

Registration number: 3097778

DAS UK Investments Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2016

Rapp Limited
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DAS UK Investments Limited

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DAS UK Investments Limited

Strategic Report for the year ended 31 December 2016

The Directors present their strategic report for the year ended 31 December 2016.

The purpose of this strategic report is to inform members of the Company and help them assess how the Directors have performed their duty under section 172 of the Companies Act 2006 (duty to promote the success of the company).

Fair review of the business

The key indicators that we review focus on revenue, staff costs and operating margin. Our revenue increased by 3.4% (2015: 4.0%) as a result of both organic growth and the impact of acquisitions made during 2016.

Because we are a service business, we monitor expenses on a percentage of revenue basis. We measure expenses in two distinct cost categories, staff costs and all other operating expenses. Staff costs are primarily comprised of salaries, social security and employer pension contributions. Other operating expenses are primarily comprised of rent and occupancy costs, technology related costs and depreciation. Staff costs tend to fluctuate in conjunction with changes in revenue whereas other operating costs tend to be relatively fixed in nature. Staff costs decreased to 46.2% (2015: 46.6%) of revenue. Our operating margin increased to 7.2% (2015: 6.2%).

At the end of the year the Group had net current assets of £32.0m (2015: £27.4m). The Directors consider that the Group has access to sufficient funds to meet its needs for the reasons set out in note 1 to the financial statements. Accordingly the Directors have prepared the financial statements on a going concern basis.

On 1 July 2016 the Group acquired 100 (100%) Ordinary shares of TBWA\Paling Walters Limited for £13,138,231. On 1 November 2016 the Group acquired 10,100 (100%) Ordinary shares of Chameleon Communications International Limited for £23,352,779. On 12 December 2016 the Group acquired 104 (100%) Ordinary shares of Fleishman-Hillard Group Limited for £19,618,088.

Principal risks and uncertainties

Our employees are our most important assets and our ability to attract and retain key personnel is an important aspect of our competitiveness. If we are unable to attract and retain key personnel, including highly skilled technically proficient personnel, our ability to provide our services in the manner our customers have come to expect may be adversely affected, which could harm our reputation and result in a loss of clients, which could have a material adverse effect on our results of operations and financial position.

Our clients generally are able to reduce advertising and marketing spending or cancel projects at any time on short notice for any reason. It is possible that our clients could reduce spending in comparison to historical patterns, or they could reduce future spending. A significant reduction in advertising and marketing spending by our largest clients, or the loss of several of our largest clients, if not replaced by new clients or an increase in business from existing clients, would adversely affect our revenue and could have a material adverse effect on our results of operations and financial position.

We rely on information technology systems and infrastructure to process transactions, summarize results and manage our business, including maintaining client marketing and advertising information. Our information technology systems are potentially vulnerable to system failures and network disruptions, malicious intrusion and random attack.

DAS UK Investments Limited

Strategic Report for the year ended 31 December 2016

Likewise, data security incidents and breaches by employees and others with or without permitted access to our systems may pose a risk that sensitive data may be exposed to unauthorized persons or to the public. Additionally, we utilize third parties, including cloud providers, to store, transfer or process data. While we have taken what we believe are prudent measures to protect our data and information technology systems, there can be no assurance that our efforts will prevent failures or network disruptions or breaches in our systems, or in systems of third parties we use, that could adversely affect our reputation or business.

Global economic conditions have a direct impact on our business and financial performance. In particular, current global economic conditions pose a risk that our clients may reduce future spending on advertising and marketing services which could reduce the demand for our services. If domestic or global economic conditions worsen or do not improve, our results of operations and financial position could be adversely affected. We will continue to closely monitor economic conditions, client revenue levels and other factors and, in response to reductions in our client revenue, if necessary, we will take actions available to us to align our cost structure and manage working capital. There can be no assurance whether, or to what extent, our efforts to mitigate any impact of future economic conditions, reductions in our client revenue, changes in client creditworthiness and other developments will be effective.

Global economic uncertainty, turmoil in the credit markets or a contraction in the availability of credit may make it more difficult for businesses, including us, to meet their working capital requirements and could lead clients to seek to change their financial relationship with their vendors, including us, and could cause our clients to reduce spending on our services, delay the payment for our services or take additional actions that would negatively affect our working capital. We could need to obtain additional financing to fund our day-to-day working capital requirements in such circumstances. There is no assurance that such additional financing would be available on favourable terms, if at all. Such circumstances could have a material adverse effect on our results of operations and financial position.

Government agencies and consumer groups directly or indirectly affect or attempt to affect the scope, content and manner of presentation of advertising, marketing and corporate communications services, through regulation or other governmental action. Any limitation on the scope or content of our services could affect our ability to meet our clients' needs, which could have a material adverse effect on our results of operations and financial position. In addition, there has been a tendency on the part of businesses to resort to the judicial system to challenge advertising practices. Such actions by businesses or governmental agencies could have a material adverse effect on our results of operations and financial position.

Additionally, government or legislative action may limit the tax deductibility of advertising expenditures by certain industries or for certain products or services. These actions could cause our clients affected by such actions to reduce their spending on our services which could have a material adverse effect on our results of operations and financial position. Further, laws and regulations, related to user privacy, use of personal information and Internet tracking technologies have been proposed or enacted in the United States, EU and certain international markets. These laws and regulations could affect the acceptance of new communications technologies and the use of current communications technologies as advertising mediums. These actions could affect our business and reduce demand for certain of our services, which could have a material adverse effect on our results of operations and financial position.

Following the EU referendum result and the subsequent commencement of the Brexit process there has been no adverse impact to business to date. The Group will continue to monitor the medium to long term impact of Brexit on the business activities.

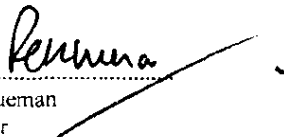
DAS UK Investments Limited

Strategic Report for the year ended 31 December 2016

Restated Financial Statements

During the course of a routine Internal Audit inspection of one of the Company's subsidiary undertakings, Flamingo Research Limited, certain irregularities were uncovered revealing a significant and material misstatement of the Company's financial statements. The abnormality was limited to Flamingo and procedures have since been put in place to remedy the situation at Flamingo. As a consequence, the consolidated financial statements have been restated as set out in Note 24. The Company made a capital contribution of £13,000,000 to Flamingo Research Limited.

Approved by the Board on 29/9/17 and signed on its behalf by:


P D Trueman
Director

DAS UK Investments Limited

Directors' Report for the year ended 31 December 2016

The Directors present their report and the consolidated financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the Company is that of a holding company and its subsidiaries are agencies providing advertising, marketing, research and communication services.

Dividends

On 26 February 2016 the Directors paid an interim dividend in respect of the year ended 31 December 2015 of £5,222.26 per share totalling £17,755,698.

On 3 May 2016 the Directors paid an interim dividend in respect of the year ended 31 December 2016 of £146.94 per share totalling £499,600.

On 8 September 2016 the Directors paid an interim dividend in respect of the year ended 31 December 2016 of £3,597.14 per share totalling £12,590,000.

On 11 November 2016 the Directors paid an interim dividend in respect of the year ended 31 December 2016 of £443.33 per share totalling £1,596,000.

On 18 November 2016 the Directors paid an interim dividend in respect of the year ended 31 December 2016 of £115.28 per share totalling £415,000.

On 24 November 2016 the Directors paid an interim dividend in respect of the year ended 31 December 2016 of £1,666.67 per share totalling £6,000,000.

On 16 December 2016 the Directors paid an interim dividend of £312.35 per share totalling £1,155,677 making total dividends paid in the year of £40,011,975 (2015: £30,503,672).

Directors of the Group

The Directors who held office during the year were as follows:

P D Trueman

J M W Betts

Political and charitable donations

During the year the Group made no political donations (2015: £nil). Donations to charity amounted to £29,533 (2015: £25,064).

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of a member of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

DAS UK Investments Limited

Directors' Report for the year ended 31 December 2016

Post balance sheet events

On 10 March 2017 and 8 September 2017 the Company paid interim dividends of £21,517,000 and £12,407,000 respectively. These have not been included in the accounts as they were not approved before the year end.

On 31 March 2017 the Company acquired the whole of the issued share capital of CDS EMEA Limited from its subsidiary undertaking Rapp Limited, for a consideration of £1. On the same date the Company received a capital investment from its parent, DAS Europe Limited, of £17,940,000 in consideration for the allotment of 100 Ordinary shares of £0.01 each along with a share premium of £17,939,999 for the purpose of making a capital investment of £17,940,000 in CDS EMEA Limited in respect of start-up costs and initial year losses.

On 3 April 2017 the Company received a capital investment from its parent DAS Europe Limited of £542,384 in consideration for the allotment of 100 ordinary shares in the Company of £0.01 at par along with a share premium of £542,383. This capital investment was subsequently cancelled on 29 August 2017 resulting in the cancellation of the allotment of 100 ordinary shares in the Company of £0.01 at par and the cancellation of the share premium of £542,383.

