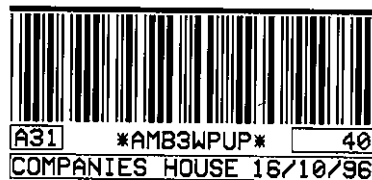


Company Number 00899099

WIRE & PLASTIC PRODUCTS LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1995



Finn-Kelcey & Chapman
Chartered Accountants
Ashford House
County Square
Ashford, Kent
TN23 1YB

WIRE & PLASTIC PRODUCTS LIMITED

DIRECTORS

G. C. Sampson
M. S. Sorrell
R. E. Lerwill

SECRETARY

D. M. Green

COMPANY NUMBER

00899099

REGISTERED OFFICE

Pennypot Industrial Estate
Hythe
Kent
CT21 6PE

AUDITORS

Finn-Kelcey & Chapman
Ashford House
County Square
Ashford
Kent TN23 1YB

BUSINESS ADDRESS

Pennypot Industrial Estate
Hythe
Kent
CT21 6PE

PRINCIPAL BANKERS

Midland Bank plc
47 High Street
Hythe
Kent
CT21 5AF

SOLICITORS

T.G. Baynes & Sons
27 Upper Wickham Lane
Welling
Kent
DA16 3AB

WIRE & PLASTIC PRODUCTS LIMITED

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3 Auditors' Report

4 Profit and Loss Account

5 Balance Sheet

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WIRE & PLASTIC PRODUCTS LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31st December 1995.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a Holding Company.

On 1st January 1996 the manufacturing and trading businesses of the subsidiaries of Wire & Plastic Products Limited and of two other companies who are members of WPP Group plc were transferred to Wire & Plastic Products Limited.

DIVIDEND AND TRANSFER TO RESERVES

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

The directors do not recommend payment of a dividend.

It is proposed that the loss of £18,362 is transferred to reserves.

FIXED ASSETS

Details of movements in fixed assets during the year are set out in notes 6 and 7 and 8 to the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year in the company were as stated below.

G. C. Sampson
M. S. Sorrell
R. E. Lerwill

The interest of G. C. Sampson, M. S. Sorrell and R. E. Lerwill in the ordinary share capital of 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.

In accordance with the Articles of Association, R. E. Lerwill retires by rotation and being eligible, offers himself for re- election at the Annual General Meeting.

WIRE & PLASTIC PRODUCTS LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

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:

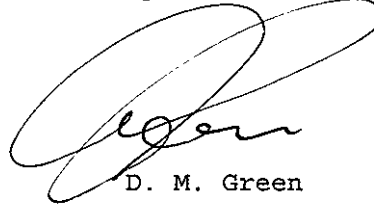
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

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.

By Order of the Board



D. M. Green
Secretary
1st October 1996

WIRE & PLASTIC PRODUCTS LIMITED

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

We have audited the financial statements on pages 4 to 14 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 page 6.

Respective responsibilities of directors and auditors

As described on page 1 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.

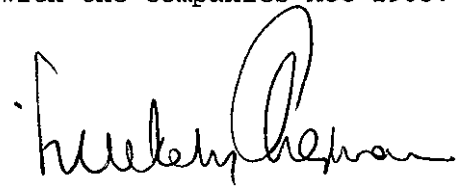
Basis of opinion

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 31st December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Finn-Kelcey & Chapman
Registered Auditors &
Chartered Accountants

Ashford: 1st October 1996

WIRE & PLASTIC PRODUCTS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1995

	Notes	1995 £	1994 £
ADMINISTRATIVE EXPENSES		(156,392)	(159,701)
OPERATING LOSS	2	(156,392)	(159,701)
Investment income	3	98,253	55,075
Other interest receivable and similar income	3	29,938	39,706
Interest payable and similar charges	4	-	(1,375)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(28,201)	(66,295)
Tax on loss on ordinary activities	5	9,839	21,520
LOSS FOR THE FINANCIAL YEAR	13	(18,362)	(44,775)

