

Registration number: 06023874

eCommera Limited

Report and Financial Statements

for the Period from 1 April 2015 to 31 December 2015



eCommera Limited

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eCommera Limited

Company Information

Directors T De Groose (appointed 12 June 2015)
 MA Fagan (appointed 12 June 2015)
 EH Menzies (appointed 12 June 2015)
 MC Mulligan (appointed 12 June 2015)
 CM Price (appointed 12 June 2015)
 PR Davidson (resigned 12 June 2015)
 AC McGregor (resigned 12 June 2015)
 MAN Ross (resigned 12 June 2015)

Company secretary A Moberly

Registered office 10 Triton Street
 Regent's Place
 London
 NW1 3BF

Bankers HSBC Bank plc
 196 Oxford Street
 London
 W1D 1NT

Auditors Ernst & Young LLP
 1 More London Place
 London
 SE1 2AF

eCommera Limited

Strategic Report for the Period from 1 April 2015 to 31 December 2015

The directors present their strategic report for the period from 1 April 2015 to 31 December 2015.

Fair review of the business

The results of the Company for the year are set out in the income statement on page 8. The Company made a loss before tax for the financial period of £13,797,000 (Year ended 31 March 2015: loss £4,955,000)

The balance sheet on page 10 of the Financial Statements shows the Company's financial position.

Review of the Business and Future Developments

The Company, whilst undergoing a change of ultimate ownership during the 9 months ended 31 December 2015, had another successful period supporting existing customers' ambitious plans to innovate on their platforms and renewing software subscriptions.

The Company had revenue of £19.5m and made a £12.5m operating loss in the period (Prior year (12 month period): Revenue £27.8m, Loss £4.0 million) due to a £14.8m write down of intercompany balances as part of a recapitalisation of the eCommera group of companies. The Directors believe that this result together with continued sales and marketing investment will provide a solid basis for generating revenue growth opportunities in the future.

The Company is well placed to continue delivery of its services to existing and new markets, which unlock a wide range of strategic and commercial possibilities, thereby allowing forward-thinking retailers and brand owners to realise their full potential and optimise their trading performance.

eCommera Limited's immediate parent is Dentsu Aegis London Limited whose parent entity, Dentsu Aegis Network Limited is the lowest level at which consolidated accounts are prepared. The ultimate parent company is Dentsu Inc.

Dentsu Aegis Network Limited manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

During the period the Company transitioned from previously extant UK GAAP to FRS 101 - Reduced Disclosure Framework and has taken advantage of the disclosure exemptions allowed under this standard. The Company's parent undertaking was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions. There were no recognition or measurement differences arising on the adoption of FRS 101.

eCommera Limited

Strategic Report for the Period from 1 April 2015 to 31 December 2015

Principal risks and uncertainties

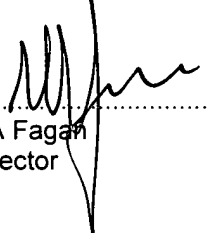
The management of the business and the execution of the Company's strategy are subject to a number of risks. Management have identified actions to monitor and mitigate these risks.

The Company depends on a team of highly trained and motivated staff to help deliver further value to its customers from software products. It continues to work on an ongoing basis to improve the recruitment, training and retention of staff.

The Directors ensure that adequate resources are available to meet the funding requirements for the Company on a day to day basis and that financial risks arising from the Company's underlying operations are effectively identified and managed through regular reporting of management information.

The Directors consider that the Company does not have any material exposure to interest rate or price risk. In respect of credit risk, credit checks are undertaken for significant new customers and overdue creditor balances are monitored on a regular basis. The Company has overseas income and makes purchases products and services in foreign currencies. As such, it is exposed to foreign exchange risk but the natural hedging it undertakes reduces this significantly.

Approved by the Board on 21st Feb 2016 and signed on its behalf by:


.....
MA Fagan
Director

eCommera Limited

Directors Report for the Period from 1 April 2015 to 31 December 2015

The directors present their report and the financial statements for the period from 1 April 2015 to 31 December 2015.

Principal activity

The Company provides best in class services to help retailers and brand owners from across the globe design and implement commerce strategies that deliver measurable results.

Dividends

The directors do not recommend a final dividend payment be made in respect of the financial period ended 31 December 2015.

Going Concern

The directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. The Company is reliant on its parent undertaking, Dentsu Aegis Network Limited for financial support. The directors have considered the ability of Dentsu Aegis Network Limited to provide such financial support as might be required by the Company and accordingly have prepared the financial statements on a going concern basis.

