Company Registration No. 1915514

MILLWARD BROWN UK LIMITED

Report and Financial Statements

31 December 2006

REPORT AND FINANCIAL STATEMENTS 2006

CONTENTS

DIRECTORS' REPORT

The dırectors present theır annual report and the audıted financıal statements for the year ended 31 December 2006

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The prıncıpal actıvıty of the company contınues to be that of a market research agency The company also undertakes fieldwork, project management & data processıng actıvıtıes for all of the Kantar research busınesses ın the UK There have not been any sıgnıficant changes ın the company's prıncıpal actıvıtıes ın the year under revıew The dırectors are not aware, at the date of thıs report, of any lıkely major changes ın the company's actıvıtıes ın the next year

Sales Growth - 2% (v +9% ın 2005)

Turnover for the year was £113 1 mıllıon, down from £115 4m ın 2005 Thıs declıne was due to the ımpact of the swıtch to the ınternet as a data collectıon methodology resultıng ın a sıgnıficant reductıon ın the cost of fieldwork Due to competıtıve prıcıng pressures ın the market much of thıs benefit was passed on to clıents ın the form of reduced fees

Gross Margın % 56% (v 48% ın 2005)

A re-classıficatıon of £6m of salary costs from dırect to admınıstratıon expenses has dıstorted the gross margın percentage comparatıve Adjustıng for thıs the underlyıng 2005 margın was 53% The ımprovement ın the underlyıng gross margın was the result of the fallıng data collectıon costs arısıng from the swıtch to the web outlıned above

Staff costs / Revenue % 47 1% (v 47 1% ın 2005)

Despıte the reductıon ın revenue, staff costs were held at the same percentage as ın 2005 Thıs has been achıeved through operatıonal efficıencıes to ensure that margıns are not eroded durıng a perıod of revenue declıne

Operatıng profit for the year was £8 9m v £13 1m ın 2005 (restated from £13 8) Included ın the 2006 results were costs of £1 4m relatıng to the set up of an off-shore DP & codıng facılıty

Dıvıdends of £12 0 mıllıon were proposed and paıd ın the year (2005 - £11 0 m) The loss transferred from reserves ın the year was £1 9 mıllıon (2005– £2 9 m transferred to reserves – restated from £3 6m)

The Balance Sheet on page 11 of the financıal statements shows that the company's financıal posıtıon at the year end ıs, ın net asset terms, consıstent wıth the prıor year

PRINCIPAL RISKS & UNCERTAINTIES

UK market condıtıons were dıfficult ın 2006 leadıng to pressure on prıcıng & the need for enhanced servıce delıvery The company manages the rısk by provıdıng added value servıces to ıts customers The re-launch of the core trackıng product ın September 2006 ıs seen as an opportunıty to return to top lıne growth ın 2007 Market condıtıons are also expected to ımprove ın 2007

The contınuıng swıtch to the web for data collectıon ıs both a rısk & an opportunıty Tradıtıonal methodologıes have ınfra-structural costs that are dıfficult to reduce ın the short term Longer term capacıty reductıons often ınvolve "one off" costs However, the reductıon ın fieldwork cost can gıve the opportunıty to sell a more consultancy based servıce

The company contınues to generate a strong posıtıve cash flow from ıts operatıons & does not have a sıgnıficant foreıgn exchange exposure Foreıgn currency receıvables & payables are largely denomınated ın US$ & €'s & the WPP Group treasury functıon takes out contracts to manage the exchange rısk at a Group level

WPP Group rısks are dıscussed ın the Group's Annual Report, whıch does not form part of thıs Report

An explanatıon of the company's exposure to varıous financıal rısks and management thereof appear ın note 1 to the financıal statements on page 14

DIRECTORS' REPORT

DIRECTORS AND THEIR INTERESTS

The directors of the Company during the year were as follows

R D Finnigan
S L Potter
M S Sorrell
S M Thompson
S M Gardiner (resigned 17 April 2006)
W H Nash (appointed 1 January 2006)
M Leigh (appointed 1 January 2006)

The beneficial interests of directors, who held office at 31 December 2006, in the 10p ordinary shares and other securities of the ultimate parent company, WPP Group Plc, are set out below

