trade creditors	262,344	183,474
Amounts owed to group undertakings	3,930,260	3,930,260
Taxation and social security costs	100,324	70,334
Accruals and deferred income	175,012	97,274
	<u>4,467,940</u>	<u>4,281,342</u>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

13 Provisions for liabilities and charges

	Deferred taxation £
Balance at 1 January 2003	35,415
Profit and loss account	(48,991)
	<u> </u>
Balance at 31 December 2003	(13,576)
	<u> </u>

The deferred taxation is a net asset and so accordingly, the above balance is included in debtors (see note 11) in the balance sheet. The actual balance of the provision for liabilities and charges is £ Nil

Deferred taxation provided in the financial statements is as follows:

	2003 £	2002 £
Accelerated capital allowances	(13,576)	35,415
	<u> </u>	<u> </u>

No provision has been made for deferred taxation in respect of taxable trading losses suffered by a subsidiary company. In the directors opinion these losses are unlikely to be utilised in the foreseeable future as the subsidiary concerned is now dormant and does not intend to commence trading in the foreseeable future. If provision for deferred tax were to be made, a deferred tax asset of £67,460 would arise.

14 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

	2003 £	2002 £
Contributions payable by the company for the year	9,300	7,605
	<u> </u>	<u> </u>

15 Share capital

	2003 £	2002 £
Authorised		
2,500,000 Ordinary shares of £ 1 each	2,500,000	2,500,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
2,498,000 Ordinary shares of £ 1 each	2,498,000	2,498,000
	<u> </u>	<u> </u>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

16 Statement of movements on reserves

	Investment revaluation reserve £	Profit and loss account £
Balance at 1 January 2003	332,946	333,636
Retained profit for the year	-	298,322
	<hr/>	<hr/>
Balance at 31 December 2003	332,946	631,958
	<hr/>	<hr/>

17 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Retained profit for the year	298,322	169,188
Other recognised gains and losses	-	199,802
	<hr/>	<hr/>
Net addition to shareholders' funds	298,322	368,990
Opening shareholders' funds	3,164,582	2,795,592
	<hr/>	<hr/>
Closing shareholders' funds	3,462,904	3,164,582
	<hr/>	<hr/>

18 Contingent liabilities

The company participates in group banking arrangements with its parent, WPP Group plc, and has access to a group cash management facility. The company guarantees the facility to the extent of its cash deposited in Great Britain with its clearing bank.

For VAT purposes the company is grouped with other companies of the WPP Group. Under this agreement the company has a joint and several liability for amounts due to H M Customs and Excise by those other companies.

19 Financial commitments

At 31 December 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2003 £	2002 £
Expiry date:		
Between two and five years	27,875	27,875
In over five years	38,325	38,325
	<hr/>	<hr/>
	66,200	66,200
	<hr/>	<hr/>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

20 Directors' emoluments	2003 £	2002 £
Emoluments for qualifying services	52,417	68,673

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
Production and Administration	58	68

Employment costs

	£	£
Wages and salaries	668,678	771,732
Social security costs	55,014	57,940
Other pension costs	9,300	7,605
	732,992	837,277

22 Control

The company is a member of a group, of which the ultimate holding company is WPP Group plc, a company registered in England and Wales. No one individual person currently owns a majority shareholding. The results of Wire & Plastic Products Limited are consolidated into the WPP Group plc group financial statements and copies can be obtained from 27 Farm Street, London, W1J 5RJ.

23 Related party transactions

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning related parties on the grounds that these details are included in the publicly available consolidated financial statements.