Company Registration No. 3569821 (England and Wales)

THE FARM POST PRODUCTION LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2004



THE FARM POST PRODUCTION LIMITED

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THE FARM POST PRODUCTION LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2004

The directors present their report and financial statements for the year ended 31 December 2004.

Principal activities and review of the business
The principal activity of the company was that of television post production.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends
The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors
The following directors have held office since 1 January 2004:

N S J Sargent
V C Dunn
O Hookway
P Richardson
S Smith

Directors' interests
The directors' interests in the shares of the company were as stated below:

	Ordinary 'A' of £ 1 each	
	31 December 2004	1 January 2004
N S J Sargent	-	-
V C Dunn	-	-
O Hookway	-	-
P Richardson	-	-
S Smith	-	-

	Ordinary 'B' of £ 1 each	
	31 December 2004	1 January 2004
N S J Sargent	-	-
V C Dunn	-	-
O Hookway	-	-
P Richardson	-	-
S Smith	-	-

	Ordinary 'C' of £ 1 each	
	31 December 2004	1 January 2004
N S J Sargent	-	-
V C Dunn	-	-
O Hookway	-	-
P Richardson	-	-
S Smith	-	-

THE FARM POST PRODUCTION LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2004

Auditors
Dover Childs Tyler were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

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 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;
-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.

On behalf of the board

Vikki Dunn

V C Dunn
Director
13 July 2005

THE FARM POST PRODUCTION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE FARM POST PRODUCTION LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 16, together with the financial statements of the company for the year ended 31 December 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B 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

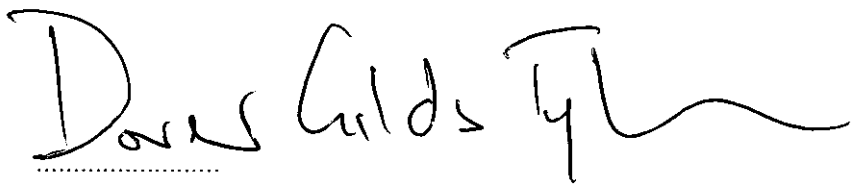
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 16 are properly prepared in accordance with that provision.



Dover Childs Tyler
Chartered Certified Accountants
Registered Auditors
7-9 Swallow Street
London
W1B 4DT

13 July 2005

THE FARM POST PRODUCTION LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	2004 £	2003 £
Gross profit		4,196,311	4,540,856
Administrative expenses		(3,250,758)	(3,024,315)
Operating profit	2	945,553	1,516,541
Investment income	3	-	375,000
Other interest receivable and similar income		6,789	9,000
Interest payable and similar charges	4	(66,801)	(137,315)
Profit on ordinary activities before taxation		885,541	1,763,226
Tax on profit on ordinary activities	5	-	(430,654)
Profit on ordinary activities after taxation		885,541	1,332,572
Dividends	6	-	(1,088,000)
Retained profit for the year	16	885,541	244,572

THE FARM POST PRODUCTION LIMITED

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2004

	Notes	2004 £	2004 £	2003 £	2003 £
Fixed assets					
Tangible assets	7		1,424,399		2,108,896
Investments	8		37,800		37,800
			1,462,199		2,146,696
Current assets					
Stocks	9	18,777		25,689	
Debtors	10	1,380,913		2,292,240	
Cash at bank and in hand		630,717		142,774	
		2,030,407		2,460,703	
Creditors: amounts falling due within one year	11	(1,724,738)		(3,410,902)	
Net current assets/(liabilities)			305,669		(950,199)
Total assets less current liabilities			1,767,868		1,196,497
Creditors: amounts falling due after more than one year	12		(121,090)		(435,260)
Provisions for liabilities and charges	13		114,854		114,854
			1,761,632		876,091
Capital and reserves					
Called up share capital	15		392,157		392,157
Share premium account	16		207,843		207,843
Profit and loss account	16		1,161,632		276,091
Shareholders' funds	17		1,761,632		876,091

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 13 July 2005

N S J Sargent
Director

O Hookway
Finance Director

THE FARM POST PRODUCTION LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2004