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

WIRE & PLASTIC PRODUCTS LIMITED

BALANCE SHEET AT 31ST DECEMBER 1995

	Notes	£	1995 £	£	1994 £
FIXED ASSETS					
Intangible assets	6		1		1
Tangible assets	7		176,543		181,283
Investments	8		4,646,511		4,413,345
			<u>4,823,055</u>		<u>4,594,629</u>
CURRENT ASSETS					
Debtors	9	241,784		279,994	
Cash at bank and in hand		15,058		88,802	
		<u>256,842</u>		<u>368,796</u>	
CREDITORS: amounts falling due within one year	10	(2,669,789)		(2,534,470)	
NET CURRENT LIABILITIES			<u>(2,412,947)</u>		<u>(2,165,674)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,410,108		2,428,955
PROVISION FOR LIABILITIES AND CHARGES	11		(6,927)		(7,412)
			<u>2,403,181</u>		<u>2,421,543</u>
CAPITAL AND RESERVES					
Called up share capital	12		2,498,000		2,498,000
Revaluation reserve			18,332		18,332
Profit and loss account	13		(113,151)		(94,789)
EQUITY SHAREHOLDERS' FUNDS	14		<u>2,403,181</u>		<u>2,421,543</u>

The financial statements were approved
by the Board on 1st October 1996 and
signed on its behalf by

.....*G. C. Sampson*.....

G. C. Sampson

Director

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

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 and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

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 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 is included in the consolidated accounts of that company.

1.2 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Fixtures, fittings and equipment	-	20% p.a. on written down value.
Motor vehicles	-	25% p.a. on written down value.

1.3 INVESTMENTS

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

1.4 PENSIONS

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

1.5 DEFERRED TAXATION

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

2.	OPERATING LOSS	1995	1994
		£	£
	Operating loss is stated after charging:		
	Depreciation of tangible assets	4,740	5,550
	Auditors' remuneration	7,770	6,350
		<u> </u>	<u> </u>
3.	INCOME FROM INVESTMENTS AND OTHER INTEREST RECEIVABLE AND SIMILAR INCOME	1995	1994
		£	£
	Income from subsidiary undertakings	98,253	55,075
	Bank interest receivable	29,938	39,706
		<u> </u>	<u> </u>
		128,191	94,781
		<u> </u>	<u> </u>
4.	INTEREST PAYABLE	1995	1994
		£	£
	On overdue tax	-	1,375
		<u> </u>	<u> </u>
		-	1,375
		<u> </u>	<u> </u>
5.	TAXATION	1995	1994
		£	£
	U.K. Current year taxation		
	U.K. Corporation tax at 33% (1994 - 33%)	(9,354)	(21,441)
	Transfer from deferred taxation	(485)	(79)
		<u> </u>	<u> </u>
		(9,839)	(21,520)
		<u> </u>	<u> </u>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

6. INTANGIBLE FIXED ASSETS

	Trade Mark
	£
Cost	
At 1st January 1995 & at 31st December 1995	1 <hr/>
Net book value	
At 31st December 1995	1 <hr/>
At 31st December 1994	1 <hr/>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

7. TANGIBLE ASSETS

	Freehold Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1st January 1995	162,000	7,777	20,000	189,777
Additions	-	-	5,615	5,615
Disposals	-	-	(5,615)	(5,615)
	<u>162,000</u>	<u>7,777</u>	<u>20,000</u>	<u>189,777</u>
at 31st December 1995	162,000	7,777	20,000	189,777
Depreciation				
At 1st January 1995	-	6,161	2,333	8,494
Charge for year	-	323	4,417	4,740
	<u>-</u>	<u>6,484</u>	<u>6,750</u>	<u>13,234</u>
At 31st December 1995	-	6,484	6,750	13,234
Net book values				
At 31st December 1995	<u>162,000</u>	<u>1,293</u>	<u>13,250</u>	<u>176,543</u>
At 31st December 1994	<u>162,000</u>	<u>1,616</u>	<u>17,667</u>	<u>181,283</u>
The amount shown as cost or valuation of land and buildings comprises:			1995	1994
			£	£
Cost			-	-
Valuation			162,000	162,000
			<u>162,000</u>	<u>162,000</u>
Land and buildings would have been included on an historical cost basis at:			1995	1994
			£	£
Cost			143,668	143,668
Depreciation			-	-
			<u>143,668</u>	<u>143,668</u>
Net book value			<u>143,668</u>	<u>143,668</u>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

8. **FIXED ASSET INVESTMENTS**

	1995 £	1994 £
Subsidiary undertakings	2,996,511	2,763,345
Loan to Parent undertaking	1,650,000	1,650,000
	<u>4,646,511</u>	<u>4,413,345</u>

Investment in subsidiary undertakings

	Shares £	Loans £	Total £
Cost			
At 1st January 1995	2,683,712	79,633	2,763,345
Additions	233,166	-	233,166
	<u>2,916,878</u>	<u>79,633</u>	<u>2,996,511</u>
At 31st December 1995	2,916,878	79,633	2,996,511
Net Book Values			
At 31st December 1995	2,916,878	79,633	2,996,511
	<u>2,683,712</u>	<u>79,633</u>	<u>2,763,345</u>
At 31st December 1994	2,683,712	79,633	2,763,345

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.

