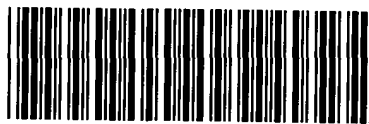


Registration number: 1064095

# Omnicom Finance plc

Strategic Report, Directors' Report and Financial Statements  
for the Year Ended 31 December 2014

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## **Omnicom Finance plc**

### **Strategic Report for the Year Ended 31 December 2014**

The directors present their strategic report for the year ended 31 December 2014.

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).

#### **Development and performance of the business of the Company during the financial year**

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.

On 2nd June 2014 the Company redeemed at par 8,000,000 Cumulative Redeemable Preference Shares of £1 each in Omnicom Management Europe, a fellow subsidiary undertaking.

On 19th December 2014 the Company redeemed at par 134,600,000 Cumulative Redeemable Preference Shares of £1 each in DAS Europe Limited, a fellow subsidiary undertaking.

#### **Position of the Company at the year end**

At the end of the year the Company had net current assets of £149,445,248 (net current liabilities in 2013 - £9,691,133). The directors consider that the Company has access to sufficient funds to meet its 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.

#### **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 loans.

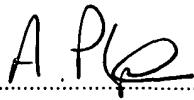
The directors believe that these risks are effectively managed through close monitoring of interest rates and a strong focus on credit limits.

#### **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 11 August 2015 and signed on its behalf by:

  
.....  
A.P. Phipkin  
Director

**Omnicom Finance plc**  
**Directors' Report for the Year Ended 31 December 2014**

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

**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 computer equipment and furniture to group undertakings in the UK.

**Dividends**

The directors did not recommend payment of an interim dividend in respect of the year ended 31 December 2014. (2013: £ 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 contributions**

The Company made no political contributions during the year (2013: £ nil). Donations to charities amounted to £1,804 (2013: £4,096).

**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 each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**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 11 August 2015 and signed on its behalf by:



A.P. Phipkin  
Director

239 Old Marylebone Road  
London  
NW1 5QT

**Omnicom Finance plc**  
**Statement of Directors' Responsibilities in respect of the Strategic Report and the**  
**Directors' Report and the Financial Statements**

The directors are responsible for preparing the Strategic Report, the 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect 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 (the Company) for the year ended 31 December 2014, set out on pages 6 to 22. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 3), 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.

### **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](http://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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

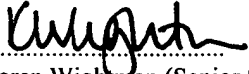
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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.

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



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

15 Canada Square  
Canary Wharf  
London

E14 5GL

Date: 11 August 2015

**Omnicom Finance plc**  
**Profit and Loss Account for the Year Ended 31 December 2014**

	Note	2014 £	2013 £
Revenue		-	-
Administrative expenses		(8,169,703)	(7,137,109)
Other operating income		<u>10,395,830</u>	<u>9,876,884</u>
Operating profit	3	2,226,127	2,739,775
Other interest receivable and similar income	6	21,671,131	19,283,155
Interest payable and similar charges	7	<u>(6,172,372)</u>	<u>(4,993,244)</u>
Profit on ordinary activities before taxation		17,724,886	17,029,686
Tax on profit on ordinary activities	8	<u>(1,642,651)</u>	<u>(1,818,769)</u>
Profit for the financial year	15	<u><u>16,082,235</u></u>	<u><u>15,210,917</u></u>

The results shown above are derived wholly from continuing operations. There were no recognised gains or losses in either the current or prior year except as shown above. Consequently, a statement of total recognised gains and losses has not been prepared.

