

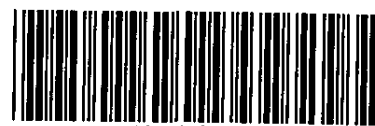
Registration number 02072694

# Medi Cine International Limited

Strategic Report, Directors' Report and Unaudited Financial Statements

for the Year Ended 31 December 2014

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## **Medi Cine International Limited**

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**Medi Cine International Limited**  
**Strategic Report for the Year Ended 31 December 2014**

The Company has met the requirements in Companies Act 2006 to obtain the exemption provided from the presentation of a strategic report

At the end of the year the Company had net assets of £1,054,747 (2013 - 1,051,556) 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

Approved by the Board on 27 March 2015 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'D G Harrison', is written over the printed name.

D G Harrison  
Director

**Medi Cine International Limited**  
**Directors' Report for the Year Ended 31 December 2014**

The directors present their report and the unaudited financial statements for the year ended 31 December 2014

**Principal activity**

The principal activity of the Company is the production of promotional and educational material for the medical and pharmaceutical industries

**Dividends**

On 23 February 2015 the directors paid a dividend in respect of the year ended 31 December 2014 of £4 50 per share totalling £450,000 ( 2013 £nil)

The directors do not recommend the payment of a dividend (2013 £nil)

**Directors of the Company**

The directors who held office during the year were as follows

J C B Whitworth (resigned 30 April 2014)

E S Cooper

D G Harrison

P D Trueman (appointed 30 April 2014)

**Political and charitable contributions**

The Company made no political contributions during the year (2013 £nil) Donations to charities amounted to £nil (2013 £nil)

Approved by the Board on 27 March 2015 and signed on its behalf by



D.G Harrison

Director

239 Old Marylebone Road  
London  
NW1 5QT

**Medi Cine International Limited**  
**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.

**Medi Cine International Limited**  
**Profit and Loss Account for the Year Ended 31 December 2014**

	Note	2014 £	2013 £
Gross billings		6,291	54,205
Rebillable costs		<u>(5,630)</u>	<u>(9,900)</u>
Revenue		661	44,305
Administrative expenses		<u>(756)</u>	<u>(40,289)</u>
Operating (loss)/profit	2	(95)	4,016
Other interest receivable and similar income	5	4,160	-
Interest payable and similar charges	6	<u>-</u>	<u>(364)</u>
Profit on ordinary activities before taxation		4,065	3,652
Tax on profit on ordinary activities	7	<u>(874)</u>	<u>(870)</u>
Profit for the financial year	11	<u><u>3,191</u></u>	<u><u>2,782</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.

**Medi Cine International Limited**  
**Registration number: 02072694**

**Balance Sheet as at 31 December 2014**

	Note	2014 £	2013 £
<b>Current assets</b>			
Debtors	8	1,055,621	1,053,048
Creditors Amounts falling due within one year	9	<u>(874)</u>	<u>(1,492)</u>
Net assets		<u>1,054,747</u>	<u>1,051,556</u>
<b>Capital and reserves</b>			
Called up share capital	10	100,001	100,001
Share premium reserve	11	499,999	499,999
Profit and loss account	11	<u>454,747</u>	<u>451,556</u>
Shareholders' funds		<u>1,054,747</u>	<u>1,051,556</u>

For the year ending 31 December 2014 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

**Directors' responsibilities**

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the Board on 27 March 2015 and signed on its behalf by



D G Harrison  
Director

## **Medi Cine International Limited**

### **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>3,191</u>	<u>2,782</u>
Shareholders' funds at 1 January	<u>1,051,556</u>	<u>1,048,774</u>
Shareholders' funds at 31 December	<u><u>1,054,747</u></u>	<u><u>1,051,556</u></u>



## **Medi Cine International Limited**

### **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 DAS UK Investments Limited, a parent undertaking established under the law of the United Kingdom. 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 directors consider that the Company has access to sufficient funding to meet its needs for the reasons set out below. Accordingly, the directors have prepared the financial statements on a going concern basis.