Employee involvement

The Company recognises the importance of its employees and is committed to effective two-way communication and consultation. The Company has established an online communication strategy and conducts employee meetings on a regular basis for the discussion of key company information covering a range of subjects affecting both the business and the interests of its employees. In so doing, the Company is able to achieve a common awareness amongst its employees in relation to the economic and financial factors affecting its performance and the market in which it operates. Involvement of employees in the Company's performance is also encouraged by the availability of performance-related bonuses as well as share option schemes. An employee survey is also completed on an annual basis to seek input from employees.

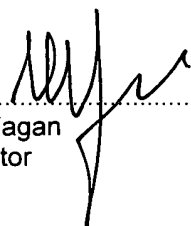
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Approved by the Board on  and signed on its behalf by:


MA Fagan
Director

eCommera Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable Laws), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the members of eCommera Limited

We have audited the financial statements of eCommera Limited for the period from 1 April 2015 to 31 December 2015, which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 17. 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 Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 Directors' Responsibilities Statement set out on page 5, 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 (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

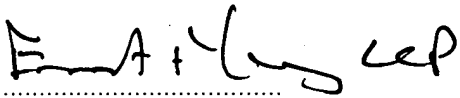
In our opinion the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the members of eCommera 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 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



Paul Gordon (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor

London

Date: 13 September 2016

eCommera Limited

Income statement for the Period from 1 April 2015 to 31 December 2015

		1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
	Note		
Turnover		19,499	27,814
Cost of sales		<u>(9,225)</u>	<u>(13,841)</u>
Gross profit		10,274	13,973
Administrative expenses		<u>(22,781)</u>	<u>(18,007)</u>
Operating loss	3	<u>(12,507)</u>	<u>(4,034)</u>
Interest payable and similar charges	4	<u>(1,290)</u>	<u>(921)</u>
		<u>(1,290)</u>	<u>(921)</u>
Loss before tax		(13,797)	(4,955)
Tax on loss on ordinary activities	8	<u>-</u>	<u>334</u>
Loss for the period / year		<u><u>(13,797)</u></u>	<u><u>(4,621)</u></u>

The above results were derived from continuing operations.

eCommera Limited

Statement of Comprehensive Income for the Period from 1 April 2015 to 31 December 2015

	1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
Note		
Loss for the period	<u>(13,797)</u>	<u>(4,621)</u>
Total comprehensive income for the period	<u><u>(13,797)</u></u>	<u><u>(4,621)</u></u>

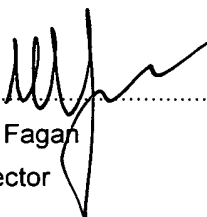
eCommera Limited

(Registration number: 06023874)

Balance Sheet as at 31 December 2015

	Note	31 December 2015 £ 000	31 March 2015 £ 000
Fixed assets			
Property, plant and equipment	9	143	144
Long term Deposits	10	82	82
		<u>225</u>	<u>226</u>
Current assets			
Trade and other receivables	11	7,160	18,760
Cash at bank and in hand		2,405	2,615
		<u>9,565</u>	<u>21,375</u>
Creditors: Amounts falling due within one year			
Trade and other payables	15	(35,487)	(23,218)
Loans and borrowings	13	-	(10,283)
Creditors: Amounts falling due within one year		<u>(35,487)</u>	<u>(33,501)</u>
Net current liabilities		<u>(25,922)</u>	<u>(12,126)</u>
Net liabilities		<u>(25,697)</u>	<u>(11,900)</u>
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		<u>(25,697)</u>	<u>(11,900)</u>
Shareholders' deficit		<u>(25,697)</u>	<u>(11,900)</u>

Approved by the Board on 9th Nov 2016 and signed on its behalf by:


 MA Fagan
 Director

eCommera Limited

Statement of Changes in Equity for the Period from 1 April 2015 to 31 December 2015

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 April 2015	-	(11,900)	(11,900)
Loss for the period	-	(13,797)	(13,797)
Total comprehensive income	-	(13,797)	(13,797)
New share capital subscribed	-	-	-
At 31 December 2015	-	(25,697)	(25,697)

	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 April 2014	-	(7,279)	(7,279)
Loss for the period	-	(4,621)	(4,621)
Total comprehensive income	-	(4,621)	(4,621)
New share capital subscribed	-	-	-
At 31 March 2015	-	(11,900)	(11,900)

The notes on pages 12 to 21 form an integral part of these financial statements.

