

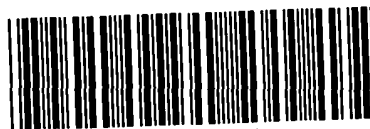
Registration number: 1064095

Omnicom Finance plc

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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Omnicom Finance plc

Contents

Strategic Report	1
Directors' Report	2 to 3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Profit and Loss Account	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 24

Omnicom Finance plc

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 Company's operations developed satisfactorily during the year and the directors consider future trading prospects to be good given the continuing growth of the Omnicom Group.

The Company's key financial performance indicator during the year was net interest paid or received. Every month the net position by currency was reviewed by management and appropriate financing decisions taken to ensure that interest returns were maximised.

Principal risks and uncertainties

The Directors consider the principal risks and uncertainties the company faces to be:

- the risk of a further downturn in the world economy
- the risk of a default on loan receivables.

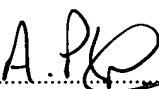
The Directors believe that these risks are effectively managed through close monitoring of interest rates and a strong focus on credit limits.

The main trends and factors likely to affect future development, performance and position of the Company's business

As the Company provides treasury services to fellow subsidiaries of the Omnicom Group the performance of those agencies and the growth in the size of the Group are the factors most likely to affect future development and profitability. The success of the Group is dependent on the general economic environment and the ability of our agencies to retain and win new clients.

The Company is committed to the continuing development of its systems to provide improved services to its customers and to further increase the efficiency of its operations.

Approved by the Board on 29 June 2017 and signed on its behalf by:


.....
A.P. Phipkin
Director

Omnicom Finance plc

Directors' Report for the year ended 31 December 2016

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

Principal activity

The principal activity of the Company is the borrowing and lending of money, at a margin, to group undertakings inside and outside the UK and the leasing of furniture to group undertakings in the UK.

On 1 August 2016, the Company redeemed at par 13,138,231 Cumulative Redeemable Preference Shares of £1 each in TBWA UK Group Limited, a fellow subsidiary undertaking.

On 28 January 2016, the Company was allotted 2,573 Ordinary Shares of BRL 1.00 each at a cost of 257,284,000 BRL (£44,566,915) in Omnicom Finance Brazil Limited.

On 14 April 2016, the Company was allotted 735 Ordinary Shares of BRL 1.00 each at a cost of 73,498,399 BRL (£14,676,198) in Omnicom Finance Brazil Limited.

Dividends

The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2016 (2015: £nil).

Directors of the Company

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

D.E. Hewitt (USA)

S.C.N. Medhurst

A.P. Phipkin

J.S. Rodd

Political and charitable donations

The Company made no political donations during the year (2015: £ nil). Donations to charity amounted to £305 (2015: £3,486).

Going concern

At the end of the year the Company had net current assets of £163,032,241 (2015 - £178,303,891). The Directors consider that the Company has access to sufficient funding to meet its funding requirements 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.

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.

Omnicom Finance plc

Directors' Report for the year ended 31 December 2016

Reappointment of auditors

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 June 2017 and signed on its behalf by:



A.P. Phipkin
Director

85 Strand
5th Floor
London
WC2R 0DW

Omnicom Finance plc

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 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 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 has 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 Omnicom Finance plc

We have audited the financial statements of Omnicom Finance plc for the year ended 31 December 2016, set out on pages 7 to 24. 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 4), 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 website 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 Company's affairs as at 31 December 2016 and of its 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 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 Directors' Report;

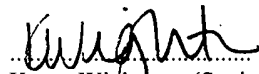
- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report to the members of Omnicom Finance plc

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.