		2004 £		2003 £
Net cash inflow from operating activities		2,974,869		3,031,598
Returns on investments and servicing of finance				
Interest received	6,789		9,000	
Interest element of finance lease rentals	(66,801)		(137,315)	
Dividends received	-		300,000	
Net cash (outflow)/inflow for returns on investments and servicing of finance		(60,012)		171,685
Taxation		(357,164)		(1,085,616)
Capital expenditure				
Payments to acquire tangible assets	(374,655)		(155,366)	
Net cash outflow for capital expenditure		(374,655)		(155,366)
Equity dividends paid		-		(1,000,000)
Net cash inflow before management of liquid resources and financing		2,183,038		962,301
Financing				
Capital element of finance lease contracts	(1,695,095)		(1,045,518)	
Net cash outflow from financing		(1,695,095)		(1,045,518)
Increase/(decrease) in cash in the year		487,943		(83,217)

THE FARM POST PRODUCTION LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2004

1	**Reconciliation of operating profit to net cash inflow from operating activities**	**2004**	**2003**
		£	**£**
	Operating profit	945,553	1,516,541
	Depreciation of tangible assets	1,059,153	1,591,751
	Decrease/(increase) in stocks	6,912	(2,952)
	Decrease/(increase) in debtors	911,327	(241,130)
	Increase in creditors within one year	51,924	167,388
	Net cash inflow from operating activities	2,974,869	3,031,598

2	**Analysis of net debt**	**1 January 2004**	**Cash flow**	**Other non-cash changes**	**31 December 2004**
		£	**£**	**£**	**£**
	Net cash:				
	Cash at bank and in hand	142,774	487,943	-	630,717
	Debt:				
	Finance leases	(1,240,098)	809,243	(202,149)	(633,004)
	Net debt	(1,097,324)	1,297,186	(202,149)	(2,287)

3	**Reconciliation of net cash flow to movement in net debt**	**2004**	**2003**
		£	**£**
	Increase/(decrease) in cash in the year	487,943	(83,217)
	Cash outflow from decrease in debt and lease financing	809,243	1,160,618
	Change in net debt resulting from cash flows	1,297,186	1,077,401
	New finance lease	(202,149)	(115,100)
	Movement in net debt in the year	1,095,037	962,301
	Opening net debt	(1,097,324)	(2,059,625)
	Closing net debt	(2,287)	(1,097,324)

THE FARM POST PRODUCTION LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Income in respect of short term contracts is recognised on substantive completion of an assignment and represents the fair value of the right to consideration relating to services supplied.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Over the period of the lease
Production equipment	Between 3 and 5 years
Office equipment	Over 4 years

1.4 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

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

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.8 Deferred taxation

A deferred taxation adjustment is not provided for the year due to the corporation taxation position with the group loss relief from WPP Group PLC. The asset from previous periods remains on the balance sheet as there is a reasonable probability that the asset will crystallise in the foreseeable future if no group losses are available.

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

2 Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	1,059,153	1,591,751
Operating lease rentals	366,904	397,411
Auditors' remuneration	12,000	10,000

3 Investment income

	2004	2003
	£	£
Income from shares in group undertakings	-	375,000

4 Interest payable

	2004	2003
	£	£
Lease finance charges	66,801	137,315

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

5 Taxation	2004 £	2003 £
Domestic current year tax		
U.K. corporation tax	-	679,163
Current tax charge	-	679,163
Deferred tax		
Deferred tax charge/credit current year	-	(248,509)
	-	430,654
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	885,541	1,763,226
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2003: 30.00%)	265,662	528,968
Effects of:		
Non deductible expenses	17,243	14,187
Depreciation add back	317,745	477,525
Capital allowances	(190,939)	(229,017)
Tax losses utilised	(409,711)	-
Dividends and distributions received	-	(112,500)
	(265,662)	150,195
Current tax charge	-	679,163

On the basis of these financial statements the corporation taxation liability is £406,669. No provision has been made in these accounts for the corporation tax payable for the period due to corporation tax group relief losses to be surrendered by WPP Group PLC.

