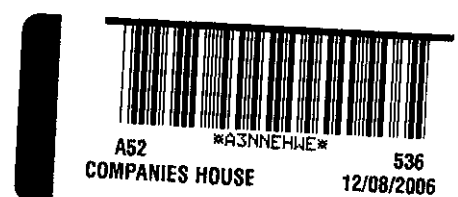


**CPM Field Marketing Limited**  
**Directors' report and financial**  
**statements**

**Registered number 1952132**  
**31 December 2005**



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## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2005.

### **Principal activities**

The principal activity of the company is the provision of field marketing staff.

### **Business review**

The directors consider future trading prospects to be good and envisage increased business in the forthcoming year.

Omnicom Management Europe Limited has stated that its present intention is to provide any financial support the company might need to meet its financial obligations for at least 12 months following the date of approval of the company's financial statements for the year ended 31 December 2005. The support has been delivered to the directors by way of comfort only, it is not intended to create any binding obligation.

The directors have considered the financial position of the company and the support offered by Omnicom Management Europe Limited and have concluded that the company will be able to meet its liabilities as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

### **Dividends**

The directors do not propose a final dividend for the year ended 31 December 2005. An interim dividend of £1,550,000 (£775,000 per share) was paid during the year. (2004: interim paid dividend £1,610,000 (£805,000 per share)); A final proposed dividend of £290,000 (£145,000 per share) was declared in 2005 in relation to trading in 2004. Under FRS 21, this dividend has been accounted for in 2005.

### **Directors and directors' interests**

The directors who held office during the year were as follows:

A.J. Stratton

T.W. Preece

M.J.W. Hughes

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company or any other group company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

## Directors' report *(continued)*

### Employees

During the year the company employed on average 2,538 employees.

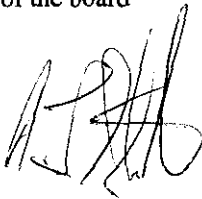
The company's policy in respect of disabled people is to offer them suitable positions where possible, and to help any employees who become disabled by making, where possible, reasonable adjustments to their employment or working conditions which they consider necessary or which they consider would assist them in the performance of their duties.

The company continues to keep employees informed of matters of concern to them as employees and on the various factors affecting the performance of the group through regular face-to-face briefings and company newsletters. The directors work with the employees in a number of ways to ensure their views can be taken into account in making decisions which are likely to affect their interest. This might include the use of focus groups, suggestion schemes, team meetings and feedback from briefings.

### Auditors

In accordance with section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



**A.J. Stratton**  
Chairman

47, Ayelsbury Road  
Thame, Oxon  
OX9 3PG  
1st August 2006

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditors' report to the members of CPM Field Marketing Limited**

We have audited the financial statements of CPM Field Marketing Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movement in Shareholders' Funds and the related notes. These financial statements have been prepared under 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 auditor's 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 directors and auditors**

As described in the Statement of Directors' Responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions 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 opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 in accordance with UK Generally Accepted Accounting Practice of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

**KPMG Audit Plc**  
Chartered Accountants  
Registered Auditor  
London

*1st August 2006*

## Profit and loss account

*for the year ended 31 December 2005*

	<i>Note</i>	2005 £	2004 Restated £
<b>Revenue</b>	<i>1</i>	<b>37,138,049</b>	38,916,260
Direct costs		<b>(34,387,082)</b>	(36,033,574)
<b>Gross profit</b>		<b>2,750,967</b>	2,882,686
Administrative expenses	<i>2</i>	<b>(525,195)</b>	(377,303)
<b>Operating profit being profit on ordinary activities before taxation</b>		<b>2,225,772</b>	2,505,383
Tax on profit on ordinary activities	<i>5</i>	<b>(667,732)</b>	(751,615)
<b>Profit on ordinary activities after taxation</b>		<b>1,558,040</b>	1,753,768
<b>Profit for the financial year</b>		<b>1,558,040</b>	1,753,768

The results shown above are derived wholly from continuing operations.

