

Registration number 01835151

239 OMR Limited (formerly Bernard Hodes Group Limited)

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

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239 OMR Limited (formerly Bernard Hodes Group Limited)
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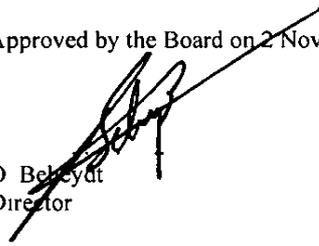
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239 OMR Limited (formerly Bernard Hodes Group Limited)
Strategic Report for the Year Ended 31 December 2014

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 current liabilities of £998,776 (2013 - £278,571) 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 2 November 2015 and signed on its behalf by



O Beleydt
Director

**239 OMR Limited (formerly Bernard Hodes Group 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

Bernard Hodes Group is a global specialist in employment marketing and employee communications. We help organisations attract, engage, retain and inspire the talent they need to meet their business goals. To do this we offer a range of services which include recruitment and employee communications, employer brand research and development and the engagement of employees from candidate to alumni.

The Company ceased trading on 31st October 2014 and changed its name from Bernard Hodes Group Limited to 239 OMR Limited on 2nd December 2014.

Dividends

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:

H L Rosethorn (resigned 31 October 2014)

J C B Whitworth (resigned 30 April 2014)

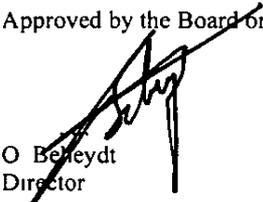
P D Trueman (appointed 30 April 2014)

O Beheydt (appointed 23 August 2014)

Political and charitable contributions

The Company made no political contributions during the year (2013: £nil). Donations to charities amounted to £nil (2013: £80).

Approved by the Board on 2 November 2015 and signed on its behalf by



O Beheydt
Director

239 Old Marylebone Road
London
NW1 5QT

239 OMR Limited (formerly Bernard Hodes Group 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

239 OMR Limited (formerly Bernard Hodes Group Limited)
Profit and Loss Account for the Year Ended 31 December 2014

	Note	2014 £	2013 £
Gross billings		2,416,221	3,516,917
Rebillable costs		<u>(529,485)</u>	<u>(449,414)</u>
Revenue		1,886,736	3,067,503
Direct costs		<u>(341,664)</u>	<u>(255,084)</u>
Gross profit		1,545,072	2,812,419
Administrative expenses		<u>(2,524,337)</u>	<u>(2,716,325)</u>
Operating (loss)/profit	2	(979,265)	96,094
Other interest receivable and similar income	5	-	7
Interest payable and similar charges	6	<u>(41,159)</u>	<u>(67,477)</u>
(Loss)/profit on ordinary activities before taxation		(1,020,424)	28,624
Tax on (loss)/profit on ordinary activities	7	<u>217,384</u>	<u>(12,744)</u>
(Loss)/profit for the financial year	14	<u>(803,040)</u>	<u>15,880</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.

239 OMR Limited (formerly Bernard Hodes Group Limited)
Registration number: 01835151

Balance Sheet as at 31 December 2014

	Note	2014 £	2013 £
Fixed assets			
Intangible assets	8	-	7,046
Tangible assets	9	-	75,789
		<u>-</u>	<u>82,835</u>
Current assets			
Stocks	10	99,797	186,662
Debtors	11	769,302	2,126,392
Cash at bank and in hand		1,184	793
		<u>870,283</u>	<u>2,313,847</u>
Creditors Amounts falling due within one year	12	<u>(1,869,059)</u>	<u>(2,592,418)</u>
Net current liabilities		<u>(998,776)</u>	<u>(278,571)</u>
Net liabilities		<u>(998,776)</u>	<u>(195,736)</u>
Capital and reserves			
Called up share capital	13	10,100	10,100
Share premium reserve	14	1,199,900	1,199,900
Capital redemption reserve	14	600,000	600,000
Profit and loss account	14	<u>(2,808,776)</u>	<u>(2,005,736)</u>
Shareholders' deficit		<u>(998,776)</u>	<u>(195,736)</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 2 November 2015 and signed on its behalf by

