

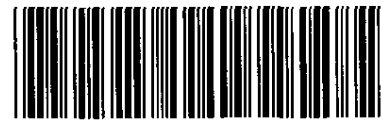
Gleam Group Limited

Annual financial statements

Registered Number 08901268

31 December 2021

MONDAY



ABCDJALF

A07

12/09/2022

#309

COMPANIES HOUSE

Contents

Directors' report	1
Statement of directors' responsibilities in respect of the financial statements	2
Profit and Loss Account and Other Comprehensive Income	3
Balance Sheet	4
Statement of Changes in Equity	5
Notes	6

Directors' report

The directors present their report and the financial statements of Gleam Group Limited ("the Company") for the year ended 31 December 2021.

Principal activity

The Company's principal activity is holding the investment of certain subsidiaries.

Going concern

The financial statements are prepared on a going concern basis, which the Directors believe to be appropriate for the reasons stated below.

The principal activity of the Company is that of an intermediary holding company with no working capital requirements. The Company's Balance Sheet only includes investments in subsidiaries and intercompany balances, with net current assets at 31 December 2021 of £997,919 (31 December 2020: £249,440) and overall net assets at 31 December 2021 of £5,725,418 (31 December 2020: £4,977,226). The Directors do not expect significant cash flows from these balances for at least 12 months from the date of signing these financial statements. Therefore, the Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Financial instruments

The Company does not have any derivative financial instruments during the year.

Directors

The directors who served during the year were:

D M Smales (resigned 16 April 2021)

P Hughes

M Iskas (resigned 31 March 2021)

J S Morris

D Romijn

N S Sperrin (appointed 21 October 2021)

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2020: £nil).

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Audit exemption

For the year ending 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

By order of the Board



.....
D Romijn
Director

Date: 7 September 2022
10 Triton Street, Regent's Place, London, NW1 3BF

Statement of directors' responsibilities in respect of the annual financial Statements

The directors are responsible for preparing the annual 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2021

	<i>Note</i>	2021 £	2020 £
Administrative expenses	2	(1,180,938)	–
Operating loss		(1,180,938)	–
Dividends receivable from subsidiaries	4	1,929,572	–
Interest payable and similar expenses	5	(1,190)	(693)
Loss before tax		747,444	(693)
Tax credit	6	748	132
Total comprehensive income/(expense) for the year		748,192	(561)

The notes on pages 6 to 13 form part of these financial statements.

Balance Sheet
as at 31 December 2021

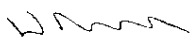
	Note	2021 £	2020 £
Fixed assets			
Investments	7	4,727,499	4,727,786
Current assets			
Debtors	8	1,000,777	394,326
Cash at bank and in hand	9	–	920
		1,000,777	395,246
Creditors: Amounts falling due within one year	10	(2,858)	(145,806)
Net current assets		997,919	249,440
Net assets		5,725,418	4,977,226
Capital and reserves			
Share capital	11	495	495
Share premium	12	4,777,985	4,777,985
Profit and loss account	12	946,938	198,746
Shareholders' funds		5,725,418	4,977,226

For the year ending 31 December 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
D Romijn
Director

Date: 7 September 2022

Company registered number: 08901268

The notes on pages 6 to 13 form part of these financial statements.

Statement of Changes in Equity
for the year ended 31 December 2021

	Share Capital £	Share Premium £	Profit and loss account £	Total equity £
Balance at 1 January 2020	495	4,777,985	199,307	4,977,787
Total comprehensive expense for the year	–	–	(561)	(561)
Balance at 31 December 2020	495	4,777,985	198,746	4,977,226
Balance at 1 January 2021	495	4,777,985	198,746	4,977,226
Total comprehensive income for the year	–	–	748,192	748,192
Balance at 31 December 2021	495	4,777,985	946,938	5,725,418

The notes on pages 6 to 13 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Gleam Group Limited ("the Company") is a private company limited by shares that is registered and domiciled in England & Wales. The registered number is 08901268 and the registered office of the Company is 10 Triton Street, Regent's Place, London, England, NW1 3BF.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Dentsu Group Inc., includes the Company in its consolidated financial statements. The consolidated financial statements of Dentsu Group Inc. are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from The Secretary, Dentsu Group Inc., 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7001. The smallest group in which the results of the Company are consolidated is the group headed by Dentsu International Limited.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company;

As the consolidated financial statements of Dentsu Group Inc. include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.
- Certain disclosures in relation to the key assumptions (including sensitivities) and valuation technique used in the determination of recoverable amount for impairment purposes (IAS 36).