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

1 Authorisation of financial statements and statement of compliance with FRS 101

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in *pounds sterling* and are rounded to the nearest (*thousand pounds (£000)*).

The principal accounting policies adopted by the Company are set out in note 2.

2 Accounting policies

(a) Basis of preparation

The company transitioned from previously extant UK GAAP to FRS 101 for all periods presented. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2015.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - (ii) paragraph 118(e) of IAS 38 Intangible Assets;
- (d) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of IAS 7 Statement of Cash Flows;
- (f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (g) the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- (h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- (i) the effects of new but not yet effective IFRSs.

Going Concern

The directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. The Company is reliant on its parent undertaking, Dentsu Aegis Network Limited for financial support. The directors have considered the ability of Dentsu Aegis Network Limited to provide such financial support as might be required by the Company and accordingly have prepared the financial statements on a going concern basis.

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

(b) Significant estimates & judgements

To be able to prepare financial statements according to generally accepted accounting principles, the directors have made estimates and assumptions that affect asset and liability items and revenue and expense items recorded in the financial statements as well as other information. These estimates are based on historical experience and various assumptions that the directors believe are reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. The area comprising judgement that may significantly impact earnings and financial position is deferred tax.

(c) Significant accounting policies

Turnover and revenue recognition

Turnover represents the fair value of the consideration received in respect of the provision of software services, professional and support services, net of value added tax.

Turnover from the provision of software services is recognised evenly over the term of the contract where minimum charges have been pre-determined and on a monthly basis as the service is supplied for services exceeding the minimum charges. Turnover from implementation, training, consulting and other services is recognised on performance of the service.

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 retranslated 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

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Property, plant and equipment

Tangible fixed assets are stated at historic cost together with incidental costs of acquisition, less accumulated depreciation, and when appropriate provision for impairment is made.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic lives of the assets concerned. The annual rates used for this purpose are:

Fixtures & Fittings 33%
Computer Equipment & Software 33%
Leasehold Improvements 33%

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

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 changes in value.

Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables 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 receivables 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.

Trade payables

Trade payables 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 payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

3 Operating loss

	1 April 2015 to 31 December 2015 £000	Year ended 31 March 2015 £000
Depreciation expense	72	125
Amortisation expense	-	1,136
Foreign exchange losses / (gains)	116	(476)
Operating lease expense - property	104	284
Write off of intercompany loan balances	14,805	-
	<u>14,805</u>	<u>-</u>

4 Interest payable and similar charges

	1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
Interest payable on loans held with group undertakings	192	-
Interest payable on loan notes, other loans and pension scheme liabilities	1,098	921
	<u>1,290</u>	<u>921</u>

5 Staff costs

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

	1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
Wages and salaries	3,583	6,885
Social security costs	365	812
Other pension costs	114	233
	<u>4,061</u>	<u>7,930</u>

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

	1 April 2015 to 31 December 2015 No.	Year ended 31 March 2015 No.
Production	25	56
Administration and support	12	16
Sales, marketing and distribution	5	14
	<u>42</u>	<u>86</u>

6 Directors' remuneration

The directors' remuneration for the period was as follows:

	1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
Remuneration	<u>413</u>	<u>792</u>

In respect of the highest paid director:

	1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
Remuneration	278	274
Company contributions to money purchase pension schemes	6	21

7 Auditors' remuneration

	1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
Audit of the financial statements	<u>25</u>	<u>38</u>

8 Tax on loss on ordinary activities

(a) The tax charge for continuing operations is made up of the following:

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

	1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
Current taxation		
UK corporation tax	-	(334)

A deferred tax asset of approximately £2,524,000 (March 2015: £5,877,000) has not been recognised on these carry forward losses as it is not certain that sufficient taxable profit will be available against which the unused tax losses can be utilised.

(b) Reconciliation of tax charge

The total charge for the year can be reconciled to accounting profit as follows:

	1 April 2015 to 31 December 2015 £ 000	Year ended 31 March 2015 £ 000
Loss before tax	(13,797)	(4,955)
Corporation tax at standard rate	(2,759)	(1,040)
Decrease from effect of capital allowances depreciation	(29)	-
Increase from effect of expenses not deductible in determining taxable profit (tax loss)	2,961	8
Tax decrease from utilisation of tax losses	(173)	-
Increase from effect of unrelieved tax losses carried forward	-	768
Decrease from effect of adjustment in research development tax credit	-	(334)
Other tax effects for reconciliation between accounting profit and tax expense (income)	-	265
Total tax credit	-	(334)

Decrease in tax from brought forward tax losses utilised in current period

Following the transfer of trade of the DynamicAction product business to OrderDynamics Ltd, approximately £15,045,000 of unused tax losses brought forward from the year ended 31 March 2015 have been retained by the company of which £864,000 have been utilised in the current period.