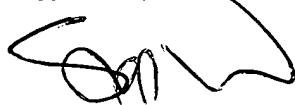


**Omnicom Finance plc**  
**Registration number: 1064095**

**Balance Sheet as at 31 December 2014**

	Note	2014 £	2013 £
<b>Fixed assets</b>			
Intangible assets	9	2,951	12,526
Tangible assets	10	11,547,379	11,991,950
Investments	11	<u>193,062,893</u>	<u>335,662,893</u>
		<u>204,613,223</u>	<u>347,667,369</u>
<b>Current assets</b>			
Debtors	12	804,024,210	169,609,153
Cash at bank and in hand		<u>167,943,755</u>	<u>544,728,806</u>
		971,967,965	714,337,959
Creditors: Amounts falling due within one year	13	<u>(822,522,717)</u>	<u>(724,029,092)</u>
Net current assets/(liabilities)		<u>149,445,248</u>	<u>(9,691,133)</u>
Net assets		<u>354,058,471</u>	<u>337,976,236</u>
<b>Capital and reserves</b>			
Called up share capital	14	167,266,808	167,266,808
Share premium reserve	15	93,909,277	93,909,277
Capital contribution reserve	15	32,258,500	-
Other reserves	15	-	32,258,500
Profit and loss account	15	<u>60,623,886</u>	<u>44,541,651</u>
Shareholders' funds		<u>354,058,471</u>	<u>337,976,236</u>

Approved by the Board on 11.8.15 and signed on its behalf by:



.....  
S.C.N. Medhurst  
Director



.....  
A.P. Phipkin  
Director

The notes on pages 9 to 22 form an integral part of these financial statements.

## **Omnicom Finance plc**

### **Reconciliation of movement in shareholders' funds for the Year Ended 31 December 2014**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Profit attributable to the members of the Company	<u>16,082,235</u>	<u>15,210,917</u>
Shareholders' funds at 1 January	<u>337,976,236</u>	<u>322,765,319</u>
Shareholders' funds at 31 December	<u><u>354,058,471</u></u>	<u><u>337,976,236</u></u>

The notes on pages 9 to 22 form an integral part of these financial statements.

## **Omnicom Finance plc**

### **Notes to the Financial Statements**

#### **1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

##### **Basis of preparation**

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

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.

Under Financial Reporting Standard ("FRS") 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of Omnicom Group Inc., which includes the Company in its own published consolidated financial statements.

The Company has at 31 December 2014 net current assets of £149,445,248 (2013: net current liabilities of £9,691,133).

The directors consider that the Company has access to sufficient funding to meet its liabilities as they fall due for the foreseeable future. The Company is able to make this commitment because it 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](http://www.OmnicomGroup.com). Accordingly, the directors have prepared the financial statements on a going concern basis.

As the Company is a wholly owned subsidiary of Omnicom Group Inc., the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Omnicom Group Inc., within which this Company is included, can be obtained from the address given in note 18.

##### **Intangible fixed assets and amortisation**

Software purchased by the Company is amortised on a straight line basis over the estimated useful economic life of three years.

##### **Fixed asset investments**

Investments in subsidiary undertakings are stated at cost less provision for impairment.

##### **Fixed assets and depreciation**

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economical lives as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold improvements	life of lease
Computer & office equipment	3 to 5 years
Furniture and fittings	8 to 10 years

## **Omnicom Finance plc**

### **Notes to the Financial Statements**

#### **Foreign currency**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction, or if hedged forward, at the rate of exchange under the related forward currency contract. 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.

#### **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.

#### **Post-retirement benefits**

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.

#### **Classification of financial instruments issued by the Group**

Following the adoption of FRS 25, 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.

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.

#### **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 20, 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**

#### **Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### **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.

#### **Revenue**

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.

## **2 Segmental information**

The Company has not disclosed segmental information as in the opinion of the directors the Company operates in one business sector, that of providing financial services to fellow group companies, and generates all income in the United Kingdom

**Omnicom Finance plc**  
**Notes to the Financial Statements**

**3 Operating profit**

Operating profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation and other assets written off tangible fixed assets: owned	5,279,455	4,417,569
Depreciation leased	-	(1)
Amortisation of development costs	9,575	16,624
Net exchange (gains)/losses	(142,146)	107,493
Hire of plant and machinery - rentals payable under operating leases	112,914	109,734
Hire of other assets - rentals receivable under operating leases	<u>(6,097,499)</u>	<u>(5,039,018)</u>

