

Company Registered Number: 06729907

Intelligent Card Solutions Limited

Financial Statements
Year Ended 31 August 2021



Intelligent Card Solutions Limited

Company Information

Directors Patrick Gurney (appointed 6 August 2020)
Matthew Howe (appointed 6 August 2020)
Kirsten Richesson (appointed 6 August 2020)

Company Secretary Michelle Wainhouse (appointed 6 August 2020)

Registered Office Westside,
London Road,
Hemel Hempstead,
Hertfordshire,
United Kingdom,
HP3 9TD

Intelligent Card Solutions Limited

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Intelligent Card Solutions Limited

Directors' Report For the year ended 31 August 2021

The Directors present their report and the financial statements for the year ended 31 August 2021.

Directors

The Directors who served during the year were:

P Gurney

K Richesson

M Howe

M Wainhouse

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.

This report was approved by the Board and signed on its behalf.



P Gurney

Director

Date: 06 May 2022

Intelligent Card Solutions Limited

Statement of Income and Retained Earnings For the year ended 31 August 2021

	Note	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Turnover		2,665,344	1,665,162
Cost of sales		(1,833,389)	(1,066,238)
Gross profit		831,955	598,924
Administrative expenses		(32,416)	(136,631)
Operating profit/(loss)		799,539	462,291
Interest receivable and similar income		241	319
Profit/(loss) before tax		799,780	462,610
Tax on profit/(loss)		(152,620)	(56,791)
Profit/(loss) after tax		647,160	405,819
Retained earnings at the beginning of the year		406,071	252
Profit/(loss) for the year		647,160	405,819
Retained earnings at the end of the year		1,053,231	406,071

The notes on pages 8 – 13 form part of these financial statements.

Intelligent Card Solutions Limited

Balance Sheet As at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	4	-	-
Current Assets			
Stock		0	35,200
Debtors: amounts falling due within one year	5	1,846,024	460,538
Cash at bank and in hand	6	4,548,458	2,702,195
		6,394,482	3,197,933
Creditors: amounts falling due within one year	7	(5,341,252)	(2,791,662)
Net Current Assets		1,053,230	406,271
Total assets less current liabilities		1,053,230	406,271
NET ASSETS		1,053,230	406,271
Capital and reserves			
Called up share capital		200	200
Profit and loss account		1,053,030	406,071
TOTAL CAPITAL AND RESERVES		1,053,230	406,271

Intelligent Card Solutions Limited

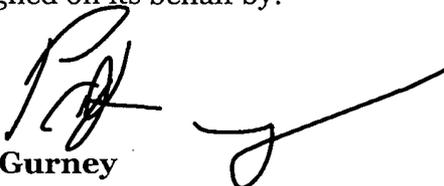
Balance Sheet (Continued) As at 31 August 2021

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit 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 preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

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


P Gurney

Director

Date: 06 May 2022

The notes on pages 8 – 13 form part of these financial statements.

Intelligent Card Solutions Limited

Notes to the Financial Statements For the year ended 31 August 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

1.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

1.3 Interest income

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

1.4 Pensions

Defined contribution pension plan

The Company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Intelligent Card Solutions Limited

Notes to the Financial Statements For the year ended 31 August 2021

1. Accounting policies (continued)

1.5 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.

1.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

1.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Computer equipment - 25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

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Notes to the Financial Statements For the year ended 31 August 2021

1. Accounting policies (continued)

1.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2. General information

Intelligent Card Solutions Limited is a private company, limited by shares, registered in England and Wales, company number: 06729907. The registered office is Westside, London Road, Hemel Hempstead, HP3 9TD. The principal activity of the company in the year under review was the provision of card based loyalty, reward and benefits programmes.

3. Employees

The average monthly number of employees, including directors, during the year was nil (2020 - 1).