On 9 June 2017 the Company received a capital investment of £4,984,795 from its parent, DAS Europe Limited, in consideration for the allotment of 100 Ordinary shares of £0.01 each along with a share premium of £4,984,794 for the purpose of making a final payment in respect of the acquisition of Haygarth Enterprises Limited.

On 9 June 2017 the Company received a capital investment of £8,059,112 from its parent, DAS Europe Limited, in consideration for the allotment of 100 Ordinary shares of £0.01 each along with a share premium of £8,059,111 for the purpose of making a final payment in respect of the acquisition of The Planning Shop International Limited.

On 1 September 2017 the Company cancelled £30,040,969 from the Capital contribution reserve and reallocated this amount to distributable reserves.

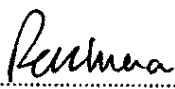
Disclosure of information to the auditor

Each Director who held office at the date of approval of this Directors' report confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Reappointment of auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on 29/9/17 and signed on its behalf by:


.....
P D Trueman
Director

85 Strand
5th Floor
London
WC2R 0DW

DAS UK Investments 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 Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the Company and of the profit of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting 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; 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 adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the members of DAS UK Investments Limited

We have audited the financial statements of DAS UK Investments Limited for the year ended 31 December 2016, set out on pages 9 to 56. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Company's affairs as at 31 December 2016 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic Report and Directors' Report;

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report to the members of DAS UK Investments Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

.....
Kevin Hall (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

15 Canada Square
Canary Wharf
Canary Wharf
London
E14 5GL

Date:.....29/9/17.....

DAS UK Investments Limited

Consolidated Profit and Loss Account for the year ended 31 December 2016

		2016	(As restated *)
	Note	£	2015 £
Gross billings		494,475,014	507,018,296
Rebillable costs		<u>(79,095,854)</u>	<u>(105,399,514)</u>
Revenue	2	415,379,160	401,618,782
Direct costs		<u>(144,970,969)</u>	<u>(144,218,128)</u>
Gross Profit		270,408,191	257,400,654
Administrative expenses		(244,526,181)	(236,714,052)
Other operating income		<u>3,979,481</u>	<u>4,285,631</u>
Operating Profit	3	<u>29,861,491</u>	<u>24,972,233</u>
Income from participating interests		432,895	116,968
Other interest receivable and similar income	7	252,277	229,115
Interest payable and similar charges	8	<u>(2,363,809)</u>	<u>(2,100,279)</u>
		<u>(1,678,637)</u>	<u>(1,754,196)</u>
Profit before tax		28,182,854	23,218,037
Taxation	9	<u>(7,026,623)</u>	<u>(6,197,677)</u>
Profit for the financial year		<u>21,156,231</u>	<u>17,020,360</u>
Profit attributable to:			
Owners of the Company		20,707,799	16,594,024
Minority interests		<u>448,432</u>	<u>426,336</u>
		<u>21,156,231</u>	<u>17,020,360</u>

* See Note 24

The notes on pages 19 to 56 form an integral part of these financial statements.

DAS UK Investments Limited

Consolidated Statement of Comprehensive Income for the year ended 31 December 2016

		2016	(As restated *)
	Note	£	2015 £
Profit for the year		21,156,231	17,020,360
Actuarial gain/(loss) recognised in pensions		<u>(958,166)</u>	<u>(330,890)</u>
Total comprehensive income for the year		<u>20,198,065</u>	<u>16,689,470</u>
Total comprehensive income attributable to:			
Owners of the Company		19,749,633	16,263,134
Minority interests		<u>448,432</u>	<u>426,336</u>
		<u>20,198,065</u>	<u>16,689,470</u>

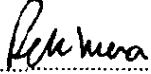
* See Note 24

DAS UK Investments Limited
(Registration number: 3097778)
Consolidated Balance Sheet as at 31 December 2016

		2016	(As restated *) 2015
	Note	£	£
Fixed assets			
Intangible assets	11	68,534,244	31,226,200
Tangible assets	12	7,756,321	9,242,866
Investments	13	<u>4,472,227</u>	<u>4,384,195</u>
		<u>80,762,792</u>	<u>44,853,261</u>
Current assets			
Stocks	15	11,929,637	8,313,702
Debtors	16	241,011,579	221,782,029
Cash at bank and in hand		<u>818,860</u>	<u>1,632,309</u>
		253,760,076	231,728,040
Creditors: Amounts falling due within one year	17	<u>(221,766,843)</u>	<u>(204,363,866)</u>
Net current assets		<u>31,993,233</u>	<u>27,364,174</u>
Total assets less current liabilities		112,756,025	72,217,435
Creditors: Amounts falling due after more than one year	17	(894,508)	(10,505,335)
Provisions for liabilities	18	<u>(229,082)</u>	<u>(173,945)</u>
Net assets		<u>111,632,435</u>	<u>61,538,155</u>
Capital and reserves			
Called up share capital	19	38	34
Share premium reserve		304,953,218	235,844,124
Capital contribution reserve		30,040,969	28,044,151
Retained earnings		<u>(226,210,061)</u>	<u>(203,559,624)</u>
Equity attributable to owners of the Company		108,784,164	60,328,685
Minority interests		<u>2,848,271</u>	<u>1,209,470</u>
Total equity		<u>111,632,435</u>	<u>61,538,155</u>

* See Note 24

Approved and authorised by the Board on 29/9/17 and signed on its behalf by:



 P D Trueman
 Director

The notes on pages 19 to 56 form an integral part of these financial statements.
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DAS UK Investments Limited
(Registration number: 3097778)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	13	329,215,434	279,960,821
Current assets			
Debtors	16	872,605	1,162,501
Creditors: Amounts falling due within one year	17	<u>(13,043,907)</u>	<u>(961,194)</u>
Net current (liabilities)/assets		<u>(12,171,302)</u>	<u>201,307</u>
Total assets less current liabilities		317,044,132	280,162,128
Creditors: Amounts falling due after more than one year	17	<u>-</u>	<u>(10,496,770)</u>
Net assets		<u>317,044,132</u>	<u>269,665,358</u>
Capital and reserves			
Called up share capital	19	38	34
Share premium reserve		304,953,218	235,844,124
Capital contribution reserve		30,040,969	28,044,151
Retained earnings		<u>(17,950,093)</u>	<u>5,777,049</u>
Total equity		<u>317,044,132</u>	<u>269,665,358</u>

Approved and authorised by the Board on 29/9/17 and signed on its behalf by:



P D Trueman
Director

DAS UK Investments Limited

Consolidated Statement of Changes in Equity for the year ended 31 December 2016

	Share capital £	Share premium reserve £	Capital contribution reserve £	Retained earnings £	Minority interests £	Total £
At 1 January 2016 (As restated *)	34	235,844,124	28,044,151	(203,559,624)	1,209,470	61,538,155
Profit for the year	-	-	-	20,707,799	448,432	21,156,231
Actuarial gain/(loss) recognised in pensions	-	-	-	(958,166)	-	(958,166)
Total comprehensive income	-	-	-	19,749,633	448,432	20,198,065
Dividends	-	-	-	(40,011,975)	-	(40,011,975)
Recharge from Omnicom Group Inc in respect of share based payments	-	-	-	(2,388,095)	-	(2,388,095)
Premium on issue of shares, less expenses	-	69,109,094	-	-	-	69,109,094
Capital contribution	-	-	1,996,818	-	-	1,996,818
Acquired in the year	-	-	-	-	1,190,369	1,190,369
New share capital subscribed	4	-	-	-	-	4
At 31 December 2016	38	304,953,218	30,040,969	(226,210,061)	2,848,271	111,632,435

The Share capital issued in 2016, along with Share premium, were for the purposes of funding acquisitions during the year and to allow the Company to make capital contributions to its subsidiaries. The Capital contributions received in 2016 were for the purposes of funding payments in respect of previous acquisitions and to allow the Company to make capital contributions to its subsidiaries.

* See Note 24

DAS UK Investments Limited

Consolidated Statement of Changes in Equity for the year ended 31 December 2016

	Share capital £	Share premium reserve £	Capital contribution reserve £	Retained earnings £	Minority interests £	Total £
At 1 January 2015 (As restated *)	34	241,844,124	21,620,300	(195,465,268)	830,715	68,829,905
Profit for the year	-	-	-	16,594,024	426,336	17,020,360
Actuarial gain/(loss) recognised in pensions	-	-	-	(330,890)	-	(330,890)
Total comprehensive income	-	-	-	16,263,134	426,336	16,689,470
Dividends	-	-	-	(30,503,672)	-	(30,503,672)
Recharge from Omnicom Group Inc in respect of share based payments	-	-	-	(879,658)	-	(879,658)
Capital contribution	-	-	6,423,851	-	-	6,423,851
Other reserve movements	-	(6,000,000)	-	7,025,840	(47,581)	978,259
At 31 December 2015 (As restated *)	34	235,844,124	28,044,151	(203,559,624)	1,209,470	61,538,155

In October 2015 and November 2015 the Company cancelled £500,000 and £5,500,000 respectively from the share premium reserve and reallocated these amounts to distributable reserves. The Capital contributions received in 2015 were for the purposes of funding payments in respect of previous acquisitions and to allow the Company to make capital contributions to its subsidiaries.

