

Brainstorm Holdings Limited

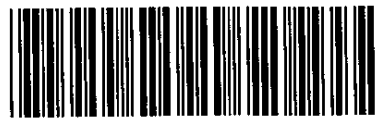
Report and Unaudited Financial Statements

Year Ended

31 May 2020

Company Number 04420713

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Brainstorm Holdings Limited

Report and unaudited financial statements for the year ended 31 May 2020

Contents

Page:

1	Strategic report
2	Directors' report
3	Statement of comprehensive income
4	Balance sheet
5	Statement of changes in equity
6	Notes forming part of the unaudited financial statements

Directors

G Corbett
SK Leahy (appointed 11 May 2020)

Secretary and registered office

Jerrom Secretarial Services Limited
Studio 311, Highgate Studios, 53-79 Highgate Road, London, NW5 1TL

Company number

04420713

Brainstorm Holdings Limited

Strategic report for the year ended 31 May 2020

The directors present their strategic report together with the unaudited financial statements for the year ended 31 May 2020.

Business review

The Company is part of the group which is headed by Brainstorm Investments Limited (hereafter referred to as 'the Group'). The future outlook of the Company is integrated with those of its principal trading subsidiaries, which are listed in note 5 in the unaudited financial statements, the details of which are outlined in those companies' financial statements.

Review of business and future developments

The company is a 100% subsidiary of Brainstorm Investments Limited and full details of the business undertaken by the group are contained within the annual report and financial statements of that company.

Key performance indicators

As Brainstorm Holdings Limited is an intermediate holding company within the Brainstorm Investments Limited group it does not individually monitor key performance indicators ('KPIs'). Analysis of key group KPI's are given in the consolidated financial statements of Brainstorm Investments Limited.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the principal trading subsidiaries and of Brainstorm Investments Limited and are not managed separately. Accordingly, the principal risks and uncertainties are discussed in the annual report and financial statements of Brainstorm Investments Limited, which does not form part of this report.

Post balance sheet events

The unaudited financial statements for the year ended 31 May 2020 have been adjusted to reflect the following post balance sheet events:

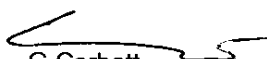
- On 4 June 2020, the Company reduced its capital by cancelling all of its share premium account and credited the full amount of £239,333 to the profit and loss reserve.
- On 4 June 2020, the Company received a dividend of £2,444,099 from its subsidiary Brainstorm Mobile Solutions Limited.
- On 2 July 2020, the directors approved a dividend of £29.92 per Ordinary Shares of 1p each, totalling £2,443,268

At the year-end, the Company directly controlled 97.7% of its subsidiary Brainstorm Mobile Solutions Limited. On 30 June 2020, the Company transferred all of the shares it owned in Brainstorm Mobile Solutions Limited to its immediate parent company Brainstorm Investments Limited by way of dividend in specie.

The directors have assessed the impact of the COVID-19 outbreak on the business have concluded that there is no material effect on the supply and demand for the Company's and its subsidiaries' services and therefore its financial position has not been materially impacted. The directors do not expect this position to change for the foreseeable future.

Approval

This Strategic Report was approved by order of the Board on 15 September 2020


G Corbett
Director

Brainstorm Holdings Limited

Directors' report for the year ended 31 May 2020

The directors present their report together with the unaudited financial statements for the year ended 31 May 2020.

Principal activity

The company is an intermediate holding company.

Results

On 4 June 2020, the Company received a dividend of £2,444,099 (2019: £Nil) from its subsidiary Brainstorm Mobile Solutions Limited. On 2 July 2020, the directors approved a dividend to its shareholders of £29.92 per Ordinary Shares of 1p each, totalling £2,443,268 (2019: £Nil).

Directors

The directors of the company during the year were:

G Corbett

SK Leahy (appointed 11 May 2020)

Directors' responsibilities

The directors are responsible for preparing the directors' report and the unaudited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 unaudited financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This Directors' report was approved by order of the Board on 15 September 2020



G Corbett
Director

Brainstorm Holdings Limited

Statement of comprehensive income for the year ended 31 May 2020

	Note	2020 £	2019 £
Other interest receivable and similar income	3	2,444,099	-
Profit on ordinary activities before taxation		2,444,099	-
Taxation on profit from ordinary activities		-	-
Profit for the Financial year		2,444,099	-
Other comprehensive income for the year		-	-
Total comprehensive income for year		2,444,099	-

The notes on pages 6 to 9 form part of these financial statements.

Brainstorm Holdings Limited

Balance sheet at 31 May 2020

Company number 04420713	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Fixed asset investments	5		14		14
			<u>14</u>		<u>14</u>
Current assets					
Debtors	6	2,444,099			
Creditors: amounts falling due within one year	7	<u>(2,443,282)</u>		<u>(14)</u>	
Net current assets/(liabilities)			817		(14)
Total assets less current liabilities			<u>831</u>		<u>-</u>
Capital and reserves					
Called up share capital	8		817		817
Share premium account			-		239,333
Profit and loss account			14		(240,150)
Shareholders' funds			<u>831</u>		<u>-</u>

For the year ended 31 May 2020 the company was entitled to exemption under section 479a of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The unaudited financial statements were approved by the Board of Directors and authorised for issue on 15 September 2020



G Corbett
Director

The notes on pages 6 to 9 form part of these unaudited financial statements.