Intelligent Card Solutions Limited

Notes to the Financial Statements For the year ended 31 August 2021

4. Tangible fixed assets

	Computer Equipment £
Cost or valuation	
At 1 September 2020	2,900
Disposals	(2,900)
At 31 August 2021	<u>-</u>
Depreciation	
At 1 September 2020	2,900
Disposals	(2,900)
Charge for the year on owned assets	-
As at 31 August 2021	<u>-</u>
Net book value	
At 31 August 2021	<u>-</u>
At 31 August 2020	<u>-</u>

5. Debtors

	2021 £	2020 £
Trade debtors	307,783	460,094
Other debtors	225,292	-
Prepayments and accrued income	1,312,948	444
	<u>1,846,024</u>	<u>460,538</u>

6. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	4,548,458	2,702,195
	<u>4,548,458</u>	<u>2,702,195</u>

Intelligent Card Solutions Limited

Notes to the Financial Statements For the year ended 31 August 2021

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	459,859	1,705,002
Other taxation and social security	280,735	4,040
Other creditors	78,167	17,624
Accruals and deferred income	4,369,870	1,008,205
Corporation tax	152,620	56,791
	<u>5,341,251</u>	<u>2,791,662</u>

8. Financial instruments

Financial assets	2021 £	2020 £
Financial assets measured at fair value through profit or loss	5,081,534	3,162,288
	<u>5,081,534</u>	<u>3,162,288</u>
Financial liabilities	2021 £	2020 £
Financial liabilities measured at fair value through profit or loss	5,341,251	1,769,013
	<u>5,341,251</u>	<u>1,769,013</u>

9. Pension commitments

The Company contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost represents contributions payable by the Company to the fund and amounted to £2,349 (2020: £2,075).

Intelligent Card Solutions Limited

Notes to the Financial Statements For the year ended 31 August 2021

10. Related party transactions and ultimate parent company/controlling party

During 2021, Intelligent Card Solutions paid Hawk Incentives Limited (an associated entity, controlled by the same ultimate parent company), £25,453 for inventory purchases (2020: Nil).

As at 6 August 2020, Intelligent Card Solutions Ltd was acquired by Blackhawk Network Europe Limited, a company incorporated in the UK. Blackhawk Network Europe Limited 100% owns and controlled Intelligent Card Solutions Ltd as at the year-end date.

The ultimate parent undertaking and controlling party is Blackhawk Network Inc, a company registered in the USA. The group accounts for Blackhawk Network Inc can be obtained from 6220 Stoneridge Mall Rd, Pleasanton, CA 94588, USA.

Up until 6 August 2020, the company was 100% owned by Tie Group Limited. The company paid management fees to its former parent company during the prior year (2020: £13,000). These were interest free and repayable on demand.

Intelligent Card Solutions Limited

Detailed Profit and Loss Account For the Year Ended 31 August 2021

	Note	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Turnover		2,665,344	1,665,162
Cost of sales		(1,833,389)	(1,066,238)
Gross profit		831,955	598,924
Administrative expenses		(32,416)	(136,631)
Operating profit/(loss)		799,539	462,291
Interest receivable and similar income		241	319
Profit/(loss) before tax		799,780	462,610
Tax on profit/(loss)		(152,620)	(56,791)
Profit/(loss) after tax		647,160	405,819

Intelligent Card Solutions Limited

Schedule to the Detailed Accounts For the Year Ended 31 August 2021

	Year ended 31 August 2021 £	Year ended 31 August 2020 £
Note		
Turnover		
Sales	2,665,344	1,665,162
	<u>2,665,344</u>	<u>1,665,162</u>
Cost of sales	(1,833,389)	(1,066,238)
	<u>831,955</u>	<u>598,924</u>
Gross profit		
Administrative expenses		
Staff salaries	14,968	75,388
Staff national insurance	-	7,884
Staff pension costs	2,349	2,075
Entertainment	-	-
Hotels, travel and subsistence	-	2,300
Consultancy	-	17,253
Product development	-	-
Computer costs	-	-
Advertising and promotion	1,350	4,755
Trade subscriptions	191	200
Accounting fees	0	1,250
Legal and professional	714	15,750
Bank charges	9,005	6,729
Depreciation	0	169
Property maintenance and insurance	354	2,878
Bad debt	3,485	-
	<u>32,416</u>	<u>136,631</u>
Bank interest receivable	241	319
	<u>799,780</u>	<u>462,610</u>
Profit/(loss) before tax		
Tax on profit/(loss)	(152,620)	(56,791)
	<u>647,160</u>	<u>405,819</u>
Profit/(loss) after tax		