Loan to Parent undertaking

	£
Cost	
At 1st January 1995 & at 31st December 1995	1,650,000
Net Book Values	
At 31st December 1995	1,650,000
	<u>1,650,000</u>
At 31st December 1994	1,650,000

Holdings of more than 10%

The company holds more than 10% of the share capital of the following companies:

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

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

9. DEBTORS	1995	1994
	£	£
Amounts owed by group undertakings	10,139	-
Corporation tax	227,888	273,628
Other debtors	1,652	2,196
Prepayments and accrued income	2,105	4,170
	<u>241,784</u>	<u>279,994</u>

10. CREDITORS: amounts falling due within one year	1995	1994
	£	£
Amounts owed to group undertakings	2,662,694	2,525,318
Accruals and deferred income	7,095	9,152
	<u>2,669,789</u>	<u>2,534,470</u>

11. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax is provided at 33% (1994 - 33%) analysed over the following timing differences:

	Fully Provided 1995	1994
	£	£
Accelerated capital allowances	6,232	6,359
Other timing differences	695	1,053
	<u>6,927</u>	<u>7,412</u>

Movements on the provision for deferred taxation are:

	£
At 1st January 1995	7,412
Transferred to profit and loss account	485
At 31st December 1995	<u>6,927</u>

The potential deferred taxation liability arising on the revaluation of the company's freehold property has not been provided for as the directors have no intention of disposing of that property in the foreseeable future.

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

12.	SHARE CAPITAL	1995	1994
		£	£
	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>
13.	PROFIT AND LOSS ACCOUNT	1995	1994
		£	£
	Accumulated losses at 1st January 1995	(94,789)	(50,014)
	Retained loss for the year	(18,362)	(44,775)
		<u> </u>	<u> </u>
	Accumulated losses at 31st December 1995	(113,151)	(94,789)
		<u> </u>	<u> </u>
14.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	1995	1994
		£	£
	Loss for the financial year	(18,362)	(44,775)
	Opening shareholders' funds	2,421,543	2,466,318
		<u> </u>	<u> </u>
	Closing shareholders' funds	2,403,181	2,421,543
		<u> </u>	<u> </u>

15. CONTINGENT LIABILITIES

Under a composite accounting agreement the company's bankers have the right to set-off overdrawn balances arising in fellow group companies against the company's bank account balance.

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

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

16.	DIRECTORS	1995	1994
		£	£
	Remuneration		
	Emoluments	46,340	44,990
		<u> </u>	<u> </u>
	Emoluments disclosed above (excluding pension contributions) include amounts paid to:		
	The chairman	46,340	44,990
		<u> </u>	<u> </u>
	The highest-paid director	46,340	44,990
		<u> </u>	<u> </u>
	Other directors' emoluments (excluding pension contributions) were in the following ranges:	Number	Number
	£Nil - £5,000	2	2
		<u> </u>	<u> </u>
17.	EMPLOYEES		
	Number of employees		
	The average weekly number of employees (including directors) during the year was:		
		1995	1994
		Number	Number
	Administration	4	5
		<u> </u>	<u> </u>
	Employment costs		
		£	£
	Wages and salaries	69,165	67,951
	Social security costs	7,377	6,970
	Other pension costs	1,123	3,600
		<u> </u>	<u> </u>
		77,665	78,521
		<u> </u>	<u> </u>

WIRE & PLASTIC PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

18. ULTIMATE PARENT COMPANY

The company is a member of a group, of which the ultimate company is WPP Group plc. The results of Wire & Plastic Products Limited are consolidated into those of its ultimate holding company, whose principal place of business is at 27 Farm Street, London, W1X 6RD. the consolidated accounts are available at that address.

19. POST BALANCE SHEET EVENTS

On 1st January 1996 the manufacturing and trading businesses of the subsidiaries of Wire & Plastic Products Limited and of two other companies who are members of WPP Group plc were transferred to Wire & Plastic Products Limited.