	2014 £	2013 £
Audit of the financial statements	<u>40,000</u>	<u>28,770</u>
<b>Fees payable to the company's auditor and its associates for other services:</b>		
The audit of the company's subsidiaries' annual accounts	3,136	-
Audit-related assurance services	22,889	-
Other assurance services	<u>-</u>	<u>39,940</u>
	<u>26,025</u>	<u>39,940</u>

**4 Directors' remuneration**

	2014 £	2013 £
Directors' emoluments	341,111	328,849
Amounts receivable under long term incentive schemes	<u>84,168</u>	<u>67,656</u>
	425,279	396,505
Company contributions to money purchase pension schemes	<u>27,781</u>	<u>27,189</u>
	<u>453,060</u>	<u>423,694</u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £ 285,788 (2013: £270,194), and Company pension contributions of £19,110 (2013: £18,720) were made to a money purchase scheme. The amount at the end of the year of his accrued pension is £0 (2013: £0 ).

## Omnicom Finance plc Notes to the Financial Statements

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

	2014 No.	2013 No.
Received or were entitled to receive shares under long term incentive schemes	<u>2</u>	<u>2</u>

The Company's directors participate in the restricted stock scheme operated by the Ultimate Parent Undertaking. Shares were received or receivable under this restricted share scheme by 2 directors (2013: 2).

Under this scheme, certain directors have been awarded restricted shares in the ultimate parent undertaking, Omnicom Group Inc. The restricted shares typically vest in 20% annual increments provided the director remains an employee of the Omnicom group. Restricted shares may not be sold, transferred, pledged or otherwise encumbered until the restrictions lapse. Under most circumstances, the director forfeits the shares still subject to restriction if they cease employment prior to the end of the period of restriction.

Amounts recognised as long term incentives are in respect of restricted share awards vesting within the year. At the end of the year the Company had accrued £51,776 (2013: £51,767) in respect of unvested restricted share awards to directors.

### 5 Staff numbers and costs

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

	2014 No.	2013 No.
Administration and support	1	1
Other departments	<u>14</u>	<u>13</u>
	<u>15</u>	<u>14</u>

The aggregate payroll costs were as follows:

	2014 £	2013 £
Wages and salaries	985,151	892,662
Share related awards	115,123	89,156
Social security costs	133,444	107,834
Other pension schemes	<u>56,991</u>	<u>55,389</u>
	<u>1,290,709</u>	<u>1,145,041</u>

**Omnicom Finance plc**  
**Notes to the Financial Statements**

**6 Other interest receivable and similar income**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	4,014,031	2,154,755
Receivable from group undertakings	7,649,166	6,855,430
Dividends receivable from preference shares	10,007,934	10,265,277
Other interest receivable	-	7,693
	<u>21,671,131</u>	<u>19,283,155</u>

**7 Interest payable and similar charges**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	2,900,406	1,482,248
Payable to group undertakings	3,263,129	3,499,698
Other interest payable	8,837	11,298
	<u>6,172,372</u>	<u>4,993,244</u>



**Omnicom Finance plc**  
**Notes to the Financial Statements**

**8 Taxation**

**Tax on profit on ordinary activities**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
Current tax on income for the period	1,721,460	1,538,491
Adjustments in respect of previous years	<u>(18,671)</u>	<u>16,719</u>
Total current tax	<u>1,702,789</u>	<u>1,555,210</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(106,808)	36,855
Effect of increased/decreased tax rate on opening liability	-	300,225
Adjustment in respect of previous years	<u>46,670</u>	<u>(73,521)</u>
Total deferred tax	<u>(60,138)</u>	<u>263,559</u>
Total tax on profit on ordinary activities	<u><u>1,642,651</u></u>	<u><u>1,818,769</u></u>

**Factors affecting current tax charge for the year**

The current tax charge on profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK (2013 - lower than the standard rate of corporation tax in the UK) of 21.5% (2013 - 23.25%).