Brainstorm Holdings Limited

Statement of changes in equity for the year ended 31 May 2020

	Share capital £	Share premium £	Profit and loss account £	Total equity £
1 June 2019	817	239,333	(240,150)	-
Profit for the year	-	-	2,444,099	2,444,099
Total comprehensive income for the year	-	-	2,444,099	2,444,099
Share capital reduction (note 10)	-	(239,333)	239,333	-
Dividend (note 4)	-	-	(2,443,268)	(2,443,268)
31 May 2020	817	-	14	831

	Share capital £	Share premium £	Profit and loss account £	Total Equity £
1 June 2018	817	239,333	(240,150)	-
Total comprehensive income for the year	-	-	-	-
31 May 2019	817	239,333	(240,150)	-

The notes on pages 6 to 9 form part of these unaudited financial statements.

Brainstorm Holdings Limited

Notes forming part of the unaudited financial statements for the year ended 31 May 2020

1 Accounting policies

Brainstorm Holdings Limited is a private company, limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the strategic report. The unaudited financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

In preparing these unaudited financial statements the company has applied the following principal accounting policies:

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Brainstorm Investments Limited as at 31 May 2020 and these financial statements may be obtained from Studio 311 Highgate Studios, 53-79 Highgate Road, London, NW5 1TL.

Consolidated financial statements

The financial statements contain information about Brainstorm Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by Section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the EEA accounts of a larger group.

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Reserves

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- The share premium account includes the premium on issue of equity shares, net of any issue costs.
- Profit and loss account represent cumulative profits or losses, net of dividends paid and other adjustments.

Brainstorm Holdings Limited

Notes forming part of the unaudited financial statements for the year ended 31 May 2020 (continued)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

There are no estimates and judgements that have a significant risk causing material adjustment to the carrying amounts of the assets and liabilities within the financial period.

3 Other interest receivable and similar income

	2020 £	2019 £
Dividend from Subsidiary	2,444,099	-
	<u>2,444,099</u>	<u>-</u>

4 Dividends payable

	2020 £	2019 £
Dividends payable	2,443,268	-
	<u>2,443,268</u>	<u>-</u>

On 2 July 2020, the directors approved a dividend of £29.92 per Ordinary Shares of 1p each, totalling £2,443,268

Brainstorm Holdings Limited

Notes forming part of the unaudited financial statements
for the year ended 31 May 2020 (continued)

5 Fixed asset investments

	Subsidiary undertakings £
Cost	
At 1 June 2019 and 31 May 2020	14

Subsidiary undertakings

The Company's subsidiary undertakings and investment holdings at 31 May 2020 are as follows:

Name	Country of incorporation and Registered office	Principal activity during the year	Percentage of equity capital
<i>Held directly:</i>			
Brainstorm Mobile Solutions Ltd	Studio 311, Highgate Studios, 53-79 Highgate Road, London, NW5 1TL, England	Trading	97.7%
<i>Held indirectly:</i>			
Brainstorm Mobile Solutions Limited is the owner of:			
Brainstorm Mobile Solutions (Singapore) PTE. Ltd	8 Shenton Way, #05-02 AXA Tower, Singapore 068811	Dormant	100%
Brainstorm Brazil Solucoes EM Telefonica Movel EIRELI	Cidade de São Paulo, Estado de São Paulo, na Alameda Santos, número 200, conjunto 62, Edificio Victoria Plaza, CEP 014418-000, Brazil	Trading	100%
Brainstorm Marketing Solutions Ltd	Studio 311, Highgate Studios, 53-79 Highgate Road, London, NW5 1TL, England	Dormant	100%
Oxygen8 Communications Ireland Ltd	21-22 Grafton Street, Dublin 2, Ireland	Trading	100%
Engage Hub Ltd	Studio 311, Highgate Studios, 53-79 Highgate Road, London, NW5 1TL, England	Dormant	100%

In November 2019, the Brainstorm Mobile Solutions (Singapore) PTE. Limited ceased trading.

6 Debtors

	2020 £	2019 £
Amounts owed by subsidiary undertakings	2,444,099	-

All amounts shown under debtors fall due for payment within one year

Brainstorm Holdings Limited

Notes forming part of the unaudited financial statements
for the year ended 31 May 2020 (continued)

7 Creditors: amounts falling due within one year

	2020 £	2019 £
Proposed dividends	2,443,268	-
Other creditors	14	14
	<u>2,443,282</u>	<u>14</u>

8 Share capital

	Allotted, called up and fully paid			
	2020 Number	2019 Number	2020 £	2019 £
Ordinary shares of 1p each	<u>81,665</u>	<u>81,665</u>	<u>817</u>	<u>817</u>

The ordinary shares have attached to them full voting, dividend and capital distribution rights.

9 Related party relationships and transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

10 Post balance sheet events

The unaudited financial statements for the year ended 31 May 2020 have been adjusted to reflect the following post balance sheet events:

- On 4 June 2020, the Company reduced its capital by cancelling all of its share premium account and credited the full amount of £239,333 to the profit and loss reserve.
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The directors have assessed the impact of the COVID-19 outbreak on the business have concluded that there is no material effect on the supply and demand for the Company's and its subsidiaries' services and therefore its financial position has not been materially impacted. The directors do not expect this position to change for the foreseeable future.

11 Ultimate Controlling Party

The immediate and ultimate parent company is Brainstorm Investments Limited, a company incorporated in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by Brainstorm Investments Limited. The consolidated accounts are available to the public and may be obtained from the Registrar of Companies.

The company's ultimate controlling party is Mr G Corbett through his control of Brainstorm Investments Limited.