	Ordinary shares	
	2006 Number	**2005 Number**
S M Gardiner	6,636	7,797
S L Potter	24,704	24,704
S M Thompson	500	500
M Leigh	2,109	0

DIRECTORS' REPORT (CONTINUED)

DIRECTORS AND THEIR INTERESTS (CONTINUED)

In addition, certain directors hold interests in restricted shares of WPP Group Plc under the terms of a Long Term Incentive Plan and deferred bonus plan The directors' interests in shares held under the terms of these plans are set out below

Director	At 1 Jan 2006 Number	Granted 2006 Number	Vested 2006 Number	At 31 Dec 2006 Number	Grant date	Vest date
R D Finnigan	-	1,982	-	1,982	February 2006	March 2008
	741	-	-	741	November 2005	November 2008
	482		(504)	-	March 2005	March 2006
	482		-	482	March 2005	March 2007
	3,191		-	3,191	November 2005	March 2007
	2,927		(3,978)	-	October 2003	March 2006
S M Thompson	-	585	-	585	October 2006	October 2009
	-	3,024	-	3,024	February 2006	March 2008
	741	-	-	741	November 2005	November 2008
	3,191	-	-	3,191	November 2004	March 2007
S M Gardiner	1,753	-	-	1,753	March 2005	March 2007
	1,753	-	(1,836)	-	March 2005	March 2006
	1,823	-	-	1,823	November 2004	March 2007
	3,646	-	-	3,646	November 2004	March 2007
	535	-	(565)	-	June 2004	March 2006
	9,368	-	(12,731)	-	October 2003	March 2006
S L Potter	-	4,218	-	4,218	October 2006	October 2009
	-	4,295	-	4,295	February 2006	March 2008
	-	4,295	-	4,295	February 2006	March 2008
	4,448	-	-	4,448	November 2005	November 2008
	1,753	-	-	1,753	March 2005	March 2007
	1,753	-	(1,836)	-	March 2005	March 2006
	3,073	-	-	3,073	November 2004	March 2007
	3,704	-	-	3,704	November 2004	March 2007
	6,071	-	-	6,071	November 2004	March 2007
	535	-	(565)	-	June 2004	March 2006
	9,368	-	(12,731)	-	October 2003	March 2006
	584	-	(757)	-	March 2002	March 2006
M Leigh	-	1,757	-	1,757	October 2006	October 2009
	-	4,184	-	4,184	February 2006	March 2008
	2,224	-	-	2,224	November 2005	November 2008
	482	-	-	482	March 2005	March 2007
	482	-	(504)	-	March 2005	March 2006
	3,680	-	-	3,680	November 2004	March 2007
	178	-	(188)	-	June 2004	March 2006
	5,570	-	(5,570)	-	October 2003	March 2006
W H Nash		2,343	-	2,343	October 2006	October 2009
		3,933	-	3,933	February 2006	March 2008
		2,132	(2,132)		March 2006	March 2006
	2,224	-	-	2,224	November 2005	November 2008

DIRECTORS' REPORT (CONTINUED)

DIRECTORS AND THEIR INTERESTS (CONTINUED)

The remaining options in respect of 10p ordinary shares in WPP Group plc under the terms of the approved WPP Executive Share Option Scheme are as follows