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

Notes (continued)

1 Accounting policies (continued)

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The financial statements are prepared on a going concern basis, which the Directors believe to be appropriate for the reasons stated below.

The principal activity of the Company is that of an intermediary holding Company with no working capital requirements. The Company's Balance Sheet only includes investments in subsidiaries and intercompany balances, with net current assets at 31 December 2021 of £997,919 (31 December 2020: £294,440) and overall net assets at 31 December 2021 of £5,725,418 (31 December 2020: £4,977,226). The Directors do not expect significant cash flows from these balances for at least 12 months from the date of signing these financial statements. Therefore, the Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

1.3 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

1.5 Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures, are held in the Company balance sheet at cost less any provisions for impairment. Investments are assessed at each reporting date to determine whether there is objective evidence that they are impaired. An investment is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the investment, and that the loss event had a negative effect on the expected future cash flows of the investment. An impairment loss is calculated as the difference between its carrying amount and the discounted value of the expected future cash flows.

Notes (continued)

1 Accounting policies (continued)

1.6 Financial instruments

Financial assets

Classification and measurement of financial assets

All financial assets are initially measured at fair value. Management determines the classification and subsequent measurement of the financial asset based on the contractual terms at the initial recognition date. The classifications and subsequent measurement include the following:

Financial assets at amortised cost

The Company classifies its financial assets as measured at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

All receivables are categorised as amortised cost.

Impairment of financial assets

The Company considers evidence of impairment for these assets at both an individual asset and a collective level at each reporting date. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

Offsetting of balances within financial assets

In line with IAS 32, the Company has a legally enforceable right, and there is an intention to settle on a net basis, through signed legal agreements, to offset cash deposits and overdrafts that are in cash-pool arrangements with relationship banks. The current year balances are included net in note 10(PY: Note 8) as part of "Amounts owed to group undertakings" (PY: Other Debtors). The Company does not offset other financial assets and liabilities where there is no legally enforceable right to do so.

Financial liabilities and equity

Classification and measurement

Management determines the classification of its financial liabilities as either debt or equity at initial recognition according to the substance of the contractual arrangements entered into. All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVPL. The classifications include the following:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVPL) are either designated in this category; or they are held for trading, such as an obligation for securities borrowed in a short sale which are required to be returned in the future. Subsequent to initial recognition, Financial Liabilities at fair value through profit or loss are measured at fair value

and net gains and losses, including any interest expense, are recognised in profit or loss.

Notes (continued)

Other financial liabilities measured at amortised cost using the effective interest method

Other financial liabilities measured at amortised cost using the effective interest method are non- derivative financial liabilities which are not designated on initial recognition as liabilities at fair value through profit or loss. Any subsequent interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Key accounting estimates and judgements

Impairment of investments in subsidiary, associates and joint venture

In determining whether an impairment loss has arisen on investment in subsidiaries, associates and joint ventures, the Company makes judgements over the discounted value of the expected future cash flows. The Company makes estimates of forecasted cash flows, discount rates to derive a net present value of these cash flows and long-term growth rates applicable to every investments. Key areas of judgement include the forecasted revenue growth and operating margins, as well as the determination of the long-term growth rate applicable to each investment.

2 Administrative expenses

	2021 £	2020 £
Impairment of fixed asset investment (see note 7)	1,178,288	–
Other administrative expenses	2,650	–
	1,180,938	–

The audit fee of £0 (2020: £2,711) was borne by a fellow subsidiary within the Dentsu International Group and not recharged.

3 Employees

Other than the directors, the Company had no employees during the period (2020: £nil) and did not incur any staff costs (2020: £nil). The directors of the Company were also either employees or directors of Gleam Futures Limited, a related group entity, which pays their remuneration. The directors did not receive any remuneration for their services as directors of the Company, and do not consider it practicable to apportion their remuneration between their services as directors of the Company and their services as employees or directors of Gleam Futures Limited.

The average monthly number of employees, including directors, during the year was 0 (2020: 0).

