

Cardcast Limited (formerly Cardcast plc)  
Annual Report  
for the year ended 31 December 2006

Registered Number 03119366

WEDNESDAY



A36 \*A9DNUQY1\* 248  
04/07/2007  
COMPANIES HOUSE

# **Cardcast Limited**

## **Annual Report for the year ended 31 December 2006**

### **Contents**

Directors and advisors	.	.	.	.	.	..3
Directors' report	.	.	.	.	.	4 - 5
Auditors' report	.	.	.	.	.	..6
Profit and loss account	.	.	.	.	.	..7
Balance sheet	.	.	.	.	.	8
Notes to the financial statements	.	.	.	.	.	9 - 12

# **Cardcast Limited**

## **Directors and advisors for the year ended 31 December 2006**

### **Directors**

C C Clump

N Whittaker – resigned 18 December 2006

R J Amos

### **Secretary and registered office**

Richard Amos

ReD House

Brookwood

Surrey

GU24 0BL

### **Auditors**

PricewaterhouseCoopers LLP

1 Embankment Place

London

WC2N 6RH

### **Solicitors**

Macfarlanes

10 Norwich Street

London

EC4A 1BD

### **Registered number**

03119366

### **Bankers**

National Westminster Bank Limited

Business Services Group

Corporate Banking London

9th Floor, 280 Bishopsgate

London

EC2M 4RB

# **Cardcast Limited**

## **Directors' report for the year ended 31 December 2006**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2006

### **Principal activities**

The principal activity of the company during the year was to act as a holding company

### **Review of business and future developments**

The directors expect that the company will operate in its present capacity for the foreseeable future

During the year, two of the company's investments traded at a loss and the directors considered it appropriate for an impairment charge of £258,858 to be made as they consider it a permanent diminution in value

### **Principal risks and uncertainties**

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of the Retail Decisions Limited group, which include those of the company are discussed in the group's annual report on page 4 which does not form part of this report

### **Key performance indicators**

Given the straightforward activities of the company, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

### **Results and dividends**

The results for the year are set out in the profit and loss account on page 7 and the year end position is set out in the balance sheet on page 8

No dividend has been declared for the year ended 31 December 2006 (2005 nil)

### **Directors and their interests**

The directors who served throughout the year, except as noted, were as follows

C C Clump

R J Amos

N Whittaker – resigned 18 December 2006

The directors who held office at 31 December 2006 had no interest in the shares of the Company

### **Research and development**

The company did not undertake any research and development in the year under review

### **Policy and practice on payment of creditors**

The company acts as a holding company and therefore did not have any creditors during the year or the previous year

### **Post balance sheet events**

Subsequent to the acquisition of the Company's parent undertaking, Retail Decisions Limited, by RD Card Limited the Group has restructured its business as follows

On 25 January 2007 Retail Decisions Pty Ltd was sold to RD Card Holdings Australia Pty Ltd, a subsidiary of RD Card Holdings Limited, the parent company of RD Card Limited

On 18 January 2007 the Company re-registered as a private limited company

# Cardcast Limited

## Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that 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 1985. 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

## Provision of information to auditors

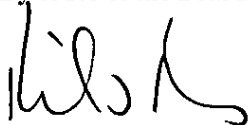
In the case of each of the persons who are directors at the time the report is approved

- So far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- They have taken all the steps they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

## Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors of the company will be proposed at the next annual general meeting

By order of the Board



**R J Amos**  
Director

# Cardcast Limited

## Independent auditors' report to the members of Cardcast Limited

We have audited the financial statements of Cardcast Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

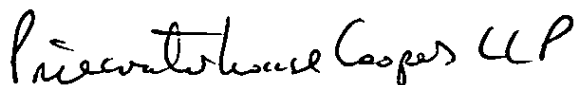
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its results for the year then ended,
- The financial statements have been properly prepared in accordance with the Companies Act 1985, and
- The information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London  
June 2007

(8)

## Cardcast Limited

### Profit and loss account for the year ended 31 December 2006

	Notes	2006 £	2005 £
Provision for impairment of investment in associates	6	<u>(258,858)</u>	-
<b>Operating loss – continuing operations</b>	2	<u>(258,858)</u>	-
<b>Loss on ordinary activities before taxation</b>		<u>(258,858)</u>	-
Tax on profit on ordinary activities	5	-	-
<b>Loss for the financial year</b>	11	<u>(258,858)</u>	-