Director	Date granted	Number of unexercised options	Exercisable period	Grant price
S M Gardiner	24 September 1999	6,140	September 2002 and September 2009	570p
	21 September 2000	3,325	September 2003 and September 2010	901p
	21 September 2000	4,444	September 2003 and September 2010	901p
	21 September 2001	14,026	September 2004 and September 2011	486 5p
	31 May 2002	125	May 2005 and May 2012	718p
	19 September 2002	16,862	September 2005 and September 2012	421p
	17 November 2003	11,676	November 2006 and November 2013	559 5p
	29 October 2004	10,866	October 2007 and October 2014	553 5p
M Leigh	10 March 1999	593	March 2002 and March 2009	518 5p
	21 September 2000	1,973	September 2003 and September 2010	901p
	21 September 2001	5,133	September 2004 and September 2011	486 5p
	21 September 2001	1,880	September 2004 and September 2011	486 5p
	19 September 2002	8,431	September 2005 and September 2012	421p
	17 November 2003	8,757	November 2006 and November 2013	559 5p
	29 October 2004	8,150	October 2007 and October 2014	553 5p
S L Potter	24 September 1999	6,140	September 2002 and September 2009	570p
	21 September 2000	3,325	September 2003 and September 2010	901p
	21 September 2000	621	September 2003 and September 2010	901p
	17 November 2003	17,515	November 2006 and November 2013	559 5p
	29 October 2004	16,300	October 2007 and October 2014	553 5p
R D Finnigan	31 May 2000	125	May 2003 and May 2010	779p
	1 June 2001	125	June 2005 and June 2011	796p
	31 May 2002	125	May 2005 and May 2012	718p
	19 September 2002	3,832	September 2005 and September 2012	421p
	17 November 2003	1,593	November 2006 and November 2013	559 5p
	17 November 2003	1,060	November 2006 and November 2013	559 5p
	29 October 2004	2,469	October 2007 and October 2014	553 5p
S M Thompson	21 March 2000	296	March 2003 & March 2010	1077p
	31 May 2000	125	May 2003 and May 2010	779p
	21 September 2001	3,506	September 2005 and September 2011	486 5p
	31 May 2002	125	May 2005 & May 2012	718p
	19 September 2002	3,832	September 2005 and September 2012	421p
	17 November 2003	2,653	November 2006 and November 2013	559 5p
	29 October 2004	2,469	October 2007 and October 2014	553 5p

Three directors exercised share options during the year

M S Sorrell is a director of WPP Group Plc and his share interests are disclosed in the financial statements of WPP Group plc

No director had a beneficial interest in any contract or arrangement to which the company was party during the year

In accordance with the company's Articles of Association, SL Potter retires by rotation and, being eligible, offers herself for re-election WH Nash and M Leigh having been appointed as directors in the year retire, and being eligible offer themselves for re-election

DIRECTORS' REPORT (CONTINUED)

SUPPLIER PAYMENT POLICY

The company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of those terms and abide by the agreed terms of payment

The company had 38 days (2005 – 20 days) of purchases outstanding as at 31 December 2006 based on the average daily amount invoiced by suppliers during the year

EMPLOYEES

Details of the number of employees & related costs can be found in note 5 to the financial statements on page 16

It is company policy to maintain safe and healthy working conditions and to give fair consideration to the employment needs of disabled people and to comply with any current legislation relating to disabled persons The directors recognise the importance of good communications and relations with employees and have developed employee participation practices appropriate to the company's requirements

CHARITABLE CONTRIBUTIONS

During the year charitable contributions amounted to £11,115 (2005 - £11,211)

AUDITORS

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

(1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(2) 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

R D Finnigan
Director
30 October 2007

Olympus Avenue
Tachbrook Park
Warwick
CV34 6RJ

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, 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 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 MILLWARD BROWN UK LIMITED

We have audited the financial statements of Millward Brown UK Limited for the year ended 31 December 2006 which comprise Profit and Loss Account, the Balance Sheet, and the related notes 1 to 24 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

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
Birmingham, United Kingdom

30 October 2007

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2006

	Note	2006 £'000	Restated (See Note 23) 2005 £'000
TURNOVER	2	113,057	115,428
Cost of sales		(49,726)	(59,681)
GROSS PROFIT		63,331	55,747
ADMINISTRATIVE EXPENSES		(54,421)	(42,662)
OPERATING PROFIT	3	8,910	13,085
Finance charges (net)	6	1,432	1,251
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,342	14,336
Tax on profit on ordinary activities	7	(281)	(462)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		10,061	13,874

All activities derive from continuing operations.

There are no recognised gains and losses for the year other than the profit for each year

The accompanying notes are an integral part of this profit and loss account

BALANCE SHEET
31 December 2006

	Note	2006 £'000	2005 £'000
FIXED ASSETS			
Tangible assets	9	4,195	2,845
Investments	10	2	2
		4,197	2,847
CURRENT ASSETS			
Debtors	11	26,201	24,476
Cash at bank and in hand		27,328	29,703
		53,529	54,179
CREDITORS: amounts falling due within one year	13	(25,075)	(23,062)
NET CURRENT ASSETS		28,454	31,117
TOTAL ASSETS LESS CURRENT LIABILITIES		32,651	33,964
PROVISIONS FOR LIABILITIES AND CHARGES	14	(331)	(390)
NET ASSETS		32,320	33,574
CAPITAL AND RESERVES			
Called up share capital	15	716	716
Share premium account	16	1,545	1,545
Merger reserve	16	1,275	1,275
Profit and loss account	16	28,784	30,038
TOTAL EQUITY SHAREHOLDERS' FUNDS	17	32,320	33,574