4 Dividends receivable

	2021 £	2020 £
Gleam Futures International Holdings Limited	882,957	–
Gleam Futures Limited	894,409	–
Gleam Digital Limited	152,206	–
	1,929,572	–

On 30 March 2021, a dividend from Gleam Digital of £152,206 was declared. On 21 October 2021, a dividend of £894,409 from Gleam Futures Limited was declared. On 17 December 2021, a dividend of £882,957 from Gleam Futures International Holdings Limited was declared. These Companies are all 100% subsidiaries of Gleam Group Limited.

Notes (continued)

5 Interest payable and similar expense

	2021 £	2020 £
Bank charges	1,190	693
	1,190	693

6 Taxation

Corporation tax	2021 £	2020 £
Current tax for the year	(748)	(132)
Total current tax	(748)	(132)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £	2020 £
Loss on ordinary activities before tax	(1,182,128)	(693)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(224,604)	(132)
Non-deductible expenses	223,856	–
Total tax credit for the year	(748)	(132)

Unrelieved tax losses continue to be recognised where they will be utilised by other entities in the tax group through group relief in the same accounting period that generated them.

Factors that may affect future tax charges

UK corporation tax is calculated at 19% (2020: 19%) of the estimated assessable profit for the year. The Government announced in the 2021 Budget that the corporation tax rate will remain at 19% until 1 April 2023 when it will then be increased to 25%.

Notes (continued)

7 Fixed asset investments

	Investments in subsidiary companies	Investments in associate companies	Unlisted investments	Total
	£	£	£	£
Valuation				
At 1 January 2021	4,727,606	100	80	4,727,786
Additions	1,178,001	–	–	1,178,001
Impairment	(1,178,208)	–	(80)	(1,178,288)
At 31 December 2021	4,727,399	100	–	4,727,499

During the year, the Company subscribed for additional shares in Gleam Futures Pty Limited and Gleam Futures International Holdings Limited with values of £283,592 and £894,409, respectively.

Following a year-end review, the investments in Gleam Futures Pty Limited (£283,592), Gleam Futures International Holdings Limited (£894,509), Gleam Digital Limited (£100) and Stripped Bear Limited (£7) were fully impaired.

Gleam Futures Pty Limited and Gleam Digital Limited were dissolved in 2021.

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name of subsidiary	Registered office	Principal activity	Class of shares	Holding
Gleam Futures Limited	10 Triton Street, Regent's Place, London, NW1 3BF	Talent management	Ordinary	100%
Gleam Futures International Holdings Limited	10 Triton Street, Regent's Place, London, NW1 3BF	Holding company	Ordinary	100%
Stripped Bear Limited	C/O Gleam Futures, 10 Triton Street, Regent's Place, London, NW1 3BF	Music management	Ordinary	54%

On 22 March 2022, Gleam Futures International Holdings Limited was dissolved.

Participating interests

The investments in associates held by the group represent a 50% equity interest in The Creator Store Ltd. The unlisted investment held by the group represents a 10% equity interest in Crew Live Limited. The investment in Crew Live Limited was fully impaired in the year.

Notes (continued)

8 Debtors

	2021	2020
	£	£
Amounts owed by group undertakings	1,000,777	379,967
Other debtors	–	14,359
	1,000,777	394,326

The amounts owed by group undertakings are non-interest bearing and are repayable on demand. The amount is not expected to be repaid within one year.

9 Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	–	920

10 Creditors: Amounts falling due within one year

	2021	2020
	£	£
Amounts owed to group undertakings	–	145,006
Amounts owed to other participating interests	2,858	800
	2,858	145,806

11 Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
44,255 Ordinary B shares of £0.01 each	443	443
5,245 Ordinary C shares of £0.01 each	52	52
	495	495

Ordinary B and Ordinary C shares rank equally. Each holder of one share shall carry one vote and shall be entitled to receive notice of and to attend general meetings of the Company. Shares rank equally in relation to distributions by the Company.

12 Reserves

Share premium account

Share premium represents the excess received over the nominal value of the total issued share capital at the reporting date.

Notes *(continued)*

13 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Dentsu International Holdings Limited whose registered address is 10 Triton Street, Regent's Place, London, United Kingdom. The smallest group in which results of the Company are consolidated is that headed by Dentsu International Limited, whose registered address is 10 Triton Street, Regent's Place, London, United Kingdom, NW1 3BF.

The ultimate parent company and controlling party is Dentsu Group Inc., a company incorporated in Tokyo and registered in Japan. The consolidated financial statements of this group can be obtained from; The Secretary, Dentsu Group Inc., 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7001.