* See Note 24

DAS UK Investments Limited

Statement of Changes in Equity for the year ended 31 December 2016

	Share capital £	Share premium reserve £	Capital contribution reserve £	Retained earnings £	Total £
At 1 January 2016	34	235,844,124	28,044,151	5,777,049	269,665,358
Profit for the year	-	-	-	16,284,833	16,284,833
Total comprehensive income	-	-	-	16,284,833	16,284,833
Dividends	-	-	-	(40,011,975)	(40,011,975)
Premium on issue of shares, less expenses	-	69,109,094	-	-	69,109,094
Capital contribution	-	-	1,996,818	-	1,996,818
New share capital subscribed	4	-	-	-	4
At 31 December 2016	38	304,953,218	30,040,969	(17,950,093)	317,044,132

The Share capital issued in 2016, along with Share premium, were for the purposes of funding acquisitions during the year and to allow the Company to make capital contributions to its subsidiaries. The Capital contributions received in 2016 were for the purposes of funding payments in respect of previous acquisitions and to allow the Company to make capital contributions to its subsidiaries.

DAS UK Investments Limited

Statement of Changes in Equity for the year ended 31 December 2016

	Share capital £	Share premium reserve £	Capital contribution reserve £	Retained earnings £	Total £
At 1 January 2015	34	241,844,124	21,620,300	(5,597,269)	257,867,189
Profit for the year	-	-	-	35,877,990	35,877,990
Total comprehensive income	-	-	-	35,877,990	35,877,990
Dividends	-	-	-	(30,503,672)	(30,503,672)
Capital contribution	-	-	6,423,851	-	6,423,851
Other reserve movements	-	(6,000,000)	-	6,000,000	-
At 31 December 2015	34	235,844,124	28,044,151	5,777,049	269,665,358

In October 2015 the Company cancelled £500,000 and £5,500,000 respectively from the share premium reserve and reallocated these amounts to distributable reserves. The Capital contributions received in 2015 were for the purposes of funding payments in respect of previous acquisitions and to allow the Company to make capital contributions to its subsidiaries.

DAS UK Investments Limited

Consolidated Statement of Cash Flows for the year ended 31 December 2016

	Note	2016 £	(As restated) 2015 £
Cash flows from operating activities			
Profit for the year		21,156,231	17,020,360
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	3	9,483,366	9,282,790
(Profit)/loss on disposal of tangible assets		(2,856)	219,833
Finance income		(685,172)	(346,083)
Finance costs	8	2,363,809	2,100,279
Share based payment transactions		1,386,835	1,422,655
Income tax expense	9	7,026,623	6,197,677
		<u>40,728,836</u>	<u>35,897,511</u>
Working capital adjustments			
(Increase)/decrease in stocks		(304,970)	367,565
Decrease/(increase) in trade and other debtors		29,263,121	(7,902,146)
(Decrease) in trade and other creditors		<u>(15,747,963)</u>	<u>(4,848,951)</u>
Cash generated from operations		53,939,024	23,513,979
Income taxes paid		(4,449,451)	(6,022,691)
Employer contributions to defined benefit pension schemes		<u>(456,000)</u>	<u>(456,000)</u>
Net cash flow from operating activities		<u>49,033,573</u>	<u>17,035,288</u>
Cash flows from investing activities			
Interest received		685,172	346,083
Acquisition of tangible assets		(2,584,263)	(1,401,287)
Proceeds from sale of tangible assets		2,404,730	1,890,030
Acquisition of intangible assets	11	(1,631,273)	(311,706)
Proceeds from sale of intangible assets		12,189	3,387
Acquisition of investments in joint ventures and associates		-	(1,206,572)
Acquisition of subsidiary undertakings		<u>(55,806,778)</u>	<u>(2,501,350)</u>
Net cash flows from investing activities		<u>(56,920,223)</u>	<u>(3,181,415)</u>

The notes on pages 19 to 56 form an integral part of these financial statements.

DAS UK Investments Limited

Consolidated Statement of Cash Flows for the year ended 31 December 2016

		2016	(As restated) 2015
	Note	£	£
Cash flows from financing activities			
Interest paid	8	(2,363,809)	(2,100,279)
Dividends paid	10	(40,011,975)	(30,503,672)
Capital contribution received		1,996,818	6,423,851
Share premium received		69,109,094	-
(Increase)/decrease in Amounts owed by group undertakings - loans and advances		(10,740,489)	395,025
(Decrease)/increase in Amounts owed to group undertakings - loans and advances		<u>(10,916,438)</u>	<u>12,467,210</u>
Net cash flows from financing activities		<u>7,073,201</u>	<u>(13,317,865)</u>
Net (decrease)/increase in cash and cash equivalents		(813,449)	536,008
Cash and cash equivalents at 1 January		<u>1,632,309</u>	<u>1,096,301</u>
Cash and cash equivalents at 31 December		<u>818,860</u>	<u>1,632,309</u>

The notes on pages 19 to 56 form an integral part of these financial statements.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the Company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The Company is a private company limited by share capital incorporated and domiciled in United Kingdom.

The financial statements are presented in sterling the Company's functional currency.

The financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS102 issued in July 2015 and effective immediately have been applied.

The Group has net current assets of £31,993,233 at 31 December 2016 (2015: £27,364,174). The Directors consider that the Company has access to sufficient funding to meet its needs for the reasons set out below. Accordingly, the Directors have prepared the financial statements on a going concern basis.

The Company and certain of its subsidiaries participate in a cash concentration arrangement with its fellow subsidiaries, Omnicom Finance plc and Omnicom Financial Services Limited, the Group's UK treasury operations, under which bank balances are cleared to zero on a daily basis either by the Company and its subsidiaries depositing cash with Omnicom Finance plc / Omnicom Financial Services Limited or by Omnicom Finance plc / Omnicom Financial Services Limited depositing cash with the Company and its subsidiaries. The Company and its subsidiaries access to borrowings under the cash concentration arrangement is not limited as long as these borrowings are required in the normal course of business and are made in accordance with the Omnicom Group Inc Grant of Authority.

Omnicom Finance plc, is able to make this commitment because Omnicom Finance plc is a co-borrower with Omnicom Finance Inc. and Omnicom Capital Inc. under certain Group bank facilities which are more fully described in the Omnicom Group Inc. financial statements filed on Form 10-K and available at www.OmnicomGroup.com.

The Directors consider the combination of the Group facilities and expected funding requirements of the Omnicom Group Inc. and its subsidiaries provides sufficient access to funding to ensure that the Company is able to meet its liabilities as they fall due for the foreseeable future. Accordingly, the Directors have prepared the financial statements as a going concern.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Summary of disclosure exemptions

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures for the parent company financial statements only:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Omnicom Group Inc. include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures for the parent company financial statements only:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirements to present its own profit and loss account.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2016.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Consideration which is contingent on future events is recognised based on the estimated amount if the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Entities in which the Group holds an interest on a long-term basis and are jointly controlled by the Group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the Group financial statements, joint ventures are accounted for using the gross equity method.

Entities, other than subsidiary undertakings or joint ventures, in which the Group has a participating interest and over whose operating and financial policies the Group exercises a significant influence are treated as associates. In the Group financial statements, associates are accounted for using the equity method.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Key sources of estimation uncertainty

Impairment reviews of the Company's investments set out in note 13 are carried out by determining the net recoverable value using the Omnicom discounted cash flow model, with which future cash flows have been projected over a 5 year period and include a terminal value to incorporate expected growth thereafter. The projected cash flows have been discounted by the Group's post-tax WACC rate of 9.7%.

The cash flow projections assume a growth rate for each year and individual subsidiary which reflect management's conservative estimate of the medium term operating performance. The terminal value is calculated using a perpetuity model which assumes a long term growth rate which reflects the long term GDP growth forecasts for the region and industry.

The Group acquired three businesses during 2016 from within the Omnicom group. For each acquisition, the Directors considered whether there were identifiable intangible assets which should be recognised separately from goodwill. As is typical for most service businesses, a substantial portion of the intangible asset value acquired is the specialised know-how of the workforce, which is treated as part of goodwill and is not recognised separately. Consideration was also given to the recognition of assets in respect of client relationships, including the related client contracts, as well as trade names. In determining that no separate value should be recognised, the Directors gave consideration, amongst other things, to the fact that the businesses acquired are affiliated with other entities outside of the DAS UK Investment Limited group.

Gross Billings

Gross billings are recognised when the service is performed, in accordance with the terms and conditions of the contractual arrangement and when collection is reasonably assured.

Gross billings comprises the gross amounts billed to clients in respect of commission based income together with the total of other fees earned and amounts recharged to clients for rebillable costs.