The accompanying notes are an integral part of this Balance Sheet

These financial statements were approved by the Board of Directors on 30 October 2007

Signed on behalf of the Board of Directors

R D Finnigan
Director

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable UK accounting standards The particular accounting policies adopted by the directors are described below

Accounting convention

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

Consolidation

The company has taken advantage of the exemption from preparing consolidated accounts 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 requirement of Financial Reporting Standard 1(revised) to present a cash flow statement

Share-based payments

The Company adopted FRS20 (Share-based payments) in the period ended 31 December 2006 The Company has applied the requirements of FRS20 to all unvested share-based payments and the comparative information for the year ended 31 December 2005 has been restated accordingly The impact was to reduce profit for the year ended 31 December 2005 by £728,000

Certain employees of the Company benefit from equity-settled share-based payments through participation in stock option and restricted stock incentive schemes Such awards are satisfied by the delivery of shares in WPP Group plc, the ultimate parent undertaking

Equity-settled share-based payments are measured at fair value (excluding the impact of non market-based vesting conditions) at the date of grant Fair value is determined by the market price on that date or the application of a Black Scholes model, depending on the characteristic of the scheme concerned For the years presented, the majority of the charge to the profit and loss account related to schemes where fair value equalled market price since the equity instrument had no restrictions that impact valuation Market price on any given day is obtained from external, publicly available sources

The fair value determined at the grant date is recognised in the profit and loss account as an expense on a straight-line basis over the relevant vesting period, based on the Company's estimate of the number of shares that will ultimately vest and adjusted for the effect of any other non-market based vesting conditions

Tangible fixed assets

Tangible fixed assets are shown at cost, less accumulated depreciation and any provision for impairment Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows

Short leasehold improvements	-	over the term of the lease
Fixtures, fittings, equipment and vehicles	-	10% to 50% per annum

Residual value is calculated on prices prevailing at the time of acquisition

Investments

Fixed asset investments are shown at cost less provision for impairment Dividends receivable are recorded in the financial statements of the year in which they are declared

Associated undertakings are entities in which the company has a participating interest and over whose operating and financial policy it exercises a significant influence

Debtors

Debtors are stated net of provisions for bad and doubtful debts

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

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

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 that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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 substantively enacted by the balance sheet date Deferred tax is measured on a non-discounted basis

Leases

The company enters into operating leases and rentals are charged on a straight-line basis over the lease term

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction, or, if hedged, at the forward contract rate Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date, or, if appropriate, at the forward contract rate Differences arising from movements in rates of exchange are dealt with in the profit and loss account

Pension Costs

Defined benefit scheme

Following the creation of the Kantar Operations division in Millward Brown UK Limited on 1 April 2004, six employees of the company were members of the Research International Superannuation Fund (RISF), a funded benefit scheme, and 1 employee was a member of the Mass Observations scheme, also a funded benefit scheme

Both defined benefit schemes are multi-employer schemes with the assets of the schemes being held separately from those of the company, in separate trustee administered funds Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities The actuarial valuations are obtained at least triennially and are updated at each balance sheet date

In accordance with Financial Reporting Standard 17 – Retirement Benefits, the company accounts for the contributions to the defined benefit scheme, as if it were a defined contribution scheme, because it is not possible to identify the company's share of the underlying assets and liabilities on a consistent and reasonable basis Any surplus or deficit in the RISF Scheme is dealt with in the accounts of Research International Limited, a fellow group company Any surplus or deficit in the Mass Observation Scheme is dealt with in the accounts of BMRB Limited, a fellow group company

Defined contribution scheme

For defined contribution 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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

1. ACCOUNTING POLICIES (CONTINUED)

Turnover and revenue recognition

Turnover comprises the gross amounts billed to clients (exclusive of VAT, sales taxes and trade discounts) in respect of commission based income together with the total of other fees earned

Revenue is recognised when the service is performed, in accordance with the terms of the contractual arrangement