239 OMR Limited (formerly Bernard Hodes Group Limited)
Registration number: 01835151

Balance Sheet as at 31 December 2014



O Benschdt
Director

239 OMR Limited (formerly Bernard Hodes Group Limited)

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

for the year ended 31 December 2013

	2014 £	2013 £
(Loss)/profit attributable to the members of the Company	<u>(803,040)</u>	<u>15,880</u>
Shareholders' deficit at 1 January	<u>(195,736)</u>	<u>(211,616)</u>
Shareholders' deficit at 31 December	<u>(998,776)</u>	<u>(195,736)</u>

239 OMR Limited (formerly Bernard Hodes Group 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 s400 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 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 Company has net current liabilities of £998,776 at 31 December 2014 (2013 £278,571). 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

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 18.

Intangible assets

Software purchased by the company is capitalised as an intangible asset and its cost is amortised to £nil by equal annual instalments over its useful economic life, generally between 3 and 5 years.

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

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 economic lives as follows

Asset class	Depreciation method and rate
Leasehold improvements	Shorter of the life of lease or estimated useful economic life
Office equipment	2 to 6 Years
Fixtures, fittings, tools and equipment	3 to 6 Years

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.

Leases

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease term.

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Stock

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Taxation

The charge for taxation is based on the loss 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.

239 OMR Limited (formerly Bernard Hodes Group Limited)
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.

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

2 Operating (loss)/profit

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

	2014 £	2013 £
Depreciation and other assets written off tangible fixed assets owned	23,636	20,387
Amortisation of software	4,696	-
Net exchange losses	15,705	13,295
Loss on sale of tangible fixed assets	62,017	8,798
Hire of plant and machinery - rentals payable under operating leases	17,566	42,756
Hire of other assets - rentals payable under operating leases	<u>239,097</u>	<u>162,256</u>

3 Directors' remuneration

	2014 £	2013 £
Directors' emoluments	135,085	176,451
Amounts receivable under long term incentive schemes	-	1,958
Company contributions to money purchase pension schemes	14,920	9,800
	<u>150,005</u>	<u>188,209</u>

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

	2014 No.	2013 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</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 one director (2013 one)

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, the director ceases 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 £nil (2013 £1,958) in respect of unvested restricted share awards to directors.

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

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.
Administration and support	4	5
Other departments	<u>13</u>	<u>16</u>
	<u>17</u>	<u>21</u>

The aggregate payroll costs were as follows

	2014 £	2013 £
Wages and salaries	915,852	1,310,145
Share related awards	-	1,958
Social security costs	121,261	169,814
Other pension schemes	14,921	9,800
Severance/loss of office	<u>327,868</u>	<u>-</u>
	<u>1,379,902</u>	<u>1,491,717</u>

5 Other interest receivable and similar income

	2014 £	2013 £
Receivable from group undertakings	<u>-</u>	<u>7</u>

6 Interest payable and similar charges

	2014 £	2013 £
Payable to group undertakings	41,046	67,438
Other interest payable	<u>113</u>	<u>39</u>
	<u>41,159</u>	<u>67,477</u>

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

7 Taxation

Tax on (loss)/profit on ordinary activities

	2014	2013
	£	£
Current tax		
Current tax on income for the period	<u>(197,814)</u>	<u>3,881</u>
Total current tax	<u>(197,814)</u>	<u>3,881</u>
Deferred tax		
Origination and reversal of timing differences	(19,570)	6,097
Effect of increased/decreased tax rate on opening liability	-	2,812
Adjustment in respect of previous years	<u>-</u>	<u>(46)</u>
Total deferred tax	<u>(19,570)</u>	<u>8,863</u>
Total tax on (loss)/profit on ordinary activities	<u><u>(217,384)</u></u>	<u><u>12,744</u></u>

Factors affecting current tax charge for the year

The current tax credit on (loss)/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

	2014	2013
	£	£
(Loss)/profit on ordinary activities before tax	<u>(1,020,424)</u>	<u>28,624</u>
Corporation tax at standard rate	(219,391)	6,655
Capital allowances in excess of depreciation	(1,201)	(3,556)
Other timing differences	21,746	(664)
Expenses not deductible for tax purposes	<u>1,032</u>	<u>1,446</u>
Total current tax	<u><u>(197,814)</u></u>	<u><u>3,881</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.