Karen Wightman (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

15 Canada Square
Canary Wharf
London
E14 5GL

29 June 2017

Omnicom Finance plc

Profit and Loss Account for the year ended 31 December 2016

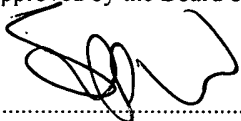
	Note	2016 £	2015 £
Gross profit/(loss)		-	-
Administrative expenses		(8,352,203)	(8,565,058)
Other operating income		<u>11,808,338</u>	<u>10,768,638</u>
Operating profit	2	3,456,135	2,203,580
Other interest receivable and similar income	6	36,491,840	26,735,357
Interest payable and similar charges	7	<u>(7,290,273)</u>	<u>(6,238,864)</u>
Profit before tax on ordinary activities		32,657,702	22,700,073
Taxation	8	<u>(5,888,764)</u>	<u>(3,605,571)</u>
Profit for the financial year		<u><u>26,768,938</u></u>	<u><u>19,094,502</u></u>

The results shown above are derived wholly from continuing operations.

Omnicom Finance plc
(Registration number: 1064095)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	9	9,951	17,913
Tangible assets	10	7,171,283	11,220,176
Investments	11	<u>229,715,875</u>	<u>183,610,993</u>
		<u>236,897,109</u>	<u>194,849,082</u>
Current assets			
Debtors	12	887,992,173	634,794,524
Cash at bank and in hand		<u>175,710,585</u>	<u>267,970,140</u>
		1,063,702,758	902,764,664
Creditors: Amounts falling due within one year	13	<u>(900,670,517)</u>	<u>(724,460,773)</u>
Net current assets		<u>163,032,241</u>	<u>178,303,891</u>
Total assets less current liabilities		399,929,350	373,152,973
Creditors: Amounts falling due after more than one year	13	<u>(7,439)</u>	<u>-</u>
Net assets		<u>399,921,911</u>	<u>373,152,973</u>
Capital and reserves			
Called up share capital	14	167,266,808	167,266,808
Share premium account		93,909,277	93,909,277
Capital contribution reserve		32,258,500	32,258,500
Retained earnings		<u>106,487,326</u>	<u>79,718,388</u>
Total equity		<u>399,921,911</u>	<u>373,152,973</u>

Approved by the Board on 29 June 2017 and signed on its behalf by:



S.C.N. Medhurst

Director



A.P. Phipkin

Director

The notes on pages 10 to 24 form an integral part of these financial statements.

Omnicom Finance plc

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

	Share capital £	Share premium £	Capital contribution reserve £	Retained earnings £	Total £
At 1 January 2016	167,266,808	93,909,277	32,258,500	79,718,388	373,152,973
Profit for the year	-	-	-	26,768,938	26,768,938
Total comprehensive income	-	-	-	26,768,938	26,768,938
At 31 December 2016	167,266,808	93,909,277	32,258,500	106,487,326	399,921,911

	Share capital £	Share premium £	Capital Contribution reserve £	Retained earnings £	Total £
At 1 January 2015	167,266,808	93,909,277	32,258,500	60,623,886	354,058,471
Profit for the year	-	-	-	19,094,502	19,094,502
Total comprehensive income	-	-	-	19,094,502	19,094,502
At 31 December 2015	167,266,808	93,909,277	32,258,500	79,718,388	373,152,973

The notes on pages 10 to 24 form an integral part of these financial statements.

Omnicom Finance plc

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

1 Accounting policies

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 public company limited by share capital incorporated and domiciled in the United Kingdom.

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

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group accounts as the Company is included in the consolidated accounts of a larger group headed by Omnicom Group Inc., a parent undertaking established under the law of the United States of America. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company has net current assets of £163,032,241 at 31 December 2016 (2015: £178,303,891). 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.

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.

Omnicom Finance plc

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:

- 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:

- 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.

Related party transactions: As a 100% owned subsidiary of Omnicom Group Inc. the Company has taken advantage of the exemption available under FRS 102 Section 33. 1A: Related Party Disclosures, which enable it to exclude disclosure of transactions with Omnicom Group Inc., and its wholly owned subsidiaries..

Changes in accounting policy

The accounting policies set out below have unless otherwise stated been applied consistently to all periods presented in these financial statements.

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.

Turnover

In the opinion of the directors, revenue and particulars of revenue as required by Schedule 4, paragraph 55 of the Companies Act 2006, are not meaningful measures of activity in view of the nature of the business.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Omnicom Finance plc

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

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, 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.