Rebillable costs

Rebillable costs comprise media payments and third party production costs for those services that the Group is arranging for its clients in its capacity as an intermediary. The Group contracts directly with suppliers and is responsible for their payment, recharging its clients for all costs incurred. Although the Group bears credit risk in respect of these activities, the arrangements with its clients are such that, in effect it acts as an intermediary on behalf of its client. Where the Group acts as an intermediary, costs incurred with external suppliers are excluded from revenue.

Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when:

- The amount of revenue can be reliably measured;
- It is probable that future economic benefits will flow to the entity; and
- Specific criteria have been met for each of the Group's activities.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, associates and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Fixed assets and depreciation

Tangible fixed assets are stated at cost/deemed cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land and buildings	Life of lease
Leasehold improvements	Life of lease
Furniture, fittings and equipment	4 - 10 Years
Motor vehicles	4 - 5 Years
Office equipment	4 - 10 Years

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Separately acquired concessions, patents, licences, trademarks and similar rights are stated in the balance sheet at cost less accumulated amortisation and impairment.

Concessions, patents, licences, trademarks and similar rights acquired in a business combination are recognised at fair value at the acquisition date.

Other intangible assets are stated in the balance sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10 Years

Fixed asset investments

Fixed asset investments in the parent company financial statements are stated at historical cost less provision for impairment. Where the Directors consider that a previous impairment provision is no longer appropriate, the impairment is reversed.

Interest in associated undertakings

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade and other debtors

Trade and other debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business, together with other debtors.

Trade and other debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade and other debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Stocks

Work in progress is stated at the lower of cost and estimated selling price. Cost consists of direct expenses incurred on unbilled work. Estimated selling price is based on estimated sales value less further costs to complete and sell.

At each reporting date, work in progress is assessed for impairment. If work in progress is impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in the profit and loss account.

Trade and other creditors

Trade and other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade and other creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Assets held under finance leases, which are leases where substantially all of the risk and rewards of ownership of the asset have passed to the Group, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of the future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Dividend income is recognised in the profit and loss account on the date the Company's right to receive payment is established.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Defined contribution pension obligation

The Group operates a number of defined contribution pensions schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Defined benefit pension obligation

For employees who joined Porter Novelli Limited before 1 January 1994, the Company offered pension benefits through a final salary defined benefits scheme up until 30 April 1998 (the Countrywide Communications Group Limited Staff Benefits Plan).

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The pension scheme is recognised in full. The movement in the scheme deficit is between operating charges, finance items and, in the statement of comprehensive income, actuarial gains and losses.

Share based payments

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

Amounts reimbursed by the Company and its subsidiaries to Omnicom Group Inc. in respect of these options are recognised as a distribution directly to equity.

2 Revenue

The whole of the Group's gross billings, revenue and operating profit for the year related to its principal activity, which was the provision of advertising, marketing, research and communication services, and which was carried out predominantly in the United Kingdom.

The analysis of the Group's revenue by geographic location by destination for the year from continuing operations for rendering of services is as follows:

	(As restated)	
	2016	2015
	£	£
UK	261,846,024	276,965,779
Europe	83,920,264	74,854,350
Americas	32,134,156	24,108,246
Rest of world	37,478,716	25,690,407
	<u>415,379,160</u>	<u>401,618,782</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

3 Operating profit

Operating profit is arrived at after charging/(crediting):

	2016	2015
	£	£
Depreciation and other amounts written off tangible fixed assets: owned	1,668,934	2,839,927
Amortisation of goodwill	7,064,294	5,984,391
Amortisation of concessions	355,021	82,534
Amortisation of software	395,117	375,938
Foreign exchange (gains) / losses	(4,502,968)	(377,636)
(Profit)/loss on disposal of property, plant and equipment	(2,856)	219,833
Operating lease expense - property	17,093,019	13,562,438
Hire of plant and machinery - rentals payable under operating leases	4,451,884	4,116,006
Rental income	<u>(27,194)</u>	<u>(16,630)</u>

4 Auditor's remuneration

	2016	2015
	£	£
Audit of these financial statements	<u>390,000</u>	<u>350,000</u>

In addition, amounts payable to other auditors for audit of financial statements of certain subsidiaries of the Company was £67,625 (2015: £63,009).

5 Directors' remuneration

The Directors' remuneration costs are borne by other group companies. The Directors are not remunerated specifically for their services to DAS UK Investments Limited or its subsidiaries.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

6 Staff costs

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2016 £	2015 £
Wages and salaries	165,522,690	161,523,771
Share related awards	1,386,835	1,422,655
Social security costs	18,026,356	16,975,585
Pension and other post-employment benefit costs	5,824,001	5,990,724
Severance/loss of office	1,300,741	1,358,836
	<u>192,060,623</u>	<u>187,271,571</u>

The average number of persons employed by the Group (including Directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Production	606	544
Administration and support	1,116	1,209
Research and development	315	269
Sales, marketing and distribution	4,578	4,947
	<u>6,615</u>	<u>6,969</u>

7 Other interest receivable and similar income

	2016 £	2015 £
Bank interest receivable	4,154	2,170
Receivable from group undertakings	248,123	226,945
	<u>252,277</u>	<u>229,115</u>

8 Interest payable and similar charges

	2016 £	2015 £
Payable to group undertakings	2,354,406	2,076,232
Other interest payable	5,897	22,599
Finance charges payable in respect of finance leases and hire purchase contracts	3,506	1,448
	<u>2,363,809</u>	<u>2,100,279</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

9 Taxation

Tax charged/(credited) in the profit and loss account

	2016 £	(As restated) 2015 £
Current taxation		
Current tax on income for the period	7,203,750	6,306,747
Adjustments in respect of previous periods	(847,208)	64,155
	6,356,542	6,370,902
Current foreign tax on income for the period	101,530	-
Total current income tax	6,458,072	6,370,902
Deferred taxation		
Origination and reversal of timing differences	525,628	(215,594)
Effect of increased/decreased tax rate on opening liability	62,569	44,484
Adjustment in respect of previous periods	(19,646)	(2,115)
Total deferred taxation	568,551	(173,225)
Tax expense in the profit and loss account	7,026,623	6,197,677

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 20.25%).

The differences are reconciled below:

	2016 £	(As restated) 2015 £
Profit before tax	28,182,854	23,218,037
Corporation tax at standard rate	5,636,571	4,701,652
Effect of expense not deductible in determining taxable profit (tax loss)	1,943,179	1,432,246
Effect of tax losses	(21,758)	(33,728)
UK deferred tax expense (credit) relating to changes in tax rates or laws	62,569	5,439
Deferred tax expense (credit) from unrecognised temporary difference from a prior period	(19,646)	99,796
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	(847,208)	41,631
Tax increase (decrease) from effect of exercise of employee share options	5,421	4,383
Other tax effects for reconciliation between accounting profit and tax expense (income)	267,495	(53,742)
Total tax charge	7,026,623	6,197,677

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

A reduction in the UK corporation tax rate from 21% to 20% (effective 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future tax charge accordingly. The deferred tax asset and liability at 31 December 2016 have been calculated based on these rates.

Deferred tax

Group

Deferred tax assets and liabilities

	Asset £	Liability £
2016		
Difference between accumulated depreciation and amortisation and capital allowances	991,376	(229,082)
Other timing differences	217,340	-
Tax losses available	28,106	-
	<u>1,236,822</u>	<u>(229,082)</u>

	Asset £	Liability £
2015		
Difference between accumulated depreciation and amortisation and capital allowances	728,468	(172,954)
Other timing differences	711,346	(991)
Tax losses available	40,413	-
	<u>1,480,227</u>	<u>(173,945)</u>

10 Dividends

	2016 £	2015 £
Interim dividend of £10,529.47 (2015 - £8,971.67) per ordinary share	<u>40,011,975</u>	<u>30,503,672</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

11 Intangible assets

Group

	Goodwill £	Software £	Concessions, patents, licences, trademarks and similar rights and assets £	Total £
Cost or valuation				
At 1 January 2016	78,587,004	3,505,520	1,091,970	83,184,494
Additions	43,503,393	205,626	1,425,646	45,134,665
Disposals	-	(1,123,729)	(612,394)	(1,736,123)
At 31 December 2016	<u>122,090,397</u>	<u>2,587,417</u>	<u>1,905,222</u>	<u>126,583,036</u>
Amortisation				
At 1 January 2016	47,908,280	3,050,941	999,073	51,958,294
Amortisation charge	7,064,294	395,117	355,021	7,814,432
Disposals	-	(1,111,540)	(612,394)	(1,723,934)
At 31 December 2016	<u>54,972,574</u>	<u>2,334,518</u>	<u>741,700</u>	<u>58,048,792</u>
Carrying amount				
At 31 December 2016	<u>67,117,823</u>	<u>252,899</u>	<u>1,163,522</u>	<u>68,534,244</u>
At 31 December 2015	<u>30,678,724</u>	<u>454,579</u>	<u>92,897</u>	<u>31,226,200</u>

The addition to Goodwill represents acquisitions made during the year, as shown in note 14, along with adjustments to total consideration for acquisitions made in previous years.