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

8 Intangible fixed assets

	Software £
Cost	
At 1 January 2014	183,891
Disposals	<u>(183,891)</u>
At 31 December 2014	<u>-</u>
Amortisation	
At 1 January 2014	176,845
Charge for the year	4,696
Disposals	<u>(181,541)</u>
At 31 December 2014	<u>-</u>
Net book value	
At 31 December 2014	<u>-</u>
At 31 December 2013	<u><u>7,046</u></u>

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

9 Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings, tools and equipment £	Office equipment £	Total £
Cost				
At 1 January 2014	29,312	26,175	45,193	100,680
Additions	-	22,337	2,818	25,155
Disposals	<u>(29,312)</u>	<u>(48,512)</u>	<u>(48,011)</u>	<u>(125,835)</u>
At 31 December 2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation				
At 1 January 2014	-	-	24,891	24,891
Charge for the year	7,591	6,160	9,885	23,636
Disposals	<u>(7,591)</u>	<u>(6,160)</u>	<u>(34,776)</u>	<u>(48,527)</u>
At 31 December 2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value				
At 31 December 2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2013	<u>29,312</u>	<u>26,175</u>	<u>20,302</u>	<u>75,789</u>

10 Stocks

	2014 £	2013 £
Stocks	<u>99,797</u>	<u>186,662</u>

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

11 Debtors

	2014	2013
	£	£
Trade debtors	265,349	974,904
Amounts owed by group undertakings - trading balances	-	74,180
Amounts owed by group undertakings - loans and advances	-	64
Other debtors	441,139	905,468
Deferred tax asset	32,268	12,698
Prepayments and accrued income	<u>30,546</u>	<u>159,078</u>
	<u><u>769,302</u></u>	<u><u>2,126,392</u></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 £nil (2013 £64) representing cash deposited by the Company under these arrangements.

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

Deferred tax

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

Analysis of deferred tax

	2014 £	2013 £
Other timing differences	<u>32,268</u>	<u>12,698</u>

12 Creditors: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	-	404,955
Amounts owed to group undertakings - trading balances	277,400	273,125
Amounts owed to group undertakings - loans and advances	1,498,568	1,002,766
Taxation and social security	29,391	150,073
Accruals and deferred income	<u>63,700</u>	<u>761,499</u>
	<u>1,869,059</u>	<u>2,592,418</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 to group undertakings is £1,498,568 (2013 £1,002,766) representing amounts borrowed by the Company under these arrangements.

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

13 Share capital

Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary shares of £1 00 each	<u>10,100</u>	<u>10,100</u>	<u>10,100</u>	<u>10,100</u>

14 Reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2014	1,199,900	600,000	(2,005,736)	(205,836)
Loss for the year	<u>-</u>	<u>-</u>	<u>(803,040)</u>	<u>(803,040)</u>
At 31 December 2014	<u>1,199,900</u>	<u>600,000</u>	<u>(2,808,776)</u>	<u>(1,008,876)</u>

15 Commitments

Non cancellable operating leases

	2014 Other £	2013 Other £
Within 1 year	-	6,841
2 to 5 years	-	3,180
Over 5 years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>10,021</u>

16 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 £14,920 (2013 - £9,800)

239 OMR Limited (formerly Bernard Hodes Group Limited)
Notes to the Financial Statements

17 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

The Company is also consolidated into DAS UK Investments Limited and these accounts may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ, Wales