

Company Registration No. 4386101

Fast4wD Ogilvy Limited

Report and Financial Statements

31 December 2006

TUESDAY



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Fast4wD Ogilvy Limited

Report and financial statements 2006

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9

Fast4wD Ogilvy Limited

Report and financial statements 2006

Officers and professional advisers

Directors

Emma Sergeant
Mark Ridler

Secretary

Mark Ridler

Registered office

121-141 Westbourne Terrace
London
W2 6JR

Bankers

HSBC Bank plc
16 Shepherds Bush Green
London
W12 8PT

Solicitors

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

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

Fast4wD Ogilvy Limited

Directors' report

The directors present their annual report on the affairs of the company, together with the accounts of the company and the auditors' report, 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

Principal activity

The principal activity of the company in the year under review was that of a public relations agency

Review of business and prospects

On 9 June 2004 the company changed its name from Fast4wD Limited to Fast4wD Ogilvy Limited

The results for the year and financial position of the company are as shown in the attached accounts. The profit for the year after taxation was £439,234 (2005 - loss of £382,671). The directors are optimistic about the prospects of the company and expect that the present level of activity will be sustained for the foreseeable future.

Dividends

The directors do not recommend the payment of a dividend for the year ended 31 December 2006 (2005 - £nil)

Directors and their interests

The directors who served throughout the year, except as noted, were

Gloria Gibbons (resigned 1 October 2006)
Emma Sergeant
Mark Ridler

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

Fast4wD Ogilvy Limited

Directors' report (continued)

Auditors (continued)

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



Mark Ridler

Director

21.9.2007

Fast4wD Ogilvy 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 judgements 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 the system of internal control, 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 Fast4wD Ogilvy Limited

We have audited the financial statements of Fast4wD Ogilvy Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. 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 Fast4wD Ogilvy 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 profit 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

21 September 2007

Fast4wD Ogilvy Limited

Profit and loss account

For the year ended 31 December 2006

	Note	2006 £	2005 £
Turnover	1,2	3,556,470	1,431,556
Cost of sales		(1,735,327)	(555,447)
Gross profit		<u>1,821,143</u>	<u>876,109</u>
Administrative expenses		(1,435,773)	(1,309,695)
Operating profit/(loss)	3	<u>385,370</u>	<u>(433,586)</u>
Interest receivable and similar income	5	<u>53,864</u>	<u>50,915</u>
Profit/(loss) on ordinary activities before taxation		<u>439,234</u>	<u>(382,671)</u>
Tax on profit/(loss) on ordinary activities	6	-	-
Retained profit/(loss) for the financial year		<u>439,234</u>	<u>(382,671)</u>
Retained (loss)/profit brought forward		(224,122)	158,549
Retained profit/(loss) carried forward		<u><u>215,112</u></u>	<u><u>(224,122)</u></u>

All results relate to continuing operations

There are no recognised gains or losses in either year other than the profit/(loss) for that year

Fast4wD Ogilvy Limited

Balance sheet At 31 December 2006

	Note	2006 £	2005 £
Fixed assets			
Tangible assets	7	16,606	32,869
Current assets			
Stocks	8	39,712	23,371
Debtors	9	3,551,767	436,970
Cash at bank and in hand		2,851,371	1,765,994
		6,442,850	2,226,335
Creditors, amounts falling due within one year	10	(6,244,343)	(2,483,325)
Net current assets/(liabilities)		198,507	(256,990)
Net assets/(liabilities)		215,113	(224,121)
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		215,112	(224,122)
Shareholders' funds/(deficit)	12	215,113	(224,121)

These accounts have been prepared in accordance with the special provisions relating to small companies under s246 Companies Act 1985

These financial statements were approved by the Board of Directors on 21-9 2007

Signed on behalf of the Board of Directors



Mark Ridler

Director

Fast4wD Ogilvy Limited

Notes to the financial statements Year ended 31 December 2006

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the current and preceding year, is set out below

Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards

The company has taken advantage of the exemption available under FRS1 (revised) from the requirement to prepare a cash flow statement, because the ultimate parent company, WPP Group plc, presents a consolidated cash flow statement in its consolidated accounts. Those accounts are publicly available and include the results of the company

Revenue recognition

Revenue is recognised on the basis of the value of work done. Provision is made for losses as soon as they become foreseeable

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Leasehold improvements	25% on cost
Office furniture and equipment	25% on cost
Computer equipment	33% on cost

Stock

Work in progress includes all direct expenditure incurred on behalf of clients and is valued at the lower of cost and net realisable value

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted by the balance sheet date

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

Foreign currency

Transactions in foreign currencies are recorded at the rates of exchange at the dates of the transactions or, if hedged, at the forward contract rates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rates. All exchange differences are included in the profit and loss account

Fast4wD Ogilvy Limited

Notes to the financial statements Year ended 31 December 2006

1. Accounting policies (continued)

Related party transactions

Under the provisions of FRS 8, the company is exempt from the requirements to disclose related party transactions with other group companies as 100% of the voting rights are controlled within the group and the ultimate UK parent undertaking publishes accounts which are publicly available

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of VAT. The total turnover of the company for the year has been derived from its principal activity and is undertaken in the United Kingdom

2 Segmental information

The turnover and profit before taxation are attributable to the one principal activity of the company. All turnover arises in the United Kingdom

3 Operating profit/(loss)

	2006 £	2005 £
The operating profit/(loss) is stated after charging		
Depreciation – owned assets	18,555	16,127