The businesses acquired in the current period contributed revenue of £5,909,774 and net profit for the year of £823,461 to the revenue and net profit for the year.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

12 Tangible fixed assets

Group

	Land and buildings £	Leasehold improvements £	Furniture, fittings and equipment £	Motor vehicles £	Office equipment £	Total £
Cost or valuation						
At 1 January 2016	6,473,325	14,144,176	6,598,500	333,039	3,195,952	30,744,992
Additions	-	707,162	736,957	96,330	1,043,814	2,584,263
Disposals	-	(9,641,294)	(873,696)	(122,288)	(181,985)	(10,819,263)
Transfers	639,610	(639,610)	-	-	-	-
At 31 December 2016	7,112,935	4,570,434	6,461,761	307,081	4,057,781	22,509,992
Depreciation						
At 1 January 2016	2,900,431	10,385,262	5,600,946	103,844	2,511,643	21,502,126
Charge for the year	151,180	483,842	538,926	86,587	408,399	1,668,934
Disposals	-	(7,319,751)	(815,528)	(119,383)	(162,727)	(8,417,389)
At 31 December 2016	3,051,611	3,549,353	5,324,344	71,048	2,757,315	14,753,671
Carrying amount						
At 31 December 2016	4,061,324	1,021,081	1,137,417	236,033	1,300,466	7,756,321
At 31 December 2015	3,572,894	3,758,914	997,554	229,195	684,309	9,242,866

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2016 £	2015 £
Office equipment	<u>889,640</u>	<u>-</u>

No tangible fixed assets are held in the Company.

13 Fixed assets investments

Group

	Participating interests £	Total £
Cost		
At 1 January 2016	4,384,195	4,384,195
Share of income less dividends received	<u>88,032</u>	<u>88,032</u>
At 31 December 2016	<u>4,472,227</u>	<u>4,472,227</u>
Carrying amount		
At 31 December 2016	<u>4,472,227</u>	<u>4,472,227</u>
At 31 December 2015	<u>4,384,195</u>	<u>4,384,195</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Company	Shares in group undertakings £	Total £
Cost		
At 1 January 2016	281,209,612	281,209,612
Additions	72,821,755	72,821,755
Disposals	<u>(2,377,460)</u>	<u>(2,377,460)</u>
At 31 December 2016	<u>351,653,907</u>	<u>351,653,907</u>
Provision		
At 1 January 2016	1,248,791	1,248,791
Provided in year	23,567,142	23,567,142
Eliminated on disposals	<u>(2,377,460)</u>	<u>(2,377,460)</u>
At 31 December 2016	<u>22,438,473</u>	<u>22,438,473</u>
Carrying amount		
At 31 December 2016	<u>329,215,434</u>	<u>329,215,434</u>
At 31 December 2015	<u>279,960,821</u>	<u>279,960,821</u>

During the year management performed an impairment test. This demonstrated that the impairment provision of £23,567,142 was required in respect of previous investments, of which £20,448,746 is in respect of Flamingo Research Limited. In addition an impairment provision of £2,377,460 made in respect of 239 OMR Limited was eliminated on dissolution of this investment.

On 19 April 2016 the Company made a further payment of £998,042 in respect of the acquisition of Haygarth Enterprises Limited. In addition a reduction of £956,474 was made to deferred consideration resulting in an overall increase in total consideration of £41,568 in respect of this acquisition during the year.

On 1 July 2016 the Company acquired the whole of the issued share capital of TBWA\Paling Walters Limited for a consideration of £13,138,231. The acquisition was funded through a capital investment from its parent DAS Europe Limited of £13,138,231 in consideration for the allotment of 100 ordinary shares in the Company of £0.01 at par along with a share premium of £13,138,230. TBWA\Paling Walters Limited subsequently changed its name to TBWA\Worldhealth London Limited on 23 September 2016.

On 1 November 2016 the Company acquired the whole of the issued share capital of Chameleon Communications International Limited from DAS Europe Limited in exchange for the issuance by the Company of 100 shares of £0.01 along with a share premium of £23,352,778.

On 12 December 2016 the Company acquired the whole of the issued share capital of Fleishman-Hillard Group Limited from DAS Europe Limited in exchange for the issuance by the Company of 100 shares of £0.01 along with a share premium of £19,618,087.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

On 19 December 2016 the Company made a capital investment of £1,128,672 in 239 OMR Limited partially funded through a capital investment from its parent DAS Europe Limited of £998,776. The Company subsequently dissolved its total investment of £2,377,460 in 239 OMR Limited.

On 30 December 2016 the Company made a capital contribution to Flamingo Research Limited of £13,000,000 funded through a capital investment from its parent DAS Europe Limited of £13,000,000 in consideration for the allotment of 100 ordinary shares in the Company of £0.01 at par along with a share premium of £12,999,999.

In addition an increase of £2,542,417 was made to deferred consideration in respect of the acquisition of The Planning Shop International Limited resulting in an overall increase in total consideration of £2,542,417 in respect of this acquisition during the year.

Details of undertakings

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are shown in note 28.

14 Acquisitions

Analysis of the acquisition of TBWA\Paling Walters Limited

On 1 July 2016 the Group acquired 100 (100%) Ordinary shares of TBWA\Paling Walters Limited.

	Book value	Revaluation adjustment	Fair value adjustment	Accounting policy adjustment	Other adjustment	Fair value
	£	£	£	£	£	£
Stocks	57,748	-	-	-	-	57,748
Debtors	2,024,584	-	-	-	-	2,024,584
Creditors	(1,891,800)	-	-	-	-	(1,891,800)
	<u>190,532</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>190,532</u>
Goodwill arising on acquisition						12,947,699
						<u>13,138,231</u>
Discharged by:						
Cash						13,138,231
						<u>13,138,231</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Analysis of the acquisition of Chameleon Communications International Limited

On 1 November 2016 the Group acquired 10,100 (100%) Ordinary shares of Chameleon Communications International Limited.

	Book value	Revaluation adjustment	Fair value adjustment	Accounting policy adjustment	Other adjustment	Fair value
	£	£	£	£	£	£
Tangible fixed assets	152,215	-	-	-	-	152,215
Debtors	7,056,527	-	-	-	-	7,056,527
Cash	12,541	-	-	-	-	12,541
Creditors	(2,878,977)	-	-	-	-	(2,878,977)
	<u>4,342,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,342,306</u>
Goodwill arising on acquisition						19,010,473
						<u>23,352,779</u>
Discharged by:						
Cash						23,352,779
						<u>23,352,779</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Analysis of the acquisition of Fleishman-Hillard Group Limited

On 12 December 2016 the Group acquired 104 (100%) Ordinary shares of Fleishman-Hillard Group Limited.

	Book value	Revaluation adjustment	Fair value adjustment	Accounting policy adjustment	Other adjustment	Fair value
	£	£	£	£	£	£
Intangible fixed assets	26,114	-	-	-	-	26,114
Tangible fixed assets	352,063	-	-	-	-	352,063
Stocks	3,253,217	-	-	-	-	3,253,217
Debtors	28,517,618	-	-	-	-	28,517,618
Cash	289,780	-	-	-	-	289,780
Creditors	(20,591,571)	-	-	-	-	(20,591,571)
Minority interest	(1,190,369)	-	-	-	-	(1,190,369)
	<u>10,656,852</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,656,852</u>
Goodwill arising on acquisition						8,961,236
						<u>19,618,088</u>
Discharged by:						
Cash						19,618,088
						<u>19,618,088</u>

15 Stocks

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Work in progress	<u>11,929,637</u>	<u>8,313,702</u>	<u>-</u>	<u>-</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

16 Debtors

	Note	Group (As restated)		Company	
		2016 £	2015 £	2016 £	2015 £
Trade debtors		112,415,827	101,833,160	-	-
Amounts owed by group undertakings - trading balances		22,498,491	25,069,642	-	-
Amounts owed by group undertakings - loans and advances		63,115,813	52,375,324	872,605	1,162,501
Taxation and social security		30,212	163,748	-	-
Other debtors		10,133,949	9,143,174	-	-
Deferred tax assets	9	1,236,822	1,480,227	-	-
Prepayments and accrued income		31,580,465	31,716,754	-	-
		<u>241,011,579</u>	<u>221,782,029</u>	<u>872,605</u>	<u>1,162,501</u>

The Company and certain of its subsidiaries participate in a cash concentration arrangement with its fellow subsidiaries, Omnicom Finance plc and Omnicom Financial Services Limited, the Omnicom Europe Limited Group's UK treasury operation, under which bank balances are cleared to zero on a daily basis either by the Company and certain of its subsidiaries depositing cash with Omnicom Finance plc / Omnicom Financial Services Limited or by Omnicom Finance plc / Omnicom Financial Services Limited depositing cash with the Company and certain of its subsidiaries. Included in Amounts owed by group undertakings - loans and advances is £62,243,208 (2015: £51,212,823) representing cash deposited by the Company and certain of its subsidiaries under these arrangements.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

