

# Intercard Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 October 2019



# HALLIDAYS

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# InterCard Limited

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# InterCard Limited

## (Registration number: 04996335) Balance Sheet as at 31 October 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	311,140	368,367
Tangible assets	<u>5</u>	122,332	152,504
Investments		153,351	153,351
		<u>586,823</u>	<u>674,222</u>
<b>Current assets</b>			
Stocks	<u>7</u>	23,500	33,254
Debtors	<u>8</u>	158,525	269,074
Cash at bank and in hand		23,125	16,456
		<u>205,150</u>	<u>318,784</u>
<b>Creditors: Amounts falling due within one year</b>	<u>9</u>	<u>(171,291)</u>	<u>(286,262)</u>
<b>Net current assets</b>		<u>33,859</u>	<u>32,522</u>
<b>Total assets less current liabilities</b>		620,682	706,744
<b>Creditors: Amounts falling due after more than one year</b>	<u>9</u>	(71,761)	(86,509)
<b>Provisions for liabilities</b>		<u>(15,800)</u>	<u>(19,940)</u>
<b>Net assets</b>		<u>533,121</u>	<u>600,295</u>
<b>Capital and reserves</b>			
Called up share capital		625	625
Share premium reserve		741,857	741,857
Capital redemption reserve		375	375
Profit and loss account		<u>(209,736)</u>	<u>(142,562)</u>
<b>Total equity</b>		<u>533,121</u>	<u>600,295</u>

For the financial year ending 31 October 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small 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; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 3 to 11 form an integral part of these financial statements.

# **Intercard Limited**

**(Registration number: 04996335)**  
**Balance Sheet as at 31 October 2019**

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 2 March 2020 and signed on its behalf by:

Mr Paul Graham Church  
Director

Ms Lauren Leach  
Company secretary and director

The notes on pages 3 to 11 form an integral part of these financial statements.

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# **InterCard Limited**

## **Notes to the Financial Statements for the Year Ended 31 October 2019**

### **1 General information**

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

2 Maylands Wood  
Hall Road  
Hemel Hempstead Industrial Estate  
Hemel Hempstead  
HP2 7BH

These financial statements were authorised for issue by the Board on 2 March 2020.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Foreign currency transactions and balances**

The financial statements are presented in Sterling, which is also the functional currency of the Company. Transactions in currencies, other than the functional currency of the Company, are recorded at the rate of exchange on the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to the statement of comprehensive income. Non-monetary items that are measured at historic cost in a foreign currency are not retranslated.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

## InterCard Limited

### Notes to the Financial Statements for the Year Ended 31 October 2019

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & machinery	20% on reducing basis
Fixture and fittings	20% on reducing basis
Computer equipment	20% on reducing basis

#### Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	5% Straight line
Other Intangible Assets	25% Straight line

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method.

Dividends on equity securities are recognised in income when receivable.

## **Intercard Limited**

### **Notes to the Financial Statements for the Year Ended 31 October 2019**

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## **Intercard Limited**

### **Notes to the Financial Statements for the Year Ended 31 October 2019**

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 12 (2018 - 13).



# InterCard Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### 4 Intangible assets

	Goodwill £	Internally generated software development costs £	Total £
<b>Cost or valuation</b>			
At 1 November 2018	1,227,857	5,000	1,232,857
Additions acquired separately	-	5,553	5,553
At 31 October 2019	1,227,857	10,553	1,238,410
<b>Amortisation</b>			
At 1 November 2018	859,490	5,000	864,490
Amortisation charge	61,392	1,388	62,780
At 31 October 2019	920,882	6,388	927,270
<b>Carrying amount</b>			
At 31 October 2019	306,975	4,165	311,140
At 31 October 2018	368,367	-	368,367

### 5 Tangible assets

	Furniture, fittings and equipment £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At 1 November 2018	116,720	723,410	840,130
Additions	411	-	411
At 31 October 2019	117,131	723,410	840,541
<b>Depreciation</b>			
At 1 November 2018	93,028	594,598	687,626
Charge for the year	4,821	25,762	30,583
At 31 October 2019	97,849	620,360	718,209
<b>Carrying amount</b>			
At 31 October 2019	19,282	103,050	122,332
At 31 October 2018	23,692	128,812	152,504

Included within the net book value of tangible fixed assets is leased assets of £34,455 (2018: £43,068). Depreciation for the year on these assets was £8,614 (2018: £10,767)

# InterCard Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### 6 Investments

Investments in participating interests at the year end totalled £153,351 (2018: 153,351).

### 7 Stocks

	2019 £	2018 £
Other inventories	23,500	33,254

### 8 Debtors

	Note	2019 £	2018 £
Trade debtors		109,747	222,814
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>11</u>	40,000	40,000
Prepayments		8,778	2,427
Other debtors		-	3,833
		<u>158,525</u>	<u>269,074</u>

# InterCard Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### 9 Creditors

#### Creditors: amounts falling due within one year

	Note	2019 £	2018 £
<b>Due within one year</b>			
Bank loans and overdrafts	<u>10</u>	14,250	30,022
Trade creditors		50,482	104,884
Taxation and social security		13,240	42,567
Other creditors		<u>93,319</u>	<u>108,789</u>
		<u>171,291</u>	<u>286,262</u>
		<u>71,761</u>	<u>86,509</u>

#### Due after one year

Loans and borrowings	<u>10</u>	<u>71,761</u>	<u>86,509</u>
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#### Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
<b>Due after one year</b>			
Loans and borrowings	<u>10</u>	<u>71,761</u>	<u>86,509</u>

Creditors amounts falling due after more than one year includes the above liabilities, on which security has been given by the company.

The providers of the hire purchase contract have a fixed charge over the asset for which the contract is established until such time as they are settled in full.

# InterCard Limited

## Notes to the Financial Statements for the Year Ended 31 October 2019

### 10 Loans and borrowings

	2019 £	2018 £
<b>Current loans and borrowings</b>		
Bank borrowings	14,250	14,250
Hire Purchase Liability	-	15,772
	<u>14,250</u>	<u>30,022</u>

	2019 £	2018 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	<u>71,761</u>	<u>86,509</u>

### 11 Related party transactions

#### Summary of transactions with other related parties

At the balance sheet date the amount owed from related companies was £40,000 (2018: £40,000). This amount is interest free and repayable on demand.

During the year the company paid management charges of £Nil to related parties (2018: £10,000).

### 12 Share capital

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

	2019		2018	
	No.	£	No.	£
Ordinary 'A' of £0.01 each	19,500	195.00	19,500	195.00
Ordinary 'B' of £0.01 each	21,000	210.00	21,000	210.00
Ordinary 'C' of £0.01 each	22,000	220.00	22,000	220.00
	<u>62,500</u>	<u>625</u>	<u>62,500</u>	<u>625</u>

## **Intercard Limited**

### **Notes to the Financial Statements for the Year Ended 31 October 2019**

#### **13 Obligations under leases and hire purchase contracts**

##### **Operating leases**

The total of future minimum lease payments is as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Not later than one year	81,500	62,500
Later than one year and not later than five years	81,500	-
Later than five years	652,000	-
	<u>815,000</u>	<u>62,500</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £79,018 (2018 - £63,335).

#### **14 Control**

The company is controlled by Mr P Church.

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