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, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold improvements	life of lease
Computer and office equipment	3 to 5 years
Furniture and fittings	7 to 10 years

Fixed asset investments

Investment in equity shares which are publicly traded or where fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in the profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing 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 Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

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

Omnicom Finance plc

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

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease. The Company complies with the requirements of the Finance and Leasing Association Statement of Recommended Practice.

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

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established.

Defined contribution pension obligation

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

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.

The fair value of services received in return for shares granted to employees, is measured by reference to the fair value of shares granted. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the shares. As permitted by FRS 102, the Company has applied the requirements of this standard to all share based payment awards granted after 7 November 2002.

Omnicom Finance plc

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

Financial instruments

Classification

Following the adoption of FRS 102 section 11, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instrument.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Omnicom Finance plc

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

2 Operating profit

Arrived at after charging/(crediting)

	2016 £	2015 £
Depreciation and other amounts written off tangible fixed assets: owned	5,564,169	5,367,706
Amortisation of software	7,962	8,923
Foreign exchange (gains) / losses	(588,975)	47,746
Hire of other assets - rentals payable under operating leases	154,656	133,361
Rental income	<u>(6,263,929)</u>	<u>(6,168,783)</u>

3 Auditor's remuneration

	2016 £	2015 £
Audit of the financial statements	<u>41,616</u>	<u>40,800</u>
Other fees to auditors		
The audit of the company's subsidiaries' annual accounts	3,263	3,199
Audit-related assurance services	<u>23,814</u>	<u>23,347</u>
	<u>27,077</u>	<u>26,546</u>

4 Directors' remuneration

	2016 £	2015 £
Directors' emoluments	383,967	343,557
Company contributions to money purchase pension schemes	33,899	27,979
	<u>417,866</u>	<u>371,536</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016 No.	2015 No.
Received or were entitled to receive shares under long term incentive schemes	<u>2</u>	<u>2</u>

Omnicom Finance plc

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

5 Staff costs

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

	2016 £	2015 £
Wages and salaries	1,035,855	961,942
Share related awards	156,400	130,070
Social security costs	143,555	137,695
Pension and other post-employment benefit costs	69,201	60,786
	<u>1,405,011</u>	<u>1,290,493</u>

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

	2016 No.	2015 No.
Administration and support	1	1
Other departments	16	14
	<u>17</u>	<u>15</u>

6 Other interest receivable and similar income

	2016 £	2015 £
Bank interest receivable	4,819,363	4,099,705
Receivable from group undertakings	27,239,106	17,318,631
Dividends receivable from preference shares	4,433,371	5,317,021
	<u>36,491,840</u>	<u>26,735,357</u>

7 Interest payable and similar charges

	2016 £	2015 £
On bank loans and overdrafts	2,109,124	2,246,301
Payable to group undertakings	5,180,816	3,990,277
Other interest payable	333	2,286
	<u>7,290,273</u>	<u>6,238,864</u>

Omnicom Finance plc

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

8 Taxation

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

	2016 £	2015 £
Current taxation		
Current tax on income for the period	5,964,424	3,637,542
Adjustments in respect of previous periods	<u>(63,677)</u>	<u>(76,677)</u>
	<u>5,900,747</u>	<u>3,560,865</u>
Deferred taxation		
Origination and reversal of timing differences	(318,849)	(116,998)
Effect of increased/decreased tax rate on opening liability	240,050	93,541
Adjustment in respect of previous periods	<u>66,816</u>	<u>68,163</u>
Total deferred taxation	<u>(11,983)</u>	<u>44,706</u>
Tax expense in the profit and loss account	<u><u>5,888,764</u></u>	<u><u>3,605,571</u></u>

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

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	<u>32,657,702</u>	<u>22,700,073</u>
Corporation tax at standard rate	6,531,540	4,596,765
Effect of revenues exempt from taxation	(886,674)	(1,076,697)
Effect of expense not deductible in determining taxable profit (tax loss)	709	476
UK deferred tax expense (credit) relating to changes in tax rates or laws	240,050	93,541
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	<u>3,139</u>	<u>(8,514)</u>
Total tax charge	<u><u>5,888,764</u></u>	<u><u>3,605,571</u></u>

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 in the UK corporation tax 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 at 31 December 2016 has been calculated based on these rates.