17 Creditors

	Group (As restated)		Company	
	2016	2015	2016	2015
	£	£	£	£
Due within one year				
Obligations under finance lease and hire purchase contracts	208,448	-	-	-
Payments received on account	14,473,389	13,297,589	-	-
Trade creditors	22,685,556	19,405,357	-	-
Amounts owed to group undertakings - trading balances	25,945,868	23,867,265	-	-
Amounts owed to group undertakings - loans and advances	39,554,984	50,471,422	-	-
Taxation and social security	21,887,866	19,742,776	-	-
Other creditors	897,998	1,613,709	-	-
Accruals and deferred income	83,068,827	75,004,554	-	-
Deferred consideration	13,043,907	961,194	13,043,907	961,194
	<u>221,766,843</u>	<u>204,363,866</u>	<u>13,043,907</u>	<u>961,194</u>
Due after one year				
Obligations under finance lease and hire purchase contracts	687,733	-	-	-
Other creditors	206,775	8,565	-	-
Deferred consideration	-	10,496,770	-	10,496,770
	<u>894,508</u>	<u>10,505,335</u>	<u>-</u>	<u>10,496,770</u>

The Company and certain of its subsidiaries participate in a cash concentration arrangement with its fellow subsidiaries, Omnicom Finance plc and Omnicom Financial Services Limited, the Omnicom Europe Limited Group's UK treasury operation, under which bank balances are cleared to zero on a daily basis either by the Company and certain of its subsidiaries depositing cash with Omnicom Finance plc / Omnicom Financial Services Limited or by Omnicom Finance plc / Omnicom Financial Services Limited depositing cash with the Company and certain of its subsidiaries. Included in Amounts owed to group undertakings - loans and advances is £39,554,984 (2015: £50,471,422) representing cash deposited by the Company and certain of its subsidiaries under these arrangements.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

18 Deferred tax and other provisions

Group

	Deferred tax £
At 1 January 2016	(173,945)
(Increase)/decrease in existing provisions	<u>(55,137)</u>
At 31 December 2016	<u>(229,082)</u>

19 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £0.01 each	<u>3,800</u>	<u>38.00</u>	<u>3,400</u>	<u>34.00</u>

On 1 July 2016 the Company acquired the whole of the issued share capital of TBWA\Paling Walters Limited for a consideration of £13,138,231. The acquisition was funded through a capital investment from its parent DAS Europe Limited of £13,138,231 in consideration for the allotment of 100 ordinary shares in the Company of £0.01 at par along with a share premium of £13,138,230. TBWA\Paling Walters Limited subsequently changed its name to TBWA\Worldhealth London Limited on 23 September 2016.

On 1 November 2016 the Company acquired the whole of the issued share capital of Chameleon Communications International Limited from DAS Europe Limited in exchange for the issuance by the Company of 100 shares of £0.01 along with a share premium of £23,352,778.

On 12 December 2016 the Company acquired the whole of the issued share capital of Fleishman-Hillard Group Limited from DAS Europe Limited in exchange for the issuance by the Company of 100 shares of £0.01 along with a share premium of £19,618,087.

On 30 December 2016 the Company made a capital contribution to Flamingo Research Limited of £13,000,000 funded through a capital investment from its parent DAS Europe Limited of £13,000,000 in consideration for the allotment of 100 ordinary shares in the Company of £0.01 at par along with a share premium of £12,999,999.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

20 Pension and other schemes

Defined contribution pension scheme

The Group operates several defined contribution pension schemes. The pension cost charge for the year represents contributions payable by the Group to the schemes and amounted to £5,824,001 (2015 - £5,990,724).

Defined benefit pension schemes

Countrywide Communications Group Limited Staff Benefits Plan

The Group operates a defined benefit pension scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 December 2013 and updated to 31 December 2015 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The most recent actuarial valuation showed a deficit of £2,037,000. The Group has agreed with the trustees that it will aim to eliminate the deficit over a period of 3 years and 10 months from 1 January 2015 by the payment of annual contributions of £456,000 in respect of the deficit. In addition and in accordance with the actuarial valuation, an allowance has been included in the technical provisions liabilities and therefore the contributions to meet expenses of the scheme and levies to the Pension Protection Fund.

The pension contributions payable to the scheme amounted to £456,000 in the year (2015 - £456,000).

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £nil (2015 - £(954)).

The best estimate of the contributions to be paid by the Group to the scheme for the period commencing 1 January 2017 is £456,000.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2016	2015
	£	£
Fair value of scheme assets	9,226,908	7,076,691
Present value of defined benefit obligation	<u>(9,316,672)</u>	<u>(6,664,289)</u>
	(89,764)	412,402
Other amounts not recognised in the statement of financial position	<u>-</u>	<u>(412,402)</u>
Defined benefit pension scheme surplus/(deficit)	<u>(89,764)</u>	<u>-</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2016
	£
Present value at start of period	6,664,289
Interest expense	259,047
Actuarial gains and losses	2,477,242
Benefits paid	<u>(83,906)</u>
Present value at end of year	<u>9,316,672</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2016
	£
Fair value at start of period	7,076,691
Interest income	281,826
Actuarial gains and losses	1,496,297
Employer contributions	456,000
Benefits paid	<u>(83,906)</u>
Fair value at end of year	<u>9,226,908</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Analysis of assets

The major categories of scheme assets are as follows:

	2016 £	2015 £
Overseas Equities	6,976,626	5,296,960
Corporate Bonds	1,558,612	1,263,732
Government Bonds	179,618	140,004
Cash	54,027	18,985
Other	458,025	357,010
	<u>9,226,908</u>	<u>7,076,691</u>

Return on scheme assets

	2016 £	2015 £
Return on scheme assets	<u>1,778,123</u>	<u>(66,994)</u>

The pension scheme has not invested in any of the Company's own financial instruments or in properties or other assets used by the Company.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2016	2015
Life expectancy - Male retiring in 2016 at 65 years of age (years)	22.40	22.30
Life expectancy - Female retiring in 2016 at 65 years of age (years)	24.70	24.60
Life expectancy - Male retiring in 2036 at 65 years of age (years)	24.20	24.10
Life expectancy - Female retiring in 2036 at 65 years of age (years)	26.60	26.50
Discount Rate (%)	2.70	3.90
Inflation (RPI) (%)	3.60	3.10
Inflation (CPI) (%)	2.60	2.10
Allowance for pension in payment increases of RPI or 5% pa if less (%)	3.50	3.00
Allowance for pension in payment increases of CPI or 3% pa if less (%)	<u>2.60</u>	<u>2.10</u>

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Post retirement mortality assumptions

	2016 Years	2015 Years
Current UK pensioners at retirement age - male	87.00	87.00
Current UK pensioners at retirement age - female	90.00	90.00
Future UK pensioners at retirement age - male	89.00	89.00
Future UK pensioners at retirement age - female	<u>92.00</u>	<u>92.00</u>

21 Share-based payments

Omnicom Group Inc (the ultimate parent of the Company) runs a share ownership programme that allows Group employees to acquire shares in Omnicom Group Inc. Options were awarded in March and December 2009. It is anticipated that the full vesting period for options will be three years. The option grants become exercisable 30% on each of the first two anniversary dates of the grant date with the final 40% becoming exercisable three years from the grant date.

The fair value of services received in return for shares and share options granted to employees, is measured by reference to the fair value of shares and share options granted. As permitted by FRS 102 Section 26, the Company has applied the requirements of this standard to all share based payment awards granted after 7 November 2002. The estimate of the fair value of the services received is measured based on the Black-Scholes formula.

During the year ended 31 December 2016, the Company recognised an expense of £nil (2015: £nil) in respect of outstanding share awards.

The options outstanding at the year end have an exercise price of \$23.40 and a weighted average contractual life of 10 years.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

	2009
Fair value at measurement date \$	3.51
Weighted average share price \$	23.40
Exercise price \$	23.40
Expected volatility (expressed as 5 year historical monthly used in the modelling under Black Scholes model)	19.61%
Option life in years (expressed as weighted average life used in the modelling under binomial lattice model)	5
Expected dividends	2.458%
Risk-free interest rate (based on national government bonds)	1.67%
The expected volatility is wholly based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information.	

Share options are granted under a service condition and a non-market performance condition. Such conditions are not taken into account in the grant date fair value measurement of the services received. There are no market conditions associated with the share option grants.

The number and weighted average exercise prices of share options in Omnicom Group Inc held by DAS UK Investments Limited Group employees are as follows:

	2016	2016	2015	2015
	Weighted average exercise price \$	Number of options	Weighted average exercise price \$	Number of options
At beginning of year	23.40	82,550	23.40	95,250
Granted	23.40	-	23.40	-
Exercised	23.40	(65,700)	23.40	(12,700)
Lapsed	23.40	-	23.40	-
Forfeited	23.40	-	23.40	-
Outstanding options at end of the year	23.40	16,850	23.40	82,550
Exercisable at end of the year	23.40	16,850	23.40	82,550

The asset arising in relation to the linked recharge from Omnicom Group Inc in relation to these share options for the year was £250,259 (2015: liability £1,311,638).

