

REGISTERED NUMBER: 2875057

PDP MOMENTUM LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002



PDP MOMENTUM LIMITED

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2002

	PAGES
Directors' report	1-2
Auditors' report	3
Consolidated Profit and Loss Account	4
Consolidated Balance Sheet	5
Company Balance Sheet	6
Notes to the Financial Statements	7-17

PDP MOMENTUM LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2002

The directors present their report and the audited financial statements of the company for the year ended 31 December 2002.

DIRECTORS

The Directors during the year under review were:

F Butterworth	resigned 22nd January 2003
D C Laidler	resigned 22nd January 2003
B D Rees	resigned 22nd January 2003
J A Abbott	resigned 29th August 2003
M M Dowley	resigned 22nd January 2003
S Lagreca	resigned 22nd January 2003
V Tsoulouhopoulos	appointed 22nd January 2003
A Coulson	appointed 22nd January 2003
W Kolb	appointed 1st March 2003

COMPANY SECRETARY

F Butterworth	resigned 22nd January 2003
E Armstrong	appointed 22nd January 2003

REGISTERED OFFICE

Watson House
45 Waterloo Road
Stockport
Cheshire
SK1 3BJ

Registered in England No: 2875057

PRINCIPAL ACTIVITY OF THE COMPANY

The principal activity of the company and group continues to be that of a sales promotion agency providing marketing services in the United Kingdom.

RESULTS AND DIVIDEND

The trading results for the year ended 31 December 2002 are shown on page 4.

The directors recommend the payment of a dividend of £416,000 (2001 : £704,000) leaving £153,000 to be transferred to reserves (2001 : £166,000).

PDP MOMENTUM LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

DIRECTORS

The directors who served during the year and those who are currently directors are shown on page 1.

No directors have held any shares or rights to shares in the company at any time during the year.

At no time during the year has any director had a material interest in a contract with the company, or its subsidiaries, being a contract of significance in relation to the business of the company.

STATEMENT OF 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 the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently, except as relates to the adoption of the new accounting standard in the year as explained under note 1 "Accounting policies".
- 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;
- 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

Following the conversion of our Auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1st January 2003, PricewaterhouseCoopers resigned on 21st February 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP will be proposed at the annual general meeting.



By order of the Board

E Armstrong FCCA
Secretary
28th October 2003

PDP MOMENTUM LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PDP MOMENTUM LIMITED

We have audited the financial statements which comprise the consolidated profit and loss account, the balance sheets, the accounting policies and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors'

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

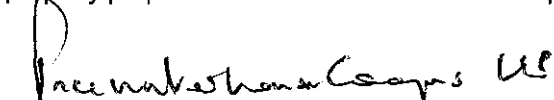
Basis of audit opinion

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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 31 December 2002 and of the profit of the group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Manchester
28th October 2003

PDP MOMENTUM LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDED 31 DECEMBER 2002**

	Notes	Year ended 31 December 2002 £'000	Year ended 31 December 2001 £'000
TURNOVER	1	9,614	8,715
Cost of sales		<u>(4,847)</u>	<u>(3,961)</u>
GROSS PROFIT		4,767	4,754
Administrative expenses		<u>(4,093)</u>	<u>(3,620)</u>
OPERATING PROFIT	2	674	1,134
<i>Interest receivable and similar income</i>	4	134	154
Interest payable and similar charges	3	<u>(1)</u>	<u>(7)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		807	1,281
TAX ON PROFIT ON ORDINARY ACTIVITIES	7	<u>(238)</u>	<u>(411)</u>
PROFIT FOR THE FINANCIAL YEAR		569	870
Proposed dividend	8	<u>(416)</u>	<u>(704)</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR	16	<u>153</u>	<u>166</u>

There were no gains and losses other than those recognised in the profit and loss account.

The attached accounting policies and notes form a part of these financial statements.

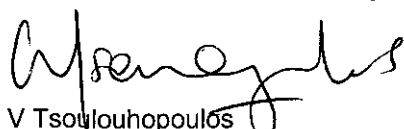
The profit for the year is in respect of continuing activities.

In accordance with the exemption granted under S230 Companies Act 1985, the company's profit and loss account is not separately presented. The company's retained profit for the period was £1,630,000 (2001 : £166,000).