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 of £2,250 (2005 £8,000) was borne by another group company in the current year and the prior year

Fast4wD Ogilvy Limited

Notes to the financial statements Year ended 31 December 2006

4. Staff costs

Staff costs for the year (including directors) were as follows

	2006 £	2005 £
Wages and salaries	773,939	613,472
Social security costs	63,763	67,491
	<u>837,702</u>	<u>680,963</u>

The average monthly number of employees (including directors) during the year was as follows

	No.	No
Management	1	1
Account handling	10	12
Administration	1	1
	<u>12</u>	<u>14</u>
Directors' remuneration	£	£
Emoluments	201,558	207,665

Highest paid director

The above amounts for remuneration include the following in respect of the highest paid director

	2006 £	2005 £
Emoluments and long-term incentive schemes	201,558	202,434
Company contributions to money purchase pension schemes	-	-
	<u>201,558</u>	<u>202,434</u>

The emoluments of two directors are borne by fellow group undertaking Shire HealthPublic Relations Limited

No directors were members of money purchase pension schemes (2005 - none) The directors are executives of Fast4wD Ogilvy Limited and are also directors of other group companies The directors received total emoluments of £582,198 during the year but it is not practicable to allocate this between group companies for their services as directors

Fast4wD Ogilvy Limited

Notes to the financial statements Year ended 31 December 2006

5. Interest receivable and similar income

	2006 £	2005 £
Bank interest received	<u>53,864</u>	<u>50,915</u>

6. Tax on profit/(loss) on ordinary activities

	2006 £	2005 £
Tax charge for the year	<u>-</u>	<u>-</u>

The corporation tax charge of £nil has been calculated using a UK corporation tax rate of 30% (2005 – 30%)

The tax assessed for the period is lower (2005 higher) than that resulting from applying the standard rate of corporation tax in the UK of 30% (2005 30%) The differences are explained below

	2006 £	2005 £
Profit on ordinary activities before tax	<u>439,234</u>	<u>(382,671)</u>
Tax at 30% (2005 30%) thereon	(131,770)	114,801
<i>Factors affecting tax charge for the period</i>		
Depreciation in excess of capital allowances	(5,567)	-
Group relief claimed/(surrendered) for nil consideration	<u>137,337</u>	<u>(114,801)</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

The tax credit is fully offset by group relief surrendered for nil consideration

A deferred tax asset has not been recognised in respect of timing differences relating to accelerated capital allowances as there is insufficient evidence that the asset will be recovered and trading losses carried forward
The amount of the asset not recognised is £161,853 (2005 – £47,840)

Fast4wD Ogilvy Limited

Notes to the financial statements Year ended 31 December 2006

7. Tangible fixed assets

	Leasehold Improvements £	Office furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 January 2006	776	24,038	36,706	61,520
Additions	1,386	-	906	2,292
At 31 December 2006	2,162	24,038	37,612	63,812
Accumulated depreciation				
At 1 January 2006	97	10,986	17,568	28,651
Charge for the year	447	6,009	12,099	18,555
At 31 December 2006	544	16,995	29,667	47,206
Net book value				
At 31 December 2006	1,618	7,043	7,945	16,606
At 31 December 2005	679	13,052	19,138	32,869

8. Stock

	2006 £	2005 £
Work-in-progress	39,712	23,371

9 Debtors

	2006 £	2005 £
Trade debtors	1,276,119	265,499
Amounts owed by fellow group undertaking	1,335,481	-
Other debtors	6,282	8,990
Other taxation and social security	348,884	-
Prepayments and accrued income	585,001	162,481
	3,551,767	436,970

Fast4wD Ogilvy Limited

Notes to the financial statements Year ended 31 December 2006

10. Creditors amounts falling due within one year

	2006 £	2005 £
Trade creditors	32,215	17,061
Amounts owed to group undertakings	5,928,536	2,350,598
Social security and other taxation	-	44
Other creditors	950	950
Accruals and deferred income	282,642	114,672
	<u>6,244,343</u>	<u>2,483,325</u>

11. Called up share capital

	2006 £	2005 £
Authorised		
100 ordinary shares of £1	<u>100</u>	<u>100</u>
Called up, allotted and fully paid.		
1 ordinary share of £1	<u>1</u>	<u>1</u>

12. Reconciliation of movement in shareholders' funds

	2006 £	2005 £
Profit/(loss) for the year	<u>439,234</u>	<u>(382,671)</u>
Net movement in shareholders' funds/(deficit)	<u>439,234</u>	<u>(382,671)</u>
Opening shareholders' (deficit)/funds	(224,121)	158,550
Closing shareholders' funds/(deficit)	<u>215,113</u>	<u>(224,121)</u>

13. Ultimate and controlling parent company

The company's ultimate controlling party is WPP Group plc and its immediate parent is Ogilvy Healthworld UK Limited. The largest and smallest group in which the results of Fast4wD 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 Farm Street, London, W1X 6RD.

14. Financial guarantees

Fast4wD Ogilvy Limited participates in group banking arrangements with its parent company, WPP Group plc, and has access to a group cash management facility. Fast4wD Ogilvy Limited guarantees the facility to the extent of its cash deposited in the United Kingdom with its clearing bank. Fast4wD Ogilvy Limited, together with its parent, WPP Group plc, and certain other subsidiary undertakings, is a party to the group's syndicated banking arrangements. Details of these arrangements are included in the financial statements of WPP Group plc.