There were no recognised gains or losses in either the current or prior year except as shown above. Consequently, a statement of total recognised gains and losses has not been prepared.

**Balance sheet**  
*at 31 December 2005*

	<i>Note</i>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>restated</b>
			<b>£</b>
<b>Current assets</b>			
Debtors	7	783,214	1,426,160
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	8	(768,370)	(1,129,356)
		<hr/>	<hr/>
<b>Net assets</b>		<b>14,844</b>	<b>296,804</b>
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	9	2	2
Profit and loss account	10	14,842	296,802
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		<b>14,844</b>	<b>296,804</b>
		<hr/>	<hr/>

The notes on pages 8 to 12 form part of these financial statements.

These financial statements were approved by the board of directors on 1st August 2006 and were signed on its behalf by:



**M.J.W Hughes**  
*Director*



**Reconciliation of movements in shareholders' funds**  
*for the year ended 31 December 2005*

	2005	2004
	£	Restated £
<b>Profit for the financial year</b>	<b>1,558,040</b>	1,753,768
Dividends paid and payable	(1,840,000)	(1,610,000)
<b>Net (reduction in) / addition to shareholders' funds</b>	<b>(281,960)</b>	143,768
Opening shareholders' funds (originally £6,802 before prior year adjustment of £290,000)	<b>296,802</b>	153,034
<b>Closing shareholders' funds</b>	<b>14,842</b>	296,802

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements. In these financial statements the following new standards have been adopted for the first time:

- FRS 21 'Events after the balance sheet date';
- FRS 28 'Corresponding amounts'.

The accounting policies under these new standards are set out below together with an indication of the effects of their adoption. FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985.

#### *Basis of preparation*

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

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of Omnicom Group Inc., which includes the company in its own published consolidated financial statements.

The financial statements have been prepared on a going concern basis. Omnicom Management Europe Limited has stated that its present intention is to provide any financial support the company might need to meet its financial obligations for at least 12 months following the date of approval of the company's financial statements for the year ended 31 December 2005. The support has been delivered to the directors by way of comfort only, it is not intended to create any binding obligation.

#### *Post-retirement benefits*

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. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

#### *Employee share schemes*

The costs of awards to employees that take the form of shares or rights to shares are recognised over the period of the employee's related performance. Where there are no performance criteria, the cost is recognised when the employee becomes unconditionally entitled to the shares.

#### *Taxation*

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### *Prior year adjustment*

During the year the company adopted FRS 21 "Events after the balance sheet date" which superseded SSAP 17. Under the new standard, dividends declared after the balance sheet date are no longer recognised as a liability at the balance sheet date. Comparatives for 2004 have been restated accordingly.

The adoption of FRS 21 has resulted in an increase in net assets of £290,000 for the year ended 31 December 2004. The effect of this adjustment on the current year has been a decrease in profit of £290,000.

## Notes (continued)

### 1 Accounting policies (continued)

#### Revenue

Revenue comprises fees, and commissions earned in respect of gross billings and direct costs, exclusively in the provision of field marketing staff in the United Kingdom, which meet the Companies Act definition of turnover. Revenue is recognised when services are performed, in accordance with the terms of arrangements reached with each client. Gross billings and revenue are stated exclusive of VAT, sales tax and trade discounts.

### 2 Profit on ordinary activities before taxation

	2005 £	2004 £
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration:		
Audit	2,400	2,300

### 3 Remuneration of directors

	2005 £	2004 £
Directors' emoluments	Nil	Nil

The company's directors participate in the restricted stock scheme operated by the Ultimate Parent Undertaking. Shares were received or receivable under this restricted share scheme by 3 directors (2004: 3).