PDP MOMENTUM LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2002

	Notes	2002 £'000	2001 £'000
FIXED ASSETS			
Tangible assets	9	824	964
CURRENT ASSETS			
Stock and work in progress		177	450
Debtors	11	2,367	2,810
Cash at bank and in hand		3,870	2,206
		6,414	5,466
CREDITORS: Amounts falling due within one year	12	(3,117)	(2,442)
NET CURRENT ASSETS		3,297	3,024
TOTAL ASSETS LESS CURRENT LIABILITIES		4,121	3,988
PROVISIONS FOR LIABILITIES AND CHARGES	13	(2)	(22)
		4,119	3,966
CAPITAL AND RESERVES			
Called up share capital	14	408	408
Profit and loss account	15	3,542	3,389
Revaluation reserve	15	169	169
SHAREHOLDERS' FUNDS: Equity interest	16	4,119	3,966


V Tsoulouhopoulos
Director

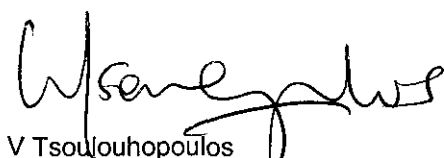
The financial statements were approved by the Board of Directors on 28th October 2003.

The attached accounting policies and notes form part of these financial statements.

PDP MOMENTUM LIMITED

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2002

	Notes	2002 £'000	2001 £'000
FIXED ASSETS			
Tangible assets	9	824	964
Investment in subsidiaries	10	38	88
		<u>862</u>	<u>1,052</u>
CURRENT ASSETS			
Stock and work in progress		177	450
Debtors	11	2,367	2,810
Cash at bank and in hand		<u>3,870</u>	<u>2,206</u>
		6,414	5,466
CREDITORS: Amounts falling due within one year	12	<u>(3,168)</u>	<u>(4,020)</u>
NET CURRENT ASSETS		<u>3,246</u>	<u>1,446</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,108	2,498
PROVISIONS FOR LIABILITIES AND CHARGES	13	<u>(2)</u>	<u>(22)</u>
		<u>4,106</u>	<u>2,476</u>
CAPITAL AND RESERVES			
Called up share capital	14	408	408
Profit and loss account	15	3,529	1,899
Revaluation reserve	15	<u>169</u>	<u>169</u>
SHAREHOLDERS' FUNDS: Equity interest	16	<u>4,106</u>	<u>2,476</u>


 V Tsoulouhopoulos
 Director

The financial statements were approved by the Board of Directors on 28th October 2003.

The attached accounting policies and notes form part of these financial statements.

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

1 ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared on the going concern basis, under the historical cost convention as modified by the revaluation of certain tangible fixed assets and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies are set out below:

Changes in accounting policy

During the year the group has adopted FRS 19, deferred tax. This requires full provision to be made for deferred tax on timing differences and requires deferred tax assets to be recognised to the extent that it is regarded as more likely than not that they will be recovered.

There has been no impact on the financial statements from the adoption of FRS 19 in the year or prior year.

Consolidation

The group consolidates the accounts of PDP Momentum Limited and its subsidiary undertakings for the year ended 31 December 2002.

Investments

Investments in subsidiaries are shown in the accounts of PDP Momentum Limited at cost less any amounts written off for permanent diminution in value.

Turnover

Turnover represents amounts receivable from clients exclusive of value added tax, in respect of billings for media advertising, production work and fees provided during the year. All revenue arose in the United Kingdom from a single class of business.

Pension scheme arrangements

The company provides pension benefits for the majority of full time employees through a number of defined contribution schemes. For these schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

A minority of employees have pension benefits provided through a defined benefit scheme which is operated by another group company, Interpublic Limited. It is not possible to identify the share of the underlying assets and liabilities in this scheme which is attributable to the company on a consistent and reasonable basis. Therefore, the company has applied the provisions in FRS 17 to account for the scheme as if it was a defined contribution scheme.

Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation.

Depreciation is provided at such rates as will write off the cost of tangible fixed assets over their expected useful lives. The annual depreciation rates used are:

Land and buildings	2%
Fixtures, fittings and office equipment	10 - 20%
Motor vehicles	20 - 25%

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

Stock and work in progress

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

Work in progress comprises charges for services incurred on behalf of clients which have still to be recharged to clients.

Taxation

Corporation tax is provided on the assessable profits of the company at the appropriate rates in force. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. *Deferred tax is measured on a non-discounted basis.*

Freehold property

The valuation of Freehold property is considered annually, any surplus or temporary deficit is transferred to the revaluation reserve. Permanent deficits are charged in the profit and loss account, which is also credited with any subsequent reversals.