The differences are reconciled below:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<u>17,724,886</u>	<u>17,029,686</u>
Corporation tax at standard rate	3,810,850	3,959,402
Capital allowances in excess of depreciation	60,138	(40,157)
Short term timing differences	-	3,301
Non-taxable income	(2,151,706)	(2,386,677)
Expenses not deductible for tax purposes	2,178	2,622
Adjustment for prior periods	<u>(18,671)</u>	<u>16,719</u>
Total current tax	<u><u>1,702,789</u></u>	<u><u>1,555,210</u></u>

**Accounting periods ending after the substantive enactment of the reduction to 23% and 21%**

Reductions in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) and to 21% (effective from 1 April 2014) were substantively enacted on 3 July 2012 and 2 July 2013 respectively. A further reduction to 20% (effective from 1 April 2015) was also substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on the rates of 20% and 21% substantively enacted at the balance sheet date.

**Omnicom Finance plc**  
**Notes to the Financial Statements**

**9 Intangible fixed assets**

	<b>Software £</b>
<b>Cost</b>	
At 1 January 2014	<u>581,207</u>
At 31 December 2014	<u>581,207</u>
<b>Amortisation</b>	
At 1 January 2014	568,681
Charge for the year	<u>9,575</u>
At 31 December 2014	<u>578,256</u>
<b>Net book value</b>	
At 31 December 2014	<u><u>2,951</u></u>
At 31 December 2013	<u><u>12,526</u></u>

**Omnicom Finance plc**  
**Notes to the Financial Statements**

**10 Tangible fixed assets**

	<b>Fixtures, fittings, tools and equipment £</b>	<b>Office equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2014	3,202,894	17,228,635	20,431,529
Additions	143,878	4,696,316	4,840,194
Disposals	<u>(644,720)</u>	<u>(4,621,007)</u>	<u>(5,265,727)</u>
At 31 December 2014	<u>2,702,052</u>	<u>17,303,944</u>	<u>20,005,996</u>
<b>Depreciation</b>			
At 1 January 2014	1,805,946	6,633,633	8,439,579
Charge for the year	434,771	4,844,684	5,279,455
Disposals	<u>(644,720)</u>	<u>(4,615,697)</u>	<u>(5,260,417)</u>
At 31 December 2014	<u>1,595,997</u>	<u>6,862,620</u>	<u>8,458,617</u>
<b>Net book value</b>			
At 31 December 2014	<u>1,106,055</u>	<u>10,441,324</u>	<u>11,547,379</u>
At 31 December 2013	<u>1,396,948</u>	<u>10,595,002</u>	<u>11,991,950</u>

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

<b>Assets held for use in operating leases:</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Cost	19,624,439	20,066,036
Depreciation	<u>(8,093,538)</u>	<u>(8,084,620)</u>
Net Book Value	<u>11,530,901</u>	<u>11,981,416</u>

<b>Operating Lease Residual Value</b>	<b>Furniture &amp; Fittings £</b>	<b>Office Equipment £</b>
Within 1 year	142,923	459,627
Between 1 and 2 years	25,900	633,971
Between 2 and 5 years	167,387	912,228
More than 5 years	87,428	-
Total	<u>423,638</u>	<u>2,005,826</u>

**Omnicom Finance plc**  
**Notes to the Financial Statements**

**11 Fixed asset investment**

**Shares in group undertakings and participating interests**

	Shares in group undertakings £	Loans to group undertakings £	Total £
<b>Cost</b>			
At 1 January 2014	98,524,662	237,138,231	335,662,893
Repayments	-	(142,600,000)	(142,600,000)
At 31 December 2014	<u>98,524,662</u>	<u>94,538,231</u>	<u>193,062,893</u>
<b>Net book value</b>			
At 31 December 2014	<u>98,524,662</u>	<u>94,538,231</u>	<u>193,062,893</u>
At 31 December 2013	<u>98,524,662</u>	<u>237,138,231</u>	<u>335,662,893</u>

The loans are in respect of preference shares issued by fellow group undertakings.