Under this scheme, certain directors have been awarded restricted shares in the ultimate parent undertaking, Omnicom Group Inc. The restricted shares typically vest in 20% annual increments provided the director remains an employee of the Omnicom Group. Restricted shares may not be sold, transferred, pledged or otherwise encumbered until the restrictions lapse. Under most circumstances, the director forfeits the shares still subject to restriction in return of the nominal price they paid for them at the time the award was granted, if the director ceases employment prior to the end of the period of restriction.

Amounts recognised as long term incentives are in respect of restricted share awards vesting within the year.

## Notes (continued)

### 4 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees 2005	2004
Office and management	433	334
Field operatives	2,105	2,301
	<hr/>	<hr/>
	2,538	2,635
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2005 £	2004 £
Wages and salaries	26,100,924	27,146,681
Social security costs	1,948,275	2,086,931
Other pension costs	23,801	35,051
	<hr/>	<hr/>
	28,073,000	29,268,663
	<hr/>	<hr/>

### 5 Taxation

Analysis of charge in period

	2005 £	2004 £
<i>UK corporation tax</i>		
Current tax on income for the period	667,732	751,615
	<hr/>	<hr/>
Tax on profit on ordinary activities	667,732	751,615
	<hr/>	<hr/>

#### *Factors affecting the tax charge for the current period*

The current tax charge for the period is the same (2005: 30%) as the standard rate of corporation tax in the UK (2004: 30 %).

	2005 £	2004 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	2,225,772	2,505,383
	<hr/>	<hr/>
Current tax at 30 % (2004: 30 %)	667,732	751,615
	<hr/>	<hr/>

## Notes (continued)

### 6 Dividends and other appropriations

	2005	2004 restated
	£	£
Equity shares:		
Interim Dividend paid - £775,000 per share (2004: £805,000 per share)	1,550,000	1,610,000
2004 final dividend declared in 2005 - £145,000 per share (restated per FRS 21; see note 1)	290,000	-
	<hr/>	<hr/>
	1,840,000	1,610,000
	<hr/>	<hr/>

### 7 Debtors

	2005	2004 restated
	£	£
Amounts owed by group undertakings	783,214	1,426,160
	<hr/>	<hr/>
	783,214	1,426,160
	<hr/>	<hr/>

### 8 Creditors: amounts falling due within one year

	2005	2004
	£	£
Corporation tax	361,107	751,615
PAYE and social security	404,407	375,333
Other creditors	2,856	2,408
	<hr/>	<hr/>
	768,370	1,129,356
	<hr/>	<hr/>

### 9 Called up share capital

	2005	2004
	£	£
<i>Authorised</i>		
Equity: 1,000 Ordinary shares of £1.00 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Equity: 2 Ordinary shares of £1.00 each	2	2
	<hr/>	<hr/>

## Notes (continued)

### 10 Reserves

	Profit and loss account 2005 £	Profit and loss account 2004 Restated £
At beginning of year	6,802	153,034
Prior year adjustment see note 1	290,000	-
Profit for the year	1,558,040	143,768
Dividends	(1,840,000)	
	<hr/>	<hr/>
At end of year	14,842	296,802
	<hr/>	<hr/>

### 11 Contingent liabilities and contingent assets

The company together with certain other group companies has entered into a cash pooling arrangement with HSBC Bank plc. HSBC Bank plc has the right to apply positive cash balances of the company against indebtedness or liabilities of any of the other companies named in the agreement. This facility is guaranteed by Omnicom Group Inc.

### 12 Pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £23,801 (2004: £35,051).

Contributions amounting to £2,856 (2004: £2,408) were payable to the scheme and are included in creditors.

### 13 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Omnicom Group Inc incorporated in the United States of America.

The largest group in which the results of the company are consolidated is that headed by Omnicom Group Inc. The smallest group in which they are consolidated is that headed by Omnicom Europe Limited, 239 Old Marylebone Road, London, NW1 5QT. The consolidated financial statements of these groups are available to the public and may be obtained from Omnicom Group Inc, 437 Madison Avenue, New York, NY 10022, USA, or Companies House, respectively.