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

(c) Change in corporation tax rate

UK Corporation tax is calculated at 20.25% (2014: 21%) of the estimated assessable profit for the year. The UK Government enacted legislation which reduced the main rate of corporation tax to 21% from 1 April 2015. A further reduction in the main rate of corporation tax are proposed to reduce the rate to 19% from 1 April 2017 and 18% from 1 April 2020.

The Chancellor announced in the 2016 budget that the main rate of UK corporation tax rate will reduce to 17% from 1 April 2020, this rate has not yet been enacted or substantively enacted.

9 Property, plant and equipment

	Long leasehold and leasehold improvements £ 000	Office furniture, fixtures, equipment and vehicles £ 000	Total £ 000
Cost			
At 1 April 2015	78	513	591
Additions	-	71	71
At 31 December 2015	78	584	662
Depreciation			
At 1 April 2015	78	369	447
Charge for the year	-	72	72
At 31 December 2015	78	441	519
Carrying amount			
At 31 December 2015	-	143	143
At 31 March 2015	-	144	144

10 Long term Deposits

Long term deposits relate to balances held by third parties as follows:

At 31 December 2015 £82,000 (31 March 2015: £82,000)

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

11 Trade and other receivables

	31 December 2015 £ 000	31 March 2015 £ 000
Trade receivables	5,728	4,121
Receivables from related parties	-	-
Prepayments and accrued income	-	-
Other receivables	-	-
	<u>7,160</u>	<u>18,760</u>

12 Share capital

	31 December 2015		31 March 2015	
	No.	£ 000	No.	£ 000
Ordinary Share of £1 each	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

13 Loans and borrowings

	31 December 2015 £ 000	31 March 2015 £ 000
Current loans and borrowings		
Bank borrowings	<u>-</u>	<u>10,283</u>

All bank loans were repaid following the change in Company ownership during the period.

14 Obligations under leases and hire purchase contracts

Operating leases

At 31 December the Company had annual commitments under non-cancellable operating leases as set out below:

	2015 £ 000	2015 £ 000
Within one year	308	276
In two to five years	916	1,144
In over five years	-	-
	<u>1,224</u>	<u>1,420</u>

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

15 Creditors: amounts falling due within one year

	31 December 2015 £ 000	31 March 2015 £ 000
Trade payables	476	700
Accruals and deferred income	2,666	2,710
Amounts due to related parties	31,189	19,178
Social security and other taxes	1,155	630
Other payables	1	
	<u>35,487</u>	<u>23,218</u>

During the current period, the Company entered into a new intercompany agreement with Dentsu Aegis Network Limited. The respective balance is shown within amounts due to related parties.

16 Parent and ultimate parent undertaking

The company's immediate parent undertaking is eCommera Global Limited, a company incorporated in Great Britain and registered in England and Wales. The ultimate parent undertaking and controlling party is Dentsu Inc., a company incorporated in Tokyo and registered in Japan. Dentsu Inc. is the parent undertaking of the largest group for which group financial statements are prepared and of which the Company is a member. Copies of Group financial statements can be obtained from: The Secretary, Dentsu Inc., 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7001. The smallest group in which the results of the company are consolidated is the group headed by Dentsu Aegis Network Limited.

eCommera Limited

Notes to the Financial Statements for the Period from 1 April 2015 to 31 December 2015

17 Transition to FRS 101

For all periods up to and including the year ended 31 December 2014, the Company prepared its financial statements in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 December 2015, are the first the Company has prepared in accordance with FRS 101.

Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 April 2014 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the Company has started from an opening balance sheet as at 1 April 2014, the Company's date of transition to FRS101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101. As such, this note explains the principal adjustments made by the Company in restating its balance sheet as at 1 April 2014 prepared under previously extant UK GAAP and its previously published UK GAAP financial statements for the year ended 31 March 2015.

On transition to FRS 101, the Company has applied the requirements of paragraphs 6-33 of IFRS 1 "First time adoption of International Financial Reporting Standards".

Exemptions applied under FRS 101 are listed in note 2.

No material adjustments were made by the Company in restating its balance sheet as at 1 April 2014 prepared under previously extant UK GAAP financial statements for the year ended 31 March 2015.