Financial instruments

Short term debtors and creditors are not treated as financial assets or financial liabilities The company does not trade in derivative financial instruments

Financial risk management

The company's primary financial risks include fluctuations in interest rates, the credit risk of its customers, and the fluctuation in the exchange rates of foreign currencies

The company's liquidity requirements for day to day operating expenses are, and are expected to continue to be, funded by cash provided by operations

The company monitors its exposure for customer credit risk and maintains allowances for anticipated losses after giving consideration to historical loss experience, historical loss experience, and economic conditions impacting its customers Management continuously reviews information concerning the financial condition of the company's customers and believes that the company's allowance for doubtful accounts is sufficient to cover such risks

The company's activities exposes it to the financial risks of changes in foreign currency exchange rates The company does not use foreign currency exchange forward contracts to hedge these exposures and considers that it has a natural hedge in its main trading currencies due to buying and selling in both currencies

2. TURNOVER

The turnover of the company by origin in 2006 and 2005 arose from continuing activities within the UK and comprises the following destinations

	2006 £'000	2005 £'000
United Kingdom	93,123	93,138
Rest of Europe	14,345	14,657
United States of America	4,482	6,485
Rest of world	1,107	1,148
	113,057	115,428

3. OPERATING PROFIT

Operating profit is stated after charging

	2006 £'000	2005 £'000
Depreciation of tangible fixed assets	1,462	1,512
Loss on disposal of tangible fixed assets of continuing operations	(19)	(2)
Operating lease rentals		
- other	2,308	2,161

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

3. OPERATING PROFIT (CONTINUED)

AUDITORS REMUNERATION

Fees payable to the company's auditors for the audit of the company's annual accounts	104	107
Total Audit Fees	104	107
Employment Tax Fees / VAT consultancy	6	-
Total non-audit fees	6	-

4 DIRECTORS' REMUNERATION

Remuneration

The remuneration of the directors was as follows

	2006 £'000	2005 £'000
Emoluments	877	540
Amounts receivable under long-term incentive schemes	300	206
Company contributions to money purchase pension schemes	83	57
	1,260	803

Six of the directors were remunerated by the company (2005 – 4) Other directors were employed and remunerated by other companies within the WPP Group

The above amounts do not include any gains made on the exercise of share options or the value of any shares or share options received under long-term incentive schemes Details of share options are given in the Directors' report

Pensions

The number of directors who were members of pension schemes was as follows

	2006 Number	2005 Number
Money purchase schemes	6	4

Highest-paid director

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

	2006 £'000	2005 £'000
Emoluments	256	214
Amounts receivable under long-term incentive schemes	109	102
Company contributions to money purchase schemes	25	21
	390	337

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

5. STAFF COSTS

Particulars of employees (including executive directors) are as shown below

	2006 £'000	2005 £'000
Employee costs during the year amounted to		
Wages and salaries	47,976	49,201
Social security costs	3,984	3,932
Other pension costs (see note 20)	1,261	1,212
	53,221	54,345

The average monthly number of persons employed by the company during the year was

	2006 Number	2005 Number
Management and administration	160	184
Client service	323	328
Operations	4,465	7,103
	4,948	7,615

6. FINANCE CHARGES (NET)

	2006 £'000	2005 £'000
Interest receivable and similar income		
Interest on bank deposits	1,182	1,004
Income from fixed asset investments	250	250
	1,432	1,254
Interest payable and similar charges		
Other interest payable	-	(3)
	-	(3)
Finance charges (net)	1,432	1,251

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge is based on the profit for the year and comprises

	2006 £'000	2005 £'000
Current taxation		
Corporation tax	-	-
Deferred taxation		
Origination and reversal of timing differences	-	(50)
Adjustment in respect of prior years	(281)	(412)
Tax charge on profit on ordinary activities	(281)	(462)

Corporation tax payable is provided on taxable profits at the current rate, except to the extent that the losses are transferred from another group company under the group relief provisions, without corresponding payment by the claimant company

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30% (2005 – 30%) The actual tax charge for the current and the previous year is lower than the standard rate for the reasons set out in the following reconciliation

The current UK Corporate tax rate of 30% has been used in all years in calculating the UK deferred tax asset as the recent budget proposal to reduce the rate to 28% from 1 April 2008 was not substantively enacted until 26 June 2007