On 2nd June 2014 the Company redeemed at par 8,000,000 Cumulative Redeemable Preference Shares of £1 each in Omnicom Management Europe, a fellow subsidiary undertaking.

On 19th December 2014 the Company redeemed at par 134,600,000 Cumulative Redeemable Preference Shares of £1 each in DAS Europe Limited, a fellow subsidiary undertaking.

**Details of undertakings**

The principal companies in which the Company's interest at the year end is more than 20% are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
<b>Subsidiary undertakings</b>				
Omnicom Pacific Finance Limited	UK	Ordinary	100%	Group treasury
OFP Finance Africa (Pty) Limited	South Africa	Common shares	100%	Group treasury

Both companies are held directly and are unlisted. Omnicom Pacific Finance Limited is incorporated in England and Wales and OFP Finance Africa (Pty) Limited is incorporated in South Africa.

**Omnicom Finance plc**  
**Notes to the Financial Statements**

**12 Debtors**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings - loans and advances	797,427,524	164,343,359
Other debtors	4,445,820	3,092,172
Deferred tax asset	1,870,820	1,810,682
Prepayments and accrued income	280,046	362,940
	<u>804,024,210</u>	<u>169,609,153</u>

**Deferred tax**

The movement in the deferred tax asset in the year is as follows:

	<b>Deferred tax</b>
	<b>£</b>
At 1 January 2014	1,810,682
Origination and reversal of timing differences	106,808
Adjustment in respect of prior years	<u>(46,670)</u>
At 31 December 2014	<u>1,870,820</u>

**Analysis of deferred tax**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Difference between accumulated depreciation and amortisation and capital allowances	1,860,464	1,800,326
Other timing differences	<u>10,356</u>	<u>10,356</u>
	<u>1,870,820</u>	<u>1,810,682</u>

**Omnicom Finance plc**  
**Notes to the Financial Statements**

**13 Creditors: Amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	163,879,859	150,701,065
Amounts owed to associate undertakings	9,098,619	10,278,826
Amounts owed to group undertakings - loans and advances	648,985,652	562,546,365
Accruals and deferred income	558,587	502,836
	<u>822,522,717</u>	<u>724,029,092</u>

**14 Called up share capital**

**Allotted, called up and fully paid shares**

	<b>2014</b>		<b>2013</b>
	<b>No.</b>	<b>£</b>	<b>No.</b>
			<b>£</b>
Ordinary shares of £1.00 each	<u>167,266,808</u>	<u>167,266,808</u>	<u>167,266,808</u>

**Omnicom Finance plc**  
**Notes to the Financial Statements**

**15 Reserves**

	Share premium account £	Capital contribution reserve £	Other reserves £	Profit and loss account £	Total £
At 1 January 2014	93,909,277	-	32,258,500	44,541,651	170,709,428
Profit for the year	-	-	-	16,082,235	16,082,235
Other reserve movements	-	32,258,500	(32,258,500)	-	-
At 31 December 2014	<u>93,909,277</u>	<u>32,258,500</u>	<u>-</u>	<u>60,623,886</u>	<u>186,791,663</u>

£32,258,500 was reallocated from Other reserves to Capital contribution reserve to more accurately reflect the nature of the transaction.

## **Omnicom Finance plc**

### **Notes to the Financial Statements**

#### **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 £65,752,781 (2013: £120,013,940).

In October 2011 Omnicom Group Inc. entered into a credit facility for US\$2.5 billion, expiring in October 2016. 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 Pension 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 £56,991 (2013 - £55,389).

#### **18 Ultimate parent company**

The Company is a subsidiary undertaking of Omnicom Group Inc. incorporated in the United States of America.

The largest group in which the results of the Company are consolidated is that headed by Omnicom Group Inc. The consolidated accounts of this company are available to the public and may be obtained from Omnicom Group Inc., 437 Madison Avenue, New York, NY10022, USA. No other group accounts include the results of the Company.