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

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

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 13.

##### **Foreign currency**

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.

## **Medi Cine International Limited**

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

#### **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.

#### **Stock, work in progress and long term contracts**

Work in progress is stated at the lower of cost and net realisable value. Cost consists of direct expenses incurred on unbilled work. Net realisable value is based on estimated sales value less further costs to completion.

#### **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.

#### **Gross billings**

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

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

#### **Rebillable costs**

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

#### **Revenue**

Consequently, revenue comprises fees, and commissions earned in respect of gross billings and direct costs, which meet the Companies Act definition of turnover. Revenue is recognised when services are performed, in accordance with the terms of arrangements reached with each client. Gross billings and revenue are stated exclusive of VAT, sales taxes and trade discounts.

**Medi Cine International Limited**  
**Notes to the Financial Statements**

**2 Operating (loss)/profit**

Operating (loss)/profit is stated after charging/(crediting)

	2014 £	2013 £
Net exchange losses	-	455

**3 Directors' remuneration**

The directors are not remunerated specifically for their services to Medi Cine International Ltd

**4 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.
Production	1	1

The aggregate payroll costs were as follows

	2014 £	2013 £
Wages and salaries	307	24,993
Social security costs	13	2,325
Other pension schemes	30	1,790
	<u>350</u>	<u>29,108</u>

**5 Other interest receivable and similar income**

	2014 £	2013 £
Receivable from group undertakings	<u>4,160</u>	<u>-</u>

**6 Interest payable and similar charges**

	2014 £	2013 £
Payable to group undertakings	<u>-</u>	<u>364</u>

**Medi Cine International Limited**  
**Notes to the Financial Statements**

**7 Taxation**

**Tax on profit on ordinary activities**

	2014 £	2013 £
<b>Current tax</b>		
Current tax on income for the period	874	851
Adjustments in respect of previous years	-	19
<b>Total current tax</b>	<u>874</u>	<u>870</u>

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

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

The differences are reconciled below

	2014 £	2013 £
Profit on ordinary activities before tax	<u>4,065</u>	<u>3,652</u>
Corporation tax at standard rate	874	849
Expenses not deductible for tax purposes	-	2
Adjustment for prior periods	-	19
<b>Total current tax</b>	<u>874</u>	<u>870</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.

**Medi Cine International Limited**  
**Notes to the Financial Statements**

**8 Debtors**

	2014 £	2013 £
Amounts owed by group undertakings - trading balances	166,608	7,494
Amounts owed by group undertakings - loans and advances	<u>889,013</u>	<u>1,045,554</u>
	<u>1,055,621</u>	<u>1,053,048</u>

The Company participates in a cash concentration arrangement with its fellow subsidiary, Omnicom Finance plc, the Omnicom Europe Limited group's UK treasury operation, under which bank balances are cleared to zero on a daily basis either by the Company depositing cash with Omnicom Finance plc or by Omnicom Finance plc depositing cash with the Company. Included in Amounts owed by group undertakings - loans and advances is £889,013 (2013 £1,045,554) representing cash deposited by the Company under these arrangements.

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

	2014 £	2013 £
Taxation and social security	874	1,157
Accruals and deferred income	<u>-</u>	<u>335</u>
	<u>874</u>	<u>1,492</u>

**10 Share capital**

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

	2014		2013	
	No.	£	No.	£
Ordinary shares of £0.10 each	<u>1,000,010</u>	<u>100,001</u>	<u>1,000,010</u>	<u>100,001</u>

## Medi Cine International Limited

### Notes to the Financial Statements

#### 11 Reserves

	Share premium account £	Profit and loss account £	Total £
At 1 January 2014	499,999	451,556	951,555
Profit for the year	-	3,191	3,191
At 31 December 2014	<u>499,999</u>	<u>454,747</u>	<u>954,746</u>

#### 12 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 £30 (2013: £1,790).

#### 13 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, NY 10022, USA.