Finance leases

Assets held under finance leases are capitalised in the balance sheet and depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss accounts over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Operating leases

Operating lease rentals are charged to the profit and loss accounts in the year in which they fall due.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

2 OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Operating profit is stated after charging/(crediting):

	Year ended 31 December 2002 £'000	Year ended 31 December 2001 £'000
Profit / (loss) on disposal of investments	-	-
Hire purchase interest	-	7
Group management service fee	282	280
Auditors' remuneration	14	8
Foreign currency (gain) / loss	(24)	-
Pension Costs	151	142
Depreciation on owned assets	218	234
Profit on sale of fixed assets	(19)	(19)
Operating lease rentals - buildings	194	93
- other	69	60

3 INTEREST PAYABLE

	Year ended 31 December 2002 £'000	Year ended 31 December 2001 £'000
Interest payable	1	7

4 INTEREST RECEIVABLE

	Year ended 31 December 2002 £'000	Year ended 31 December 2001 £'000
Interest receivable from overnight investments	134	154

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

5 STAFF COSTS

Staff costs, including directors' emoluments:

	Year ended 31 December 2002 £'000	Year ended 31 December 2001 £'000
Wages and salaries	2,094	2,092
Social security costs	271	232
Other pension costs	151	142
Severance payments	379	-
	<u>2,895</u>	<u>2,466</u>

The average number of employees during the financial period was:

2002 Number	2001 Number
<u>68</u>	<u>70</u>

6 DIRECTORS' EMOLUMENTS

Directors' emoluments including pension contributions and benefits in kind, all of which were in respect of management services for the year, amounted to £832,940 (2001 - £436,765).

Pension contributions to Money purchase schemes amounted to £72,000 (2001 - £72,000).

Remuneration excluding pension contributions was as follows:

	Year ended 31 December 2002 £	Year ended 31 December 2001 £
<u>Highest paid director</u>		
Aggregate emoluments	127,890	122,373
Amounts payable in respect of severance	<u>126,261</u>	<u>-</u>

The group has made contributions to money purchase pension plans in respect of 3 directors (2001 : 3) during the year.

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

7 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The charge for taxation which has been provided at 30% (2001 - 30%) is based on the results for the year and comprised:

	Year ended 31 December 2002 £'000	Year ended 31 December 2001 £'000
<u>Current Tax</u>		
UK corporation tax	- current year	279
	- prior year	(21)
Total current tax	258	437
<u>Deferred tax</u>		
Origination & reversal on timing differences	(20)	(26)
Tax on profit on ordinary activities	238	411

Factors affecting the tax charge

The current tax assessed for the year is higher than the standard rate of corporation tax in the UK 30% (2001 : 30%). The differences are explained below:

	Year ended 31 December 2002 £'000	Year ended 31 December 2001 £'000
Profit on ordinary activities before tax	807	1,281
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2001 : 30%)	242	384
Effects of:		
Disallowed expenses	73	97
Capital allowances	(36)	(44)
Adjustment to prior years	(21)	0
Current tax charge	258	437

8 DIVIDENDS

	2002 £'000	2001 £'000
Final dividend - proposed	416	704

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

9 TANGIBLE ASSETS

GROUP and COMPANY	Freehold property £'000	Leasehold improvement £'000	Equipment, fixtures & fittings £'000	Motor vehicles £'000	Total £'000
COST OR VALUATION					
At 1 January 2002	626	1	452	311	1,390
Additions	-	8	44	57	109
Disposals	-	-	-	(152)	(152)
At 31 December 2002	626	9	496	216	1,347
DEPRECIATION					
At 1 January 2002	25	-	219	182	426
Charge for the year	13	1	141	63	218
Disposals	-	-	-	(121)	(121)
At 31 December 2002	38	1	360	124	523
NET BOOK AMOUNT					
At 31 December 2002	588	8	136	92	824
At 1 January 2002	601	1	233	129	964

Following implementation of FRS 15 the group followed the transitional arrangement and adopted the cost policy.

If stated under historical cost principles, the comparable amounts would be:

	£
Cost	467,000
Aggregate depreciation	(28,000)
Net book value	<u>439,000</u>

In accordance with FRS 15 the valuation has not been updated.

Assets held under hire purchase agreements included within the net book value:

	2002 £'000	2001 £'000
Net book amount at 1 January	-	50
Depreciation	-	(20)
Net book amount at 31 December	-	<u>30</u>

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

10 INVESTMENT IN SUBSIDIARIES

COMPANY	Shares in Group Undertakings £'000
At 1 January 2002	88
Disposals	(50)
At 31 December 2002	38

Investment in subsidiaries at cost less provision for impairment represents:

Name	Activity in Year	
The Promotions Department Partnership Limited	Dormant	
The Promotions Department Partnership (London) Limited	Dormant	Struck off in year
The Promotions Department Partnership (Scotland) Limited	Dormant	Struck off in year
PDP (London) Limited	Dormant	Struck off in year
Merchandising, Handling and Distribution Limited	Dormant	Struck off in year

All subsidiary companies are incorporated in England and Wales

11 DEBTORS

Amounts falling due within one year:

	Group		Company	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
Trade debtors	1,845	2,265	1,845	2,265
Amounts owed by group undertakings	427	405	427	405
Other debtors, prepayments and accrued income	95	140	95	140
	2,367	2,810	2,367	2,810

