

Ted Bates Holdings Limited

Directors' report and financial statements
Registered number 553986
Year Ended 31 December 2002



Directors' report

The directors submit their annual report together with the financial statements for the year ended 31 December 2002.

Principal activities

The company is a holding company and was dormant during the period.

Results

The company did not trade during the year.

Business Review

On 1 August 2003, WPP Group plc acquired the entire issued share capital of Cordiant Communications Group plc and therefore became the ultimate holding company of Ted Bates Holdings Limited.

Directors and directors' interests

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

	Date of appointment or resignation in the year
A.K. Boland	
M. Bungey	Resigned 31 March 2003
J. D Buss	Resigned 10 May 2002
S.M. Wilson	Appointed 10 May 2002
D. Williams	

None of the directors held any shares in the company either at the beginning or end of the period.

The interests of the directors in the shares of Cordiant Communications Group plc at the beginning and end of the period were as follows.

	Balance at 31/12/01 or date of appointment if later	Exercised during period	Granted during period	Lapsed During period	Balance at 31/12/02	Average exercise price	Exercisable at 31/12/02
A.K. Boland	50,152	-	-	-	50,152	164p	-
A.K. Boland	-	-	100,000	-	100,000	49p	-
D. Williams	-	-	20,000	-	20,000	78p	-
D. Williams	50,152	-	-	-	50,152	164p	-
S.M. Wilson	30,000	-	-	-	30,000	78p	-

The market value of a share at 31 December 2002 was 33p and the range during 2002 was 31p to 110.5p.

The interests of the directors in the shares of Cordiant Communications Group plc at the beginning and end of the year were as follows:

	Balance at 31.12.02	Balance at 31.12.01 or date of appointment if later
D. Williams	2,600	2,600
S.M. Wilson	3,600	2,900

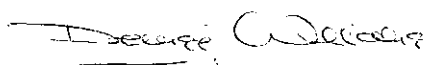
M.Bungey was a director of Cordiant Communications Group plc at year ended 31 December 2002 and, as such, his interests are shown in the Director's Report and Accounts of that company.

Directors' report *(continued)*

Elective Resolutions

The company has passed resolutions under sections 252 and 366A of the Companies Act 1985 dispensing with the requirements to lay accounts and reports before the company in general meetings and hold annual general meetings annually.

By order of the board



D. Williams
Secretary

1-5 Midford Place
London
W1T 5BH


3rd September 2003

BALANCE SHEET
at 31 December 2002

	<i>Note</i>	2002 £	2001 £
Fixed assets			
Investments	4	101	101
Current assets			
Debtors	5	49,782	49,782
Net assets		<u>49,883</u>	<u>49,883</u>
Capital and reserves			
Called up share capital	6	50,000	50,000
Profit and loss account	7	(84,573)	(84,573)
Revaluation reserve	7	84,456	84,456
Shareholders' funds			
Equity		<u>49,883</u>	<u>49,883</u>

- (a) For the year ended 31 December 2002 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985
- (c) The directors acknowledge their responsibility for:
- i. ensuring the company keeps accounting records which comply with section 221; and
 - ii. preparing accounts 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 its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the board of directors on 3rd September 2003 and were signed on its behalf by:


S.M. Wilson
Director

Notes

(forming part of the financial statements)

1. Accounting policies

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

2. Profit and loss account

The company did not trade during the period and has received no income and incurred no expenditure. Consequently, during those periods the company made neither a profit nor a loss.

3. Directors and employees

The company has no employees. The directors received no emoluments in respect of their services to the company in the current period.

4. Fixed asset investments

	£
Shares in group undertakings (unlisted):	
Cost and net book value at 31 December 2001 and 31 December 2002	101
	<hr/>

The company directly holds the following investments in group undertakings:

Company	Country of incorporation and registration	Proportion of ordinary shares held	Nature of business
The Decision Shop Limited	England and Wales	100%	Ancillary advertising services

The directors are of the opinion that the investments in the above companies are worth at least the amounts included in the balance sheet.

5. Debtors

	31 December 2002 £	31 December 2001 £
Amounts owed by:		
Parent and fellow subsidiary undertakings	49,782	49,782
	<hr/>	<hr/>

Notes (continued)

6. Called up share capital

	31 December 2002 £	31 December 2001 £
<i>Authorised</i>		
Equity:		
50,000 Ordinary shares of 100p each	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

7. Reserves

	Revaluation Reserve £	Profit and loss account £	Total £
At 1 January 2002 and 31 December 2002	84,456	(84,573)	117

8. Contingent liabilities

The company is grouped for VAT purposes with certain other group companies. Consequently, the company is contingently liable for the VAT liabilities of those companies.

The Company, together with other group Companies, has given a cross guarantee to secure the borrowings of other group Companies that commenced on 19 April 2002. At 31 December 2002 these borrowings amounted to £230.6 million. In addition, the Company has given a fixed and floating charge to guarantee these borrowings that also commenced on 19 April 2003.

9. Ultimate Holding Company

Until 31 July 2003, the company was a subsidiary undertaking of Cordiant Communications Group plc, which is registered in England and Wales. These financial statements are consolidated into those of Cordiant Communications Group plc for the year ended 31 December 2002. Copies of these group financial statements can be obtained from the Secretary at 1-5, Midford Place, London, W1T 5BH.

From 1 August 2003, the ultimate holding company is WPP Group Plc, which is registered in England and Wales. Copies of the group financial statements for WPP Group plc subsidiary undertakings for the year ended 31 December 2002 can be obtained from The Secretary, WPP Group Plc, 27 Farm Street, London, W1X 6RD.