

Intercard Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 October 2020



HALLIDAYS

Intercard Limited

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Intercard Limited
(Registration number: 04996335)
Balance Sheet as at 31 October 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>4</u>	249,309	311,140
Tangible assets	<u>5</u>	159,483	122,332
Investments		153,351	153,351
		<u>562,143</u>	<u>586,823</u>
Current assets			
Stocks	<u>7</u>	16,500	23,500
Debtors	<u>8</u>	208,940	158,525
Cash at bank and in hand		47,334	23,125
		<u>272,774</u>	<u>205,150</u>
Creditors: Amounts falling due within one year	<u>9</u>	<u>(294,582)</u>	<u>(171,291)</u>
Net current (liabilities)/assets		<u>(21,808)</u>	<u>33,859</u>
Total assets less current liabilities		540,335	620,682
Creditors: Amounts falling due after more than one year	<u>9</u>	(158,826)	(71,761)
Provisions for liabilities		<u>(25,500)</u>	<u>(15,800)</u>
Net assets		<u>356,009</u>	<u>533,121</u>
Capital and reserves			
Called up share capital		625	625
Share premium reserve		741,857	741,857
Capital redemption reserve		375	375
Profit and loss account		<u>(386,848)</u>	<u>(209,736)</u>
Total equity		<u>356,009</u>	<u>533,121</u>

For the financial year ending 31 October 2020 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 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.

Intercard Limited

**(Registration number: 04996335)
Balance Sheet as at 31 October 2020**

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.

Approved and authorised by the Board on 14 April 2021 and signed on its behalf by:

Mr Paul Graham Church
Director

Ms Lauren Leach
Company secretary and director

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

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 14 April 2021.

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.

Covid 19 support income

During the year the company received grant income in respect of furlough claims as part of the government support measures for companies during the COVID-19 pandemic.

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

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.

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 balance sheet 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.

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

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.

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.

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

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.

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.

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 12 (2019 - 12).

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

4 Intangible assets

	Goodwill £	Internally generated software development costs £	Total £
Cost or valuation			
At 1 November 2019	1,227,857	10,553	1,238,410
Additions acquired separately	-	1,268	1,268
At 31 October 2020	1,227,857	11,821	1,239,678
Amortisation			
At 1 November 2019	920,882	6,388	927,270
Amortisation charge	61,393	1,706	63,099
At 31 October 2020	982,275	8,094	990,369
Carrying amount			
At 31 October 2020	245,582	3,727	249,309
At 31 October 2019	306,975	4,165	311,140

5 Tangible assets

	Furniture, fittings and equipment £	Plant and machinery £	Total £
Cost or valuation			
At 1 November 2019	117,131	723,410	840,541
Additions	346	76,675	77,021
At 31 October 2020	117,477	800,085	917,562
Depreciation			
At 1 November 2019	97,849	620,360	718,209
Charge for the year	3,925	35,945	39,870
At 31 October 2020	101,774	656,305	758,079
Carrying amount			
At 31 October 2020	15,703	143,780	159,483
At 31 October 2019	19,282	103,050	122,332

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

Included within the net book value of tangible fixed assets is leased assets of £88,904 (2019: £34,455). Depreciation for the year on these assets was £22,226 (2019: £8,614)

6 Investments

Investments in participating interests at the year end totalled £153,351 (2019: 153,351).

7 Stocks

	2020 £	2019 £
Other inventories	16,500	23,500

8 Debtors

	Note	2020 £	2019 £
Trade debtors		155,272	109,747
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>11</u>	40,000	40,000
Prepayments		8,266	8,778
Other debtors		5,402	-
		<u>208,940</u>	<u>158,525</u>

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

9 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	32,579	14,250
Trade creditors		69,292	50,482
Taxation and social security		100,750	13,240
Other creditors		91,961	93,319
		<u>294,582</u>	<u>171,291</u>
		<u>64,222</u>	<u>71,761</u>

Due after one year

Loans and borrowings	<u>10</u>	<u>158,826</u>	<u>71,761</u>
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Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>158,826</u>	<u>71,761</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 Unaudited Financial Statements for the Year Ended 31 October 2020

10 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	14,250	14,250
Hire Purchase Liability	18,329	-
	<u>32,579</u>	<u>14,250</u>

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	114,222	71,761
Hire Purchase Liability	44,604	-
	<u>158,826</u>	<u>71,761</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 (2019: £40,000). This amount is interest free and repayable on demand.

Intercard Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 October 2020

12 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	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>

13 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2020	2019
	£	£
Not later than one year	84,488	81,500
Later than one year and not later than five years	337,952	326,000
Later than five years	<u>337,952</u>	<u>407,500</u>
	<u>760,392</u>	<u>815,000</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £85,102 (2019 - £79,018).

14 Control

The company is controlled by Mr P Church.

Kings Reach Business Park

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

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