The company has no recognised gains or losses other than those included in the profit and loss account above and, therefore, no separate statement of total recognised gains and losses has been presented

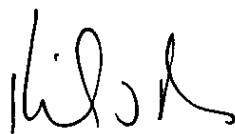
There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and their historical cost equivalents

# Cardcast Limited

## Balance sheet as at 31 December 2006

	Notes	2006 £	2005 £
<b>Fixed assets</b>			
Investment in subsidiaries	6	9,496,945	9,496,945
Investment in associates	6	60,489	294,182
		<u>9,557,434</u>	<u>9,791,127</u>
<b>Current assets</b>			
Debtors	7	-	25,048
Cash at bank and in hand		-	-
<b>Net current assets</b>		<u>-</u>	<u>25,048</u>
<b>Total assets less current liabilities</b>		<b>9,557,434</b>	<b>9,816,175</b>
Creditors amounts falling due after more than one year	8	(8,491,331)	(8,491,214)
<b>Net assets</b>		<u><b>1,066,103</b></u>	<u><b>1,324,961</b></u>
<b>Capital and reserves</b>			
Called up share capital	9	647,802	647,802
Share premium account	11	1,634,739	1,634,739
Capital redemption reserve	11	51,603	51,603
Profit and loss account	10	(1,268,041)	(1,009,183)
<b>Equity shareholders' funds</b>	11	<u><b>1,066,103</b></u>	<u><b>1,324,961</b></u>

The financial statements on pages 7 to 12 were approved by the board of directors on 13 June 2007 and were signed on its behalf by



**R J Amos**  
**Director**



# **Cardcast Limited**

## **Notes to the financial statements for the year ended 31 December 2006**

### **1 Principal accounting policies**

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable Accounting Standards. A summary of the more important accounting policies, is set out below.

#### **Basis of preparation**

The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as both it and its subsidiary undertakings are included by full consolidation in the financial statements of its parent, Retail Decisions Limited, a company registered in England and Wales.

#### **Cash flow statement and related party disclosures**

The company is exempt from the requirement of Financial Reporting Standard No 1 (revised 1996) to prepare a cash flow statement as it is a wholly owned subsidiary of Retail Decisions Limited. The company is also exempt under terms of Financial Reporting Standard No 8 from disclosing related party transactions with entities that are part of the Retail Decisions Limited group or investees of the Retail Decisions Limited group.

#### **Foreign currency**

Transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currency are translated into sterling at the exchange rate ruling at the balance sheet date. The resulting exchange differences are dealt with through the profit and loss account.

#### **Investments**

Fixed asset investments are shown at cost less provision for permanent diminution in value and, in the opinion of the directors, their value is not less than the aggregate amount shown in the balance sheet.

### **2 Operating loss**

The audit fee is being borne by the parent company.

### **3 Directors' emoluments**

All the directors are paid by other group companies in respect of their group responsibilities. The directors' services to the company are primarily of a non-executive nature and their emoluments are deemed wholly attributable to their services to other group companies. Accordingly, these financial statements disclose no directors' emoluments. Their total emoluments from group companies are disclosed in the financial statements of the parent company, Retail Decisions Limited.

### **4 Employees**

The company did not employ any staff during the year (2005 nil).

### **5 Tax on profit on ordinary activities**

During the year there was no current or deferred taxation charge (2005 £nil).

# Cardcast Limited

## Notes to the financial statements for the year ended 31 December 2006

### 6 Investments

<b>Investment in subsidiary undertakings</b>	<b>2006</b>	<b>2005</b>
<b>Cost:</b>	<b>£</b>	<b>£</b>
At 1 January and 31 December	<u>10,504,990</u>	<u>10,504,990</u>
<b>Provision against cost of investment:</b>		
At 1 January and 31 December	<u>1,008,045</u>	<u>1,008,045</u>
<b>Net book value</b>		
At 31 December	<u>9,496,945</u>	<u>9,496,945</u>

The provision was made against the company's investment in Retail Decisions Inc in 2002