The weighted average share price at the date of exercise of share options exercised during the year was \$82.93 (2015: \$75.62).

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

22 Commitments

Group

Operating leases

Certain of the Group's principal premises are leased from a fellow group company on terms with no future minimum base payments.

The total of future minimum lease payments is as follows:

	2016	2015
	£	£
Not later than one year	4,448,274	9,258,573
Later than one year and not later than five years	5,597,140	16,565,397
Later than five years	<u>167,539</u>	<u>16,748,833</u>
	<u>10,212,953</u>	<u>42,572,803</u>

23 Related party transactions

Group

Summary of transactions with subsidiaries

	2016	2015
	£	£
Income from shares in group undertakings (Hall & Partners + Open Mind Pty Ltd)	312,248	46,986
Income from shares in group undertakings (Adelphi Targis S.L.)	32,615	9,325

The Directors are considered to be Key Management Personnel of the Group. As disclosed in note 5 the Directors' remuneration costs are borne by other group companies. The Directors are not remunerated specifically for their services to DAS UK Investments Limited or its subsidiaries. As the Group is managed on a decentralised basis, there are considered to be no other individuals within the definition of Key Management Personnel with authority and responsibility for planning, directing and controlling the activities of the Group.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

24 Prior year adjustment

During the course of a routine Internal Audit inspection of one of the Company's subsidiary undertakings, Flamingo Research Limited, certain irregularities were uncovered revealing a significant and material misstatement of the Company's financial statements. The abnormality was limited to Flamingo and procedures have since been put in place to remedy the situation at Flamingo. As a consequence, the consolidated financial statements have been restated as follows:

Consolidated Profit and loss account

	2015 As originally reported £	2015 Prior year adjustment £	2015 As restated £
Gross billings	510,858,296	(3,840,000)	507,018,296
Rebillable costs	(105,399,514)	-	(105,399,514)
Revenue	405,458,782	(3,840,000)	401,618,782
Direct costs	(143,258,128)	(960,000)	(144,218,128)
Gross Profit	262,200,654	(4,800,000)	257,400,654
Administrative expenses	(236,612,720)	(101,332)	(236,714,052)
Other operating income	4,285,631	-	4,285,631
Operating Profit	29,873,565	(4,901,332)	24,972,233
Income from participating interests	116,968		116,968
Other interest receivable and similar income	229,115	-	229,115
Interest payable and similar charges	(2,100,279)	-	(2,100,279)
Profit before tax	28,119,369	(4,901,332)	23,218,037
Taxation	(7,176,109)	978,432	(6,197,677)
Profit for the financial year	20,943,260	(3,922,900)	17,020,360

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Consolidated Balance Sheet

	2015 As originally reported £	2015 Prior year adjustment £	2015 As restated £
Fixed assets			
Intangible assets	31,226,200	-	31,226,200
Tangible assets	9,242,866	-	9,242,866
Investments	4,384,195	-	4,384,195
	44,853,261	-	44,853,261
Current assets			
Stocks	8,313,702	-	8,313,702
Debtors	230,163,169	(8,381,140)	221,782,029
Cash at bank and in hand	1,632,309	-	1,632,309
	240,109,180	(8,381,140)	231,728,040
Creditors: Amounts falling due within one year	(201,698,774)	(2,665,092)	(204,363,866)
Net current assets	38,410,406	(11,046,232)	27,364,174
Total assets less current liabilities	83,263,667	(11,046,232)	72,217,435
Creditors: Amounts falling due after more than one year	(10,505,335)	-	(10,505,335)
Provisions for liabilities	(173,945)	-	(173,945)
Net assets	72,584,387	(11,046,232)	61,538,155
Capital and reserves			
Called up share capital	34	-	34
Share premium reserve	235,844,124	-	235,844,124
Capital contribution reserve	28,044,151	-	28,044,151
Retained earnings	(192,513,392)	(11,046,232)	(203,559,624)
Equity attributable to owners of the Company	71,374,917	(11,046,232)	60,328,685
Minority interests	1,209,470	-	1,209,470
Total equity	72,584,387	(11,046,232)	61,538,155

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

In addition, Retained earnings as at 1 January 2015 have been reduced by £7,123,332 from a retained loss of £188,341,936 to a retained loss of £195,465,268 to reflect the impact of the restatement on earlier years.

25 Financial instruments

Group

	2016	(As restated) 2015
	£	£
Assets measured at fair value through profit or loss	818,860	1,632,309
Assets measured at amortised cost	198,030,131	179,278,126
Liabilities measured at amortised cost	<u>(88,186,408)</u>	<u>(93,744,044)</u>
	<u>110,662,583</u>	<u>87,166,391</u>

Assets measured at fair value through profit or loss includes cash and cash equivalents.

Assets measured at amortised cost includes Trade debtors, Amounts owed by group undertakings – trading balances, and Amounts owed by group undertakings – loans and advances.

Liabilities measured at amortised cost includes Trade creditors, Amounts owed to group undertakings – trading balances, and Amounts owed to group undertakings – loans and advances.

26 Parent and ultimate parent undertaking

The Company is a subsidiary undertaking of Omnicom Group Inc. incorporated in the United States of America and is the smallest and largest group in which the results are consolidated.

These Financial Statements are available upon request from Omnicom Group Inc., 437 Madison Avenue, New York, NY10022, USA.

27 Post balance sheet events

On 10 March 2017 and 8 September 2017 the Company paid interim dividends of £21,517,000 and £12,407,000 respectively. These have not been included in the accounts as they were not approved before the year end.

On 31 March 2017 the Company acquired the whole of the issued share capital of CDS EMEA Limited from its subsidiary undertaking Rapp Limited, for a consideration of £1. On the same date the Company received a capital investment from its parent, DAS Europe Limited, of £17,940,000 in consideration for the allotment of 100 Ordinary shares of £0.01 each along with a share premium of £17,939,999 for the purpose of making a capital investment of £17,940,000 in CDS EMEA Limited in respect of start-up costs and initial year losses.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

On 3 April 2017 the Company received a capital investment from its parent DAS Europe Limited of £542,384 in consideration for the allotment of 100 ordinary shares in the Company of £0.01 at par along with a share premium of £542,383. This capital investment was subsequently cancelled on 29 August 2017 resulting in the cancellation of the allotment of 100 ordinary shares in the Company of £0.01 at par and the cancellation of the share premium of £542,383.

On 9 June 2017 the Company received a capital investment of £4,984,795 from its parent, DAS Europe Limited, in consideration for the allotment of 100 Ordinary shares of £0.01 each along with a share premium of £4,984,794 for the purpose of making a final payment in respect of the acquisition of Haygarth Enterprises Limited.

On 9 June 2017 the Company received a capital investment of £8,059,112 from its parent, DAS Europe Limited, in consideration for the allotment of 100 Ordinary shares of £0.01 each along with a share premium of £8,059,111 for the purpose of making a final payment in respect of the acquisition of The Planning Shop International Limited.

On 1 September 2017 the Company cancelled £30,040,969 from the Capital contribution reserve and reallocated this amount to distributable reserves.

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

28 Details of undertaking

Subsidiary exemption

The following UK subsidiaries of the group, having met the criteria set out in sections 479A-479C of the Companies Act 2006, are claiming exemptions from the audit of the individual accounts afforded by those sections for the year ended 31 December 2016.