Omnicom Finance plc

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

Deferred tax

Deferred tax assets and liabilities

	Asset £
2016	
Other timing differences	9,156
Difference between accumulated depreciation and amortisation and capital allowances	<u>1,828,940</u>
	<u>1,838,096</u>

	Asset £
2015	
Other timing differences	10,983
Difference between accumulated depreciation and amortisation and capital allowances	<u>1,815,131</u>
	<u>1,826,114</u>

9 Intangible assets

	Software £
Cost or valuation	
At 1 January 2016	<u>605,092</u>
At 31 December 2016	<u>605,092</u>
Amortisation	
At 1 January 2016	587,179
Amortisation charge	<u>7,962</u>
At 31 December 2016	<u>595,141</u>
Carrying amount	
At 31 December 2016	<u>9,951</u>
At 31 December 2015	<u>17,913</u>

Omnicom Finance plc

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

10 Tangible fixed assets

	Furniture, fittings and equipment £	Office equipment £	Total £
Cost or valuation			
At 1 January 2016	1,982,538	18,816,580	20,799,118
Additions	179,000	1,347,389	1,526,389
Disposals	<u>(276,899)</u>	<u>(3,114,802)</u>	<u>(3,391,701)</u>
At 31 December 2016	<u>1,884,639</u>	<u>17,049,167</u>	<u>18,933,806</u>
Depreciation			
At 1 January 2016	1,053,840	8,525,102	9,578,942
Charge for the year	253,995	5,310,174	5,564,169
Disposal	<u>(267,475)</u>	<u>(3,113,113)</u>	<u>(3,380,588)</u>
At 31 December 2016	<u>1,040,360</u>	<u>10,722,163</u>	<u>11,762,523</u>
Carrying amount			
At 31 December 2016	<u>844,279</u>	<u>6,327,004</u>	<u>7,171,283</u>
At 31 December 2015	<u>928,698</u>	<u>10,291,478</u>	<u>11,220,176</u>

Omnicom Finance plc

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

Substantially all fixed assets are leased under operating leases to fellow group undertakings.

Assets held for use in operating leases:	2016	2015
	£	£
Cost	18,539,275	20,416,483
Depreciation	(11,384,226)	(9,207,152)
Net Book Value	<u>7,155,049</u>	<u>11,209,331</u>

Operating Lease Residual Value	Furniture & Fittings	Office Equipment
	£	£
Within 1 year	33,702	912,228
Between 1 and 2 years	75,520	607,269
Between 2 and 5 years	142,199	-
More than 5 years	52,713	-
Total	<u>304,134</u>	<u>1,519,497</u>

11 Fixed Asset Investments

Subsidiaries	Shares in group undertakings	Loans to group undertakings	Total
	£	£	£
Cost			
At 1 January 2016	98,524,662	85,086,331	183,610,993
Additions	59,243,113	-	59,243,113
Repayments	<u>-</u>	<u>(13,138,231)</u>	<u>(13,138,231)</u>
At 31 December 2016	<u>157,767,775</u>	<u>71,948,100</u>	<u>229,715,875</u>
Provision			
Carrying amount			
At 31 December 2016	<u>157,767,775</u>	<u>71,948,100</u>	<u>229,715,875</u>
At 31 December 2015	<u>98,524,662</u>	<u>85,086,331</u>	<u>183,610,993</u>

For the details of undertakings please see the note at the end of these statutory accounts.