	2006 £'000	As restated (See Note 23) 2005 £000
Profit on ordinary activities before tax	10,342	14,336
Tax on profit on ordinary activities at standard rate	3,103	4,301
Factors affecting charge for the period		
Depreciation in excess of capital allowances	453	466
Other timing differences	(101)	(50)
Expenses not deductible for tax purposes	20	44
Deductions in respect of employee share plans		(17)
UK dividend income	(75)	(75)
Group relief claimed for nil consideration	(3,400)	(4,669)
Total actual amount of current tax	-	-

8. DIVIDENDS

	2006 £'000	2005 £'000
Interim dividend paid of £1 68 (2005 - £1 54) per ordinary share	12,000	11,000
	12,000	11,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

9. TANGIBLE FIXED ASSETS

	Short leasehold improvements £'000	Fixtures, fittings equipment and vehicles £'000	Total £'000
Cost			
At 1 January 2006	1,533	11,386	12,919
Additions	966	1,866	2,832
Disposals	-	(4,990)	(4,990)
At 31 December 2006	2,499	8,262	10,761
Depreciation			
At 1 January 2006	822	9,252	10,074
Charge for the year	157	1,305	1,462
Disposals	-	(4,970)	(4,970)
At 31 December 2006	979	5,587	6,566
Net book value			
At 31 December 2006	1,520	2,675	4,195
At 31 December 2005	711	2,134	2,845

10. INVESTMENTS HELD AS FIXED ASSETS

The following are included in the net book value of fixed asset investments

	2006 £'000	2005 £'000
Cost and net book value		
Associated undertakings	2	2
	2	2

Millward Brown UK Limited has investments in the following associated undertakings

Associated undertakings			
RSMB Television Research Limited	Market research agency registered and operating in England and Wales	50	4,668 ordinary shares of £1 each

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

11 DEBTORS

	2006 £'000	2005 £'000
Trade debtors	12,994	11,593
Amounts owed by other group undertakings	8,589	8,042
Prepayments and accrued income	4,618	4,560
Deferred taxation (note 12)	-	281
	26,201	24,476

12. DEFERRED TAX

	£'000
Balance at 1 January 2006	281
Profit and loss account charge	(281)
Balance at 31 December 2006	-

Deferred tax asset consists of the following amounts

	2006 £'000	2005 £'000
Short-term timing differences	-	281
	-	281

A deferred tax asset of £1,783,000 has not been recognised in respect of depreciation in excess of capital allowances and other timing differences as it is unlikely that there will be sufficient taxable profits against which the asset will reverse in the foreseeable future

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £'000	2005 £'000
Trade creditors	2,762	4,217
Amounts owed to other group undertakings	5,642	3,897
Other taxation and social security	3,858	4,371
Other creditors	7,276	4,550
Accruals and deferred income	5,537	6,027
	25,075	23,062

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

14. PROVISION FOR LIABILITIES AND CHARGES

	Onerous Lease £'000	Redundancy Provision £'000	Total £'000
As at 1 January 2006	385	5	390
Utilised in Year	(54)	(5)	(59)
As at 31 December 2006	331	-	331

Onerous Lease Commitment

As at 1 January 2006 a provision of £385k related to the onerous lease commitments on two buildings that were closed as part of the strategic review of operations capability in 2004 & 2005 As at 31 December 2006 £331k continues to be provided for these two properties It is expected that the remaining provision will be utilised over the next 2 years

Redundancy Provision

As at 1 January 2006 a provision of £5k related to the residual redundancy costs associated with the closure programme undertaken in 2005 As at 31 December 2006 there are no outstanding redundancy costs

15. CALLED-UP SHARE CAPITAL

	2006 £'000	2005 £'000
Authorised, equity share capital		
9,000,000 ordinary shares of 10p each	900	900
Allotted, called-up and fully paid, equity share capital		
7,160,000 ordinary shares of 10p each	716	716

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

16. RESERVES

	Share premium account	Merger reserve	Profit and loss account	Total
	£'000	£'000	£'000	£'000
At 1 January 2006	1,545	1,275	30,038	32,858
Dividends paid and proposed (note 8)	-	-	(12,000)	(12,000)
Profit for the financial year	-	-	10,061	10,061
Capital contribution from Parent company following FRS20 adoption	-	-	685	685
At 31 December 2006	1,545	1,275	28,784	31,604

