

Company Registration No. 1324588

PDM Communications Limited

Report and Financial Statements

31 December 2006

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PDM Communications Limited

Report and financial statements 2006

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PDM Communications Limited

Report and financial statements 2006

Officers and professional advisers

Directors

P Richardson
A Scott
C Sweetland
S Diamond (resigned March 2006)

Secretary

WPP Group (Nominees) Limited

Registered Office

27 Farm Street
London
W1J 5RJ

Bankers

HSBC
The Cross
Gloucester
GL1 2AP

Solicitors

Hammond Suddards Edge
7 Devonshire Square
Cutlers Gardens
London
EC2M 4YH

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

PDM Communications Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2006

This directors' report has been prepared in accordance with the special provisions relating to small companies under s246(4) Companies Act 1985

Activities

The company ceased trading in 2001

Review of developments

The results for the year and financial position of the company are as shown in the accounts
Profit for the year after tax was £nil (2005 £141 884)

Dividends

The directors do not recommend the payment of a dividend (2005 £nil)

Directors and their interests

The following directors who served throughout the year were

C Sweetland
P Richardson
A Scott

Auditors

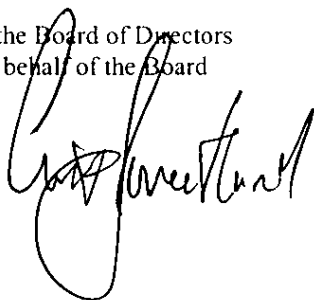
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware there is no relevant audit information of which the company's auditors are unaware and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board



Director

04/10 2007

PDM Communications Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

Independent auditors' report to the members of PDM Communications Limited

We have audited the financial statements of PDM Communications Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes 1 to 9. 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 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 directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 audit 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 judgments 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.

Independent auditors' report to the members of PDM Communications Limited (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 December 2006 and of its result for the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

4 October 2007

PDM Communications Limited

Profit and loss account Year ended 31 December 2006

	Notes	2006 £	2005 £
Other income		-	141,884
Operating result/profit	2	-	141,884
Tax on profit on ordinary activities	4	-	-
Result/profit on ordinary activities after taxation for the financial year		-	141 884

There were no recognised gains or losses other than those shown above. Consequently no statement of total recognised gains and losses has been presented.

PDM Communications Limited

Balance sheet 31 December 2006

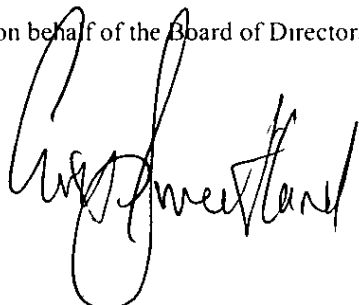
	Notes	2006 £	2005 £
Creditors: amounts falling due within one year	4	-	-
Net current liabilities		-	-
Provisions	5	(32,724)	(32,724)
		(32,724)	(32,724)
Capital and reserves			
Called up share capital	6	112	112
Share Premium Account		17 988	17,988
Profit and loss account	7	(50,824)	(50,824)
Shareholders' deficit		(32 724)	(32,724)

These financial statements were approved by the Board of Directors on

04/10/2007

Signed on behalf of the Board of Directors

Director



PDM Communications Limited

Notes to the accounts 31 December 2006

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and law. The particular accounting policies adopted are described below and have been applied consistently throughout the year and the preceding year.

Accounting convention

The accounts are prepared under the historical cost convention. The company has taken advantage of the exemption from preparing consolidated financial statements afforded by section 228 of the Companies Act 1985 because it is a wholly-owned subsidiary of WPP Group plc which prepares consolidated accounts which are publicly available. The company is also, on this basis, exempt from the requirement of FRS 1 to present a cash flow statement.

Deferred taxation

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that tax will arise.

2. Operating result/profit

There were no employees in the current or prior year. The directors' remuneration is borne by another group company in the current year and the prior year.

The analysis of auditors' remuneration is as follows:

	2006 £	2005 £
Fees payable to the company's auditors for the audit of the company's annual accounts	-	-
Total audit fees	-	-
Other services pursuant to legislation	-	-
Total non-audit fees	-	-

The audit fee £1,000 (2005: £1,000) is borne by another group company in the current year and the prior year.

3 Creditors' amounts falling due within one year

	2006 £	2005 £
Amounts owed to group undertakings	-	-
Accruals and deferred income	-	-
	-	-

4. Tax on ordinary activities

The corporation tax charge of £nil has been calculated using a UK corporation tax rate of 30% (2005: 30%). The company has no taxable income during the year.

PDM Communications Limited

Notes to the accounts 31 December 2006

5 Provisions

	£
Balance at 1 January 2006	32,724
Utilised during the year	-
Balance at 31 December 2006	<u>32,724</u>

The provision relates to dilapidation costs for a building in Windsor which was partially used until 2003. The matter is still being resolved and there is no certainty regarding the timing of payment.

6 Called up share capital

	2006 £	2005 £
Authorised		
200 ordinary shares of £1 each	<u>200</u>	<u>200</u>
Called up, allotted and fully paid		
112 ordinary shares of £1 each	<u>112</u>	<u>112</u>

7 Reconciliation of movement in shareholders' deficit

	2006 £	2005 £
Result for the financial year	<u>-</u>	<u>141,884</u>
Net movement in shareholders' deficit	<u>-</u>	<u>141,884</u>
Opening shareholders' deficit	(32,724)	(174,608)
Closing shareholders' deficit	<u>(32,724)</u>	<u>(32,724)</u>

8. Ultimate and controlling parent company

The company's ultimate controlling party is WPP Group plc and its immediate parent is Milton Marketing Group Limited. The largest and smallest group in which the results of PDM Communications Limited are consolidated is that headed by WPP Group plc, a company incorporated in Great Britain and registered in England and Wales. Copies of these consolidated accounts may be obtained from WPP Group plc, 27 Farnham Street, London W1X 6RD.

9. Related party transactions

As a wholly-owned subsidiary of WPP Group plc, the company has taken advantage of the exemption in FRS 8 Related Party Transactions not to disclose transactions with other members of the group headed WPP Group plc.