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

12 CREDITORS: Amounts falling due within one year:

	Group		Company	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
Trade creditors	646	676	646	676
Amounts owed to group undertakings	897	180	948	1,758
Corporation tax	198	189	198	189
Other taxation and social security	239	207	239	207
Other creditors	5	108	5	108
Accruals and deferred income	716	360	716	360
Obligations under hire purchase agreements	-	18	-	18
Proposed dividend	416	704	416	704
	<u>3,117</u>	<u>2,442</u>	<u>3,168</u>	<u>4,020</u>

13 PROVISION FOR LIABILITIES AND CHARGES

Deferred tax provided in the accounts comprises:

	Group		Company	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
Provision brought forward	22	48	22	48
Credit to profit and loss account	(20)	(26)	(20)	(26)
Provision carried forward	<u>2</u>	<u>22</u>	<u>2</u>	<u>22</u>

Provision for deferred taxation

Asset on permanent timing differences	(46)	(26)	(46)	(26)
Liability on sale of revalued property	<u>48</u>	<u>48</u>	<u>48</u>	<u>48</u>
	<u>2</u>	<u>22</u>	<u>2</u>	<u>22</u>

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

14 SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
274,997 C ordinary £1 shares of £1 each	274,997	274,997
274,997 D ordinary £1 shares of £1 each	274,997	274,997
450,006 E ordinary £1 shares of £1 each	450,006	450,006
	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	2002	2001
	£	£
C ordinary £1 shares of £1 each	127,500	127,500
D ordinary £1 shares of £1 each	127,500	127,500
E ordinary £1 shares of £1 each	153,000	153,000
	<u>408,000</u>	<u>408,000</u>

15 RESERVES

GROUP

	Profit & loss account	Revaluation reserve
	£'000	£'000
Balance at 1 January 2002	3,389	169
Retained profit for the year	153	-
Balance at 31 December 2002	<u>3,542</u>	<u>169</u>

COMPANY

	Profit & loss account	Revaluation reserve
	£'000	£'000
Balance at 1 January 2002	1,899	169
Retained profit for the year	1,630	-
Balance at 31 December 2002	<u>3,529</u>	<u>169</u>

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Group		Company	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
Profit for the financial period	569	870	2,046	870
Dividends	(416)	(704)	(416)	(704)
Net addition to shareholders' funds	153	166	1,630	166
Equity Shareholders' funds at 1 January	3,966	3,800	2,476	2,310
Equity Shareholders' funds at 31 December	4,119	3,966	4,106	2,476

17 CAPITAL COMMITMENTS

There are no capital commitments at 31 December 2002 (2001 - £Nil).

18 PENSION COSTS

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds.

A single employee (2001 – nil) has pension benefits provided through a defined benefit scheme which is operated by another group company, Interpublic Limited. In accordance with FRS 17, the company accounts for its contributions to the scheme as if it were a defined contribution scheme because it is not possible to identify the company's share of the assets and liabilities in the scheme on a consistent and reasonable basis. The latest actuarial valuation of the scheme, disclosed in the consolidated financial statements of Interpublic Limited, shows a deficit of £5m. Further details of this valuation can be found in the annual report of Interpublic Limited.

The pension cost charge represented contributions payable by the company as follows:

	2002	2001
	£	£
Defined contribution schemes	72,619	70,490
Defined benefit scheme	6,500	-
Directors scheme	72,000	72,000
	151,119	142,490

PDP MOMENTUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONTINUED)

19 LEASING AND HIRE PURCHASE CONTRACT OBLIGATIONS

Future minimum lease payments under hire purchase agreements are as follows:

	2002 £'000	2001 £'000
Within one year	-	19
Between one and five years	-	-
Total gross payments	-	19
Less finance charges included above	-	(1)
	-	18

20 OPERATING LEASE OBLIGATIONS

At the end of the year the group had annual commitments under non-cancellable operating leases expiring as follows:

	2002		2001	
	Buildings £'000	Other £'000	Buildings £'000	Other £'000
Within one year	-	38	-	19
Between one and five years	72	31	64	43
	72	69	64	62

21 PARENT UNDERTAKINGS

The Interpublic Group of Companies Inc., which is incorporated in the United States of America is the parent undertaking of the largest group to consolidate these financial statements and is the ultimate parent company. Copies of group financial statements for Interpublic Inc. can be obtained from McCann-Erickson House, 36 Howland Street, London, W1A 1AT.

As permitted by FRS1, a cash flow statement is not included in these financial statements because a consolidated cash flow statement is presented by Interpublic Inc., the ultimate parent undertaking.

22 RELATED PARTY TRANSACTIONS

The company is committed to pay rent on a building owned by the retiring directors pension fund at £36,000 per year, expiring in 4 years. An amount of £36,000 has been paid during the year to this pension fund.

The company is exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Interpublic Limited group or investors of the Interpublic Limited group.