Details of the investments in which the Company holds 20% or more, directly or indirectly, of the nominal value of any class of share capital are as follows:

* Direct subsidiaries of DAS UK Investments Limited

Undertaking	Company number	Country of incorporation	Holding	Proportion of voting rights and shares held	Principle activity	Registered address
Subsidiary undertakings						
Adelphi Group Limited *	1975338	England	Ordinary	100.00	Pharmaceutical Market Research	85 Strand, 5th Floor, London, England, WC2R 0DW
CDM Europe Limited *	1077287	England	Ordinary	51.00	Media Services	85 Strand, 5th Floor, London, England, WC2R 0DW
Cedar Communications Limited *	2709621	England	Ordinary	100.00	Contract Publishing	85 Strand, 5th Floor, London, England, WC2R 0DW
Code Worldwide Limited *	4146951	England	Ordinary	100.00	Digital Advertising	85 Strand, 5th Floor, London, England, WC2R 0DW
Cosine UK Limited *	1811431	England	Ordinary	100.00	Field Marketing & Direct Sales	85 Strand, 5th Floor, London, England, WC2R 0DW

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

CPM Field Marketing Limited *	1952132	England	Ordinary	100.00	Field Telephone Marketing	& 85 Strand, 5th Floor, London, England, WC2R 0DW
CPM United Kingdom Limited *	1757157	England	Ordinary	100.00	Field Marketing	85 Strand, 5th Floor, London, England, WC2R 0DW
Diversified Energy Communications Limited *	1885562	England	Ordinary	100.00	Dormant	85 Strand, 5th Floor, London, England, WC2R 0DW
Doremus & Company Limited *	2032678	England	Ordinary	100.00	B2B Communications	85 Strand, 5th Floor, London, England, WC2R 0DW
Access Limate Communications Limited *	2809649	England	Ordinary	100.00	Public Relations	85 Strand, 5th Floor, London, England, WC2R 0DW
Flamingo Research Limited *	2735873	England	Ordinary	100.00	Marketing	85 Strand, 5th Floor, London, England, WC2R 0DW
GMR Marketing Limited *	7729752	England	Ordinary	100.00	Marketing	85 Strand, 5th Floor, London, England, WC2R 0DW
Hall & Partners Europe Limited *	2733595	England	Ordinary	100.00	Brand Communications Research	& 85 Strand, 5th Floor, London, England, WC2R 0DW
Haygarth Enterprises Limited *	6692583	England	Ordinary	100.00	Marketing	85 Strand, 5th Floor, London, England, WC2R 0DW
Hornall Anderson Limited *	2549329	England	Ordinary	100.00	Advertising	85 Strand, 5th Floor, London, England, WC2R 0DW
Inspired Science Limited *	7140900	England	Ordinary	100.00	Medical Education	85 Strand, 5th Floor, London, England, WC2R 0DW
Interbrand U.K. Limited *	1703469	England	Ordinary	100.00	Branding Consultancy	85 Strand, 5th Floor, London, England, WC2R 0DW
Ketchum Limited *	1733060	England	Ordinary	100.00	Public Relations	85 Strand, 5th Floor, London, England, WC2R 0DW

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Notes to the Financial Statements for the year ended 31 December 2016

2TheNth Limited *	2072694	England	Ordinary	100.00	Pharmaceutical Communications & Education	85 Strand, 5th Floor, London, England, WC2R 0DW
Paradigm Communications Limited *	7211813	England	Ordinary	100.00	Public Relations	85 Strand, 5th Floor, London, England, WC2R 0DW
Porter Novelli Limited *	1101649	England	Ordinary	100.00	Public Relations	85 Strand, 5th Floor, London, England, WC2R 0DW
Promise Corporation Limited *	4905383	England	Ordinary	100.00	Marketing	85 Strand, 5th Floor, London, England, WC2R 0DW
Radiate Europe Limited *	6502262	England	Ordinary	100.00	Experience Marketing	85 Strand, 5th Floor, London, England, WC2R 0DW
Rapp Limited *	1581935	England	Ordinary	100.00	Advertising & Direct Marketing	85 Strand, 5th Floor, London, England, WC2R 0DW
Siegel+Gale Limited *	4725268	England	Ordinary	100.00	Strategic Branding Consultancy	85 Strand, 5th Floor, London, England, WC2R 0DW
Specialist Publications (UK) Limited *	964145	England	Ordinary	100.00	Contract Publishing	85 Strand, 5th Floor, London, England, WC2R 0DW
Targetbase Claydon Heeley Limited *	2421407	England	Ordinary	100.00	Advertising	85 Strand, 5th Floor, London, England, WC2R 0DW
The Planning Shop International Limited *	3037899	England	Ordinary	100.00	Market Research	85 Strand, 5th Floor, London, England, WC2R 0DW
TogoRun Limited *	3732121	England	Ordinary	100.00	Public Relations	85 Strand, 5th Floor, London, England, WC2R 0DW
Wolff Olins Limited *	1945130	England	Ordinary	100.00	Brand Consultancy	85 Strand, 5th Floor, London, England, WC2R 0DW

DAS UK Investments Limited

Notes to the Financial Statements for the year ended 31 December 2016

Adelphi Communications Limited	2761321	England	Ordinary	100.00	Medical Education	85 Strand, 5th Floor, London, England, WC2R 0DW
Adelphi International Research Limited	2419446	England	Ordinary	100.00	Market Research	85 Strand, 5th Floor, London, England, WC2R 0DW
Adelphi Targis S.L.	B62628813	Spain	Ordinary	48.20	Healthcare Research	183, Aragon, 7th Floor, Barcelona, 08011
Adelphi Values Limited	2761308	England	Ordinary	100.00	Health Economics	85 Strand, 5th Floor, London, England, WC2R 0DW
CDS EMEA Limited	5174106	England	Ordinary	100.00	IT Services	85 Strand, 5th Floor, London, England, WC2R 0DW
Counter Products Marketing (Ireland) Limited	116133	Ireland	Ordinary	100.00	Merchandising	41a Blackberry Lane, Rathmines, Dublin 6, Ireland
Hall & Partners Open Mind Pty Ltd	130 990 288	Australia	Ordinary	50.00	Advertising	474, St Kilda Road, Melbourne, VIC 3004, Australia
Haygarth Group Limited	2496952	England	Ordinary	100.00	FMCG Retail Marketing	& 85 Strand, 5th Floor, London, England, WC2R 0DW
MPMC Holdings Limited	7255692	England	Ordinary	100.00	Consultancy & Design	85 Strand, 5th Floor, London, England, WC2R 0DW
POD Staffing Limited	7420729	England	Ordinary	100.00	Staffing Agency	85 Strand, 5th Floor, London, England, WC2R 0DW
The Cinnamon Agency Limited	5556304	England	Ordinary	50.00	Events Sponsoring	& 85 Strand, 5th Floor, London, England, WC2R 0DW
Tracy Locke Limited (fka Toast Marketing Limited)	4254423	England	Ordinary	100.00	Marketing Communications	85 Strand, 5th Floor, London, England, WC2R 0DW
TPN Marketing UK Limited	9185763	England	Ordinary	50.00	Shopper Marketing	85 Strand, 5th Floor, London, England, WC2R 0DW

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Notes to the Financial Statements for the year ended 31 December 2016

TRO Group Limited	2361809	England	Ordinary	100.00	Advertising	85 Strand, 5th Floor, London, England, WC2R 0DW
Contract Personnel Limited	102618	Ireland	Ordinary	100.00	Field Marketing	41a Blackberry Lane, Rathmines, Dublin 6, Ireland
Hosker Moore Kent Melia Limited	4197028	England	Ordinary	100.00	Consultancy	85 Strand, 5th Floor, London, England, WC2R 0DW
TBWA\Worldhealth London Limited (tka TBWA\Paling Walters Limited) *	1491788	England	Ordinary	100.00	Healthcare Advertising & Consultancy	85 Strand, 5th Floor, London, England, WC2R 0DW
Chameleon Communications International Limited *	3441290	England	Ordinary	100.00	Medical Communication Services	85 Strand, 5th Floor, London, England, WC2R 0DW
Fleishman-Hillard Group Limited *	1521506	England	Ordinary	100.00	Public Relations	85 Strand, 5th Floor, London, England, WC2R 0DW
Fleishman-Hillard FZ LLC	43	United Emirates	Arab Ordinary	100.00	Advertising	PO Box 77771, Abu Dhabi, United
Fleishman-Hillard International Communications Limited	NF164844	Ireland	Ordinary	59.00	Public Relations	15 Fitzwilliam Quay, Dublin 4, Ireland
Fleishman-Hillard Italia Srl	MI 359960/8776/10	Italy	Ordinary	100.00	Public Relations	3/5, Via Leto Pomponio, Milan, 20146, Italy
Fleishman-Hillard S.A.	010-1142778-33	Belgium	Ordinary	100.00	Public Affairs	Square de Meeus 35, 1000 Brussels, Belgium
FH Management Solutions srl	0879582043	Belgium	Ordinary	100.00	Consultancy	Square de Meeus 35, 1000 Brussels, Belgium
Fleishman-Hillard Saudi Arabia Limited	1010315408	Saudi Arabia	Ordinary	99.00	Service Company	Riyadh City, PO Box 5774, Riyadh, 11589, Saudi Arabia

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Notes to the Financial Statements for the year ended 31 December 2016

Fleishman-Hillard Sp.z.o.o	(0000157586	Poland	Ordinary	40.00	Public Relations	U1, Slowackiego 19 A, Warszawa, 01-592
Fleishman-Hillard Vanguard OOO	1067758831854	Russian Federation	Interests	55.00	Public Relations	2nd Kadashevsky per., 12, Moscow, 115035, Russian Federation, Europe
Fleishman-Hillard, s.r.o.	C59785/25670247	Czech Republic	Ordinary	99.13	Public Relations	Lomnického 1705/9, Prague 4, 14000, Czech Republic
Fishburn Communications Limited	2533761	England	Ordinary	100.00	Dormant	85 Strand, 5th Floor, London, England, WC2R 0DW
239 OMR Limited *	1835151	England	Ordinary	100.00	Dormant	85 Strand, 5th Floor, London, England, WC2R 0DW