Omnicom Finance plc

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

12 Debtors

	Note	2016 £	2015 £
Amounts owed by group undertakings - loans and advances		882,768,852	628,423,844
Other debtors		3,149,357	4,197,369
Deferred tax assets	8	1,838,096	1,826,114
Prepayments and accrued income		<u>235,868</u>	<u>347,197</u>
		<u>887,992,173</u>	<u>634,794,524</u>

13 Creditors

	Note	2016 £	2015 £
Due within one year			
Bank loans and overdrafts		6,473,954	18,735,380
Obligations under finance lease and hire purchase contracts		2,977	-
Amounts owed to associate undertakings		59,674	47,914
Amounts owed to group undertakings - loans and advances		891,546,417	705,073,872
Accruals and deferred income		<u>2,587,495</u>	<u>603,607</u>
		<u>900,670,517</u>	<u>724,460,773</u>
Due after one year			
Obligations under finance lease and hire purchase contracts		<u>7,439</u>	<u>-</u>

14 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>167,266,808</u>	<u>167,266,808</u>	<u>167,266,808</u>	<u>167,266,808</u>

15 Pension and other schemes

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £69,201 (2015 - £60,786).

Omnicom Finance plc

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

16 Commitments

During the year the Company entered into spot and forward contracts to buy and sell foreign currencies for hedging intercompany loans receivable and payable.

At the end of the year the Company had borrowing and foreign exchange facilities supported by Omnicom Group Inc. guarantees amounting to £86,827,465 (2015: £63,487,543).

In July 2015 Omnicom Group Inc. entered into a credit facility for US\$2.5 billion, expiring in July 2020. The facility provides credit support for Omnicom Group Inc.'s US\$1.5 billion commercial paper programme under which Omnicom Capital Inc. and Omnicom Finance Plc may issue commercial paper and it is also available to those companies to draw down if required. The credit agreement provides committed funds and is supported by an Omnicom Group Inc. guarantee.

17 Related party transactions

Summary of transactions with subsidiaries

At 31 December 2016, the Company's ultimate parent undertaking was Omnicom Group Inc. The shareholders of the Company have interest directly or indirectly in certain other companies which are considered to give rise to related party disclosures under FRS 102 Section 33.

As a 100% owned indirect subsidiary of Omnicom Group Inc., the Company has taken advantage of the exemption under FRS102 Section 33.1A: Related Party Disclosures, which enable it to exclude disclosure of transactions with Omnicom Group Inc. and its wholly owned subsidiaries.

18 Financial instruments

18 (a) Categorisation of financial instruments

	2016 £	2015 £
Financial assets measured at fair value through profit or loss	-	37,998
Financial assets that are debt instruments measured at amortised cost	1,130,427,537	981,480,315
Financial assets that are equity instruments measured at cost less impairment	<u>157,767,775</u>	<u>98,524,662</u>
	<u>1,288,195,312</u>	<u>1,080,042,975</u>
Financial liabilities measured at fair value through profit or loss	996,721	208,601
Financial liabilities measured at amortised cost	<u>898,020,371</u>	<u>723,809,252</u>
	<u>899,017,092</u>	<u>724,017,853</u>

18 (b) Financial Instruments Measured At Fair Value

All financial assets and liabilities carried at fair value through profit or loss in the current and previous financial year are forward foreign exchange derivatives.

The fair value of forward foreign exchange contracts is based on their listed market price.

Omnicom Finance plc

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

19 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 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.

No other group accounts include the results of the Company.

Omnicom Finance plc

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

20 Details of undertaking

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:

Undertaking	Company number	Country of incorporation	Holding	Proportion of voting rights and shares held	Principle activity	Registered address
Subsidiary undertakings						
OFP Finance Africa (Pty) Limited	K2011/112565/07	South Africa	Common	100.00	Treasury Centre	257 Jean Avenue Central Office Park, Centurion, Gauteng, 0157, South Africa
Omnicom Finance Brazil Limited	9913603	England	Ordinary	100.00	Treasury Centre	85 Strand, 5th Floor, London, WC2R 0DW, England
Omnicom Pacific Finance Limited	7496844	England	Ordinary	100.00	Financial Communication	85 Strand, 5th Floor, London, WC2R 0DW, England