The Ultimate parent company, WPP Group plc, has granted rights to its equity instruments to certain employees of the company This share based compensation is accounted for as equity-settled in the consolidated financial statements of the parent UITF 44 requires the company to record an expense for such compensation (see Note 23) in accordance with FRS 20 (Share Based payments) with a corresponding increase in equity as a contribution from the parent

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006	2005
	£'000	£'000
Profit for the financial year	10,061	13,874
Dividends paid and proposed	(12,000)	(11,000)
Net transfer (from) / to shareholders' funds	(1,939)	2,874
Capital Contribution from parent company following FRS 20 adoption	685	728
Opening shareholders' funds	33,574	29,972
Closing shareholders' funds	32,320	33,574

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

18. OPERATING LEASE COMMITMENTS

Commitments existing at the balance sheet date to pay annual operating lease rentals during the following year were

	Land and buildings		Other	
	2006	2005	2006	2005
	£'000	£'000	£'000	£'000
Commitment expiring				
- within one year	35	12	10	4
- during the second to fifth years	403	398	65	288
- after five years	1,140	1,268	371	145
	1,578	1,678	446	437

19. FINANCIAL COMMITMENTS

Capital commitments are as follows

	2006	2005
	£'000	£'000
Contracted but not provided for		
- other	280	87

20. PENSION SCHEMES

Defined contribution pension scheme

The company operates a defined contribution pension scheme whereby payments are made to insurance companies independent from the finances of the company Contributions, of which £238k (2005 - £345k) were outstanding at the year end, were charged against profits as and when incurred and amounted to £1,367k (2005 - £1,163k)

Defined benefit scheme

The company has paid contributions to two defined benefit schemes, the Research International Superannuation Fund (for 6 employees) and the Mass Observations scheme (for 1 employee) These are both multi employer schemes, with the assets and liabilities being held independently from the company The company is unable to identify its share of the underlying assets and liabilities of the scheme and accordingly accounts for the scheme as if it were a defined contribution scheme

The total charge for the year for the RISF scheme was £35k (year ended 31 December 2005 - £49k) Contributions of £3k (year ended 31 December 2005 - nil) were outstanding at the year end Details of the RISF funded benefit scheme are disclosed in the financial statements of Research International Limited, a fellow group company This scheme had a net deficit of £1,713k at 31 August 2006 on an FRS17 basis

The total charge for the year for the Mass Observations scheme was £13k (year ended 31 December 2005 - £13k) Contributions of £1k (year ended 31 December 2005 - £1k) were outstanding at the year end Details of the Mass Observations scheme funded benefit scheme are disclosed in the financial statements of BMRB Limited, a fellow group company This scheme had a net deficit of £290k at 1st April 2004 on an FRS17 basis

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

21. FINANCIAL GUARANTEES

The company participates in group banking arrangements with its parent, WPP Group plc, and has access to a group cash management facility The company guarantees the facility to the extent of its cash deposited in the UK with its clearing bank The company together with its parent, WPP Group Plc, and certain other subsidiary undertakings, is a party to the group's syndicated banking arrangements The company has jointly and severally guaranteed the borrowings under these arrangements Details of these arrangements are included in the accounts of WPP Group plc

22. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS8 not to disclose the details of transactions with other WPP Group companies as it is ultimately 100% owned by WPP Group plc, the consolidated accounts of which are publicly available

23. SHARE BASED PAYMENTS

The company charged the following amounts to the profit and loss account in 2006 and 2005 in relation to equity-settled share based payments

	2006 £'000	2005 £'000
Share Options		
WPP Worldwide Share Ownership Plan	146	156
WPP Executive Share Option Plan	98	131
Restricted Stock		
WPP Performance Share Awards	242	113
WPP Long Term Incentive Plans	123	280
WPP Leaders, Partners and High Potential Group	76	48
	685	728

These amounts have been credited to Equity as a Parent Company Capital contribution in accordance with UITF 44 "Group and Treasury Share Transactions" (see note 17 Reconciliation of Movements in Shareholders' Funds)