<b>Investment in associated undertakings</b>	<b>2006</b>	<b>2005</b>
<b>Cost:</b>	<b>£</b>	<b>£</b>
At 1 January	294,182	294,182
Additions	<u>25,165</u>	<u>-</u>
At 31 December	<u>319,347</u>	<u>294,182</u>
<b>Provision against cost of investment:</b>		
At 1 January	-	-
Provision for permanent diminution in value	<u>(258,858)</u>	<u>-</u>
At 31 December	<u>(258,858)</u>	<u>-</u>
<b>Net book value</b>		
At 31 December	<u>60,489</u>	<u>294,182</u>

#### Additions

During the year the company converted its loan to M1-Pay Limited of £25,165 into 624 shares in M1-Pay Limited at market value

# Cardcast Limited

## Notes to the financial statements for the year ended 31 December 2006

### 6 Investments (continued)

#### Interest in Principal Group undertakings

Name of undertaking	Nature of business	Country of incorporation	Description of shares held	Proportion of nominal value of shares held by the Company
*Retail Decisions Inc	Fraud prevention & payment processing	United States	Ordinary US\$1	100%
*International Card Enterprises BV	Holding company	Netherlands	Ordinary €4 50	100%
Retail Decisions Pty Ltd	Fuel card	Australia	Ordinary Aus\$1	100%
Motorcharge Ltd	Fuel card	Australia	Ordinary Aus\$1	100%
E Com Industries Pty Ltd	Stored value Cards	Australia	Ordinary Aus\$1	100%
*Mi-Pay Limited	Payment processing	United Kingdom	Ordinary £1	15.9%
*Digital Payments Limited	Payment processing	United Kingdom	Ordinary £1	30%

\*Shares held by the company are marked with an asterisk. All other companies are held by subsidiaries.

### 7 Debtors

	2006 £	2005 £
Amounts falling due within one year		
Loan to associate undertaking	-	25,000
Amounts due from Group undertakings	-	48
	<u>-</u>	<u>25,048</u>

### 8 Creditors: amounts due after more than one year

	2006 £	2005 £
Amounts payable to Group undertakings	<u>8,491,331</u>	<u>8,491,214</u>

# Cardcast Limited

## Notes to the financial statements for the year ended 31 December 2006

### 9 Called up share capital

	2006 £	2005 £
<b>Equity authorised</b>		
25,000,000 ordinary shares of 4p each	<u>1,000,000</u>	<u>1,000,000</u>
<b>Non-equity authorised</b>		
1,000,000 cumulative redeemable preference shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
(none of which had been issued at 31 December 2005 or 31 December 2006)		
<b>Allotted, called up and fully paid</b>		
16,195,050 ordinary shares of 4p each	<u>647,802</u>	<u>647,802</u>

### 10 Profit and loss account

	£
At 1 January 2006	(1,009,183)
Loss for the financial year	(258,858)
At 31 December 2006	<u>(1,268,041)</u>

### 11 Reconciliation of movements in shareholders' funds

	Share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total shareholders' funds 2006	Total shareholders' funds 2005
	£	£	£	£	£	£
At 1 January	647,802	1,634,739	51,603	(1,009,183)	1,324,961	1,324,961
Loss for the financial year	-	-	-	(258,858)	(258,858)	-
At 31 December	<u>647,802</u>	<u>1,634,739</u>	<u>51,603</u>	<u>(1,268,041)</u>	<u>1,066,103</u>	<u>1,324,961</u>

### 12 Ultimate parent company

The immediate parent company and controlling party is Retail Decisions Limited, which is the parent company of the largest and smallest group to consolidate these financial statements. Copies of Retail Decisions Limited consolidated financial statements may be obtained from the Company Secretary, ReD House, Brookwood, Surrey, GU24 0BL.

As a result of the acquisition of Retail Decisions Limited by RD Card Limited on 18 December 2006, RD Card Limited, a company registered in England and Wales, is the immediate parent undertaking of Retail Decisions Limited. The ultimate controlling party is Palamon Capital Partners LP, a limited partnership registered in and constituted under the laws of Scotland. The largest group to consolidate these financial statements in future years will be RD Card Holdings Limited, a company registered in England and Wales, when it prepares its first set of financial statements made up to 31 December 2007.