6 Dividends	2004 £	2003 £
Ordinary final proposed	-	1,088,000

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

7 Tangible fixed assets

	Land and buildings Leasehold	Production equipment	Office equipment	Total
	£	£	£	£
Cost				
At 1 January 2004	1,158,252	7,531,568	511,532	9,201,352
Additions	39,740	312,911	22,004	374,655
At 31 December 2004	1,197,992	7,844,479	533,536	9,576,007
Depreciation				
At 1 January 2004	434,477	6,287,011	370,968	7,092,456
Charge for the year	117,242	869,289	72,621	1,059,152
At 31 December 2004	551,719	7,156,300	443,589	8,151,608
Net book value				
At 31 December 2004	646,273	688,179	89,947	1,424,399
At 31 December 2003	723,775	1,244,557	140,564	2,108,896

Included above are assets held under finance leases or hire purchase contracts as follows:

	Production equipment
	£
Net book values	
At 31 December 2004	587,252
At 31 December 2003	1,051,068
Depreciation charge for the year	
31 December 2004	665,735
31 December 2003	872,755

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2004 & at 31 December 2004	37,800

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Squash DVD Limited	England	ordinary	75

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2004 £	Profit for the year 2004 £
Squash DVD Limited	208,258	119,540

9 Stocks

	2004 £	2003 £
Raw materials and consumables	18,777	25,689

10 Debtors

	2004 £	2003 £
Trade debtors	799,351	2,016,594
Amounts owed by subsidiary undertakings	-	7,936
Other debtors	49,454	134,833
Prepayments and accrued income	532,108	132,877
Deferred tax asset (see note 13)	114,854	114,854
	1,495,767	2,407,094

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

11 Creditors: amounts falling due within one year	2004 £	2003 £
Net obligations under finance leases	511,914	804,838
Trade creditors	598,678	579,900
Corporation tax	-	357,164
Other taxes and social security costs	357,739	448,136
Accruals and deferred income	256,407	132,864
Proposed dividend	-	1,088,000
	1,724,738	3,410,902

12 Creditors: amounts falling due after more than one year	2004 £	2003 £
Net obligations under finance leases	121,090	435,260
Net obligations under finance leases		
Repayable within one year	535,511	850,603
Repayable between one and five years	128,989	464,850
	664,500	1,315,453
Finance charges and interest allocated to future accounting periods	(31,496)	(75,355)
	633,004	1,240,098
Included in liabilities falling due within one year	(511,914)	(804,838)
	121,090	435,260

Barclays Bank Plc have a first fixed and floating charge over the whole undertakings of the group in respect of the overdraft facility and any further finance given including a guarantee for Squash DVD Limited.
Soho Property One Limited and Soho Property Two Limited have a charge over a rent deposit of £34,096.
WPP Group (UK) Limited have a fixed and floating charge over the whole undertakings of the company in respect of all obligations and liabilities.

13 Provisions for liabilities and charges

The deferred tax asset (included in the debtors, note 10) is made up as follows:

	2004 £
Balance at 1 January 2004 & at 31 December 2004	(114,854)

	2004 £	2003 £
Accelerated capital allowances	(114,854)	(114,854)

14 Pension costs

Defined contribution

	2004 £	2003 £
Contributions payable by the company for the year	6,720	6,855

15 Share capital

	2004 £	2003 £
Authorised		
192,157 Ordinary 'A' of £1 each	192,157	192,157
100,000 Ordinary 'B' of £1 each	100,000	100,000
100,000 Ordinary 'C' of £1 each	100,000	100,000
	392,157	392,157
Allotted, called up and fully paid		
192,157 Ordinary 'A' of £1 each	192,157	192,157
100,000 Ordinary 'B' of £1 each	100,000	100,000
100,000 Ordinary 'C' of £1 each	100,000	100,000
	392,157	392,157

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

16 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 January 2004	207,843	276,091
Retained profit for the year	-	885,541
Balance at 31 December 2004	207,843	1,161,632

17 Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Profit for the financial year	885,541	1,332,572
Dividends	-	(1,088,000)
Net addition to shareholders' funds	885,541	244,572
Opening shareholders' funds	876,091	631,519
Closing shareholders' funds	1,761,632	876,091

18 Financial commitments

At 31 December 2004 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2004 £	2003 £
Expiry date:		
In over five years	358,375	358,375

19 Directors' emoluments

	2004 £	2003 £
Emoluments for qualifying services	350,000	310,000

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	140,000	128,333

20 Employees

Number of employees

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

	2004 Number	2003 Number
Administration	54	42
Operations	24	38
	78	80

Employment costs

	£	£
Wages and salaries	3,661,508	3,654,224
Social security costs	351,916	336,305
Other pension costs	6,720	6,855
	4,020,144	3,997,384

21 Ultimate parent company

The immediate and ultimate parent company is WPP Group PLC.