Terms of share option plans

WPP Worldwide Share Ownership Plan

The WPP Worldwide Share Ownership Plan is open to employees with at least two years' employment in a company owned by WPP Group plc It is not available to those participating in other share-based incentive programmes or to executive directors The vesting period for each grant is three years and there are no performance conditions other than continued employment with a WPP company

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

23. SHARE BASED PAYMENTS (CONTINUED)

WPP Executive Share Option Plan

The WPP Executive Share Option Plan has historically been open for participation to members of the WPP Group Leaders, Partners and High Potential Group The vesting period is three years and performance conditions include achievement of various TSR (Total Shareowner Return) and EPS (Earnings per share) objectives by WPP group plc, as well as continued employment with a WPP company Since 2005, the Company has moved away from the issuance of stock options under this scheme, making grants of restricted stock instead

Stock options for both plans have a life of ten years, including the vesting period The terms of those stock options with performance conditions are such that, if after nine years and eight months, the performance conditions have not been met, then the stock option will vest automatically All stock options are satisfied out of newly issued shares in WPP Group plc

Movement on stock options granted and weighted average exercise price during the year are as follows

	At 1 Jan 2006 number	Granted number	Exercised number	Lapsed/ Transferred number	Outstanding At 31 December 2006 number	Exercisable At 31 December 2006 number
WPP Worldwide Share ownership	405,025	84,798	79,475	130,403	279,945	76,225
Weighted-average exercise price	£5 359	£6 938	£3 960	£5 561	£6 144	£5 934
WPP Executive Share Option Plan	310,569	-	44,837	57,700	208,032	137,611
Weighted-average exercise price	£5 098	-	£4 210	£4 982	£5 321	£5 209

Options outstanding at 31 December 2006 had a range of exercise prices from £3 90 to £7 55 The weighted average contractual life of those options was 86 months

The weighted average share price of WPP Group plc for the year ended 31 December 2006 was £6 58 (2005 £5 88)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

23. SHARE BASED PAYMENTS (CONTINUED)

The inputs into the Black – Scholes Option Pricing Model are as follows

	2006	2005
Weighted average share price	203 5p	209 3p
Expected volatility	35%	40%
Expected Life	48 months	48 months
Risk –free rate	4 72%	4 77%
Expected dividend yield	1 7%	1 4%

Options are issued at an exercise price equal to market value on date of grant

Terms of Restricted stock plans

Certain employees participate in restricted stock plans, which are satisfied by the delivery of stock from one of the WPP Group plc ESOP trusts The most significant schemes are

Performance Share Awards (PSA)

The PSA incentive plan was introduced in 2005 and replaced the Long Term Incentive Plan detailed below Grants of restricted stock under this scheme are dependent upon annual performance targets, typically one or more of operating profit, profit before taxation and operating margin Grants are made in the year following the year of performance measurement, and will vest two years after grant provided the individual concerned is continually employed by a WPP company throughout this time

Long Term Incentive Plans (LTIP)

Prior to the introduction of PSA, certain employees of the company participated in long term incentive plans based on the achievement of three-year financial performance targets These plans operated on a rolling three-year basis The value of payments earned by executives over each performance period was typically based on the achievement of targeted improvements in the following performance measures over the relevant three-year period

(i) average operating profit or profit before taxation,

(ii) average operating margin

Leaders, Partners and High Potential

Since 2005, restricted stock grants under this scheme have effectively replaced executive stock options Performance conditions include continued employment over a three-year vesting period

For restricted stock awards, the number of shares granted for the most significant schemes and the weighted average fair value of these grants was as follows

	2006	**2005**
Performance Share Awards		
Number of shares granted	54,721	57,646
Weighted average fair value at grant date (pence per share)	780p	668p
Leaders, Partners and High Potential Group		
Number of shares granted	24,275	23,341
Weighted average fair value at grant date (pence per share)	675p	558p

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 December 2006

24. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The company is a wholly owned subsidiary undertaking of WPP Group plc, a company registered in England and Wales WPP Group Plc is also the company's ultimate controlling party

The results of Millward Brown UK Limited are consolidated only into the financial statements of its ultimate parent company, this is the smallest and largest group into which the company is consolidated WPP Group plc's principal place of business is at 27 Farm Street, London W1X 6RD The consolidated financial statements are available from that address