

Financial Statements Customer Club Limited

For the year ended 31 December 2011

Registered number: 06971953



Customer Club Limited

Company Information

Directors	R W Bielby C Jones C G Stockley
Company number	06971953
Registered office	7 River Court Brighthouse Business Village Middlesbrough TS2 1RT
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 4 Hardman Square Spinningfields Manchester M3 3EB

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Directors' Report

For the year ended 31 December 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the 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 financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- 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.

Principal activities

The principal activity of the company during the period was building customer databases and consultancy services.

Directors

The directors who served during the year were

R W Bielby
C Jones
C G Stockley

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Directors' Report

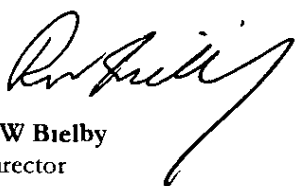
For the year ended 31 December 2011

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

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



R W Bielby
Director

Date

Independent Auditor's Report to the Members of Customer Club Limited

We have audited the financial statements of Customer Club Limited for the year ended 31 December 2011, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Customer Club Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

Grant Thornton UK LLP

John Shinnick (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Manchester

Date *27 September 2012*

Profit and Loss Account

For the year ended 31 December 2011

	Note	Year ended 31 December 2011 £	Period from 24 July to 31 December 2010 £
Turnover	1	701,065	1,118,518
Cost of sales		(219,550)	(354,359)
Gross profit		481,515	764,159
Administrative expenses		(690,207)	(863,236)
Other operating income	2	18,755	12,934
Operating loss	3	(189,937)	(86,143)
Exceptional items			
Other exceptional items	5	-	(67,438)
Loss on ordinary activities before interest		(189,937)	(153,581)
Interest payable and similar charges		(765)	(5,340)
Loss on ordinary activities before taxation		(190,702)	(158,921)
Tax on loss on ordinary activities		-	-
Loss for the financial year	10	(190,702)	(158,921)

The notes on pages 7 to 11 form part of these financial statements

All amounts relate to continuing activities

All recognised gains and losses in the current year are included in the profit and loss account

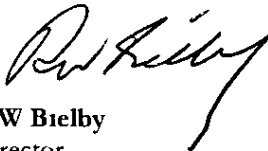
Balance Sheet

As at 31 December 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	6		1,349		-
Current assets					
Debtors	7	163,830		117,375	
Cash at bank		28,653		13,940	
		<u>192,483</u>		<u>131,315</u>	
Creditors , amounts falling due within one year	8	<u>(543,454)</u>		<u>(290,235)</u>	
Net current liabilities			<u>(350,971)</u>		<u>(158,920)</u>
Total assets less current liabilities			<u>(349,622)</u>		<u>(158,920)</u>
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account	10		<u>(349,623)</u>		<u>(158,921)</u>
Shareholders' deficit			<u>(349,622)</u>		<u>(158,920)</u>

The 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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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


R W Bielby
 Director

Date

The notes on pages 7 to 11 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 December 2011

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the deficiency in net assets, because the company has received a letter of support from Hilco UK Limited, a fellow group undertaking, stating that Hilco UK Limited will provide financial support for at least 12 months from the date of approval of the financial statements

After making enquiries, and considering the uncertainties described above, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Computer equipment	-	3 years
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1.5 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

Notes to the Financial Statements

For the year ended 31 December 2011

2. Other operating income

	Year ended 31 December 2011 £	Period from 24 July to 31 December 2010 £
Net rents receivable	18,755	12,934

3. Operating loss

The operating loss is stated after charging

	Year ended 31 December 2011 £	Period from 24 July to 31 December 2010 £
Depreciation of tangible fixed assets - owned by the company	228	-
Auditors' remuneration	5,178	-

4. Directors' remuneration

	Year ended 31 December 2011 £	Period from 24 July to 31 December 2010 £
Aggregate emoluments	183,225	231,375

5. Exceptional items

	Year ended 31 December 2011 £	Period from 24 July to 31 December 2010 £
Exceptional administrative expenses	-	67,438

In the prior period, the company made ransom payments to key suppliers which supplied e-Innovation Limited, a company related by company directors, prior to entering liquidation

In addition, bank loans repayments were made on behalf of PBN Show Limited, a company related by common directors, which was a requirement to enable The Marketing Innovation Group Limited, the parent undertaking of Customer Club Limited, to acquire the trade and fixed assets of PBN Show Limited

Notes to the Financial Statements

For the year ended 31 December 2011

6. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2011	-
Additions	1,577
At 31 December 2011	1,577
Depreciation	
At 1 January 2011	-
Charge for the year	228
At 31 December 2011	228
Net book value	
At 31 December 2011	1,349
At 31 December 2010	-

7. Debtors

	2011 £	2010 £
Trade debtors	145,732	98,609
Other debtors	18,098	18,766
	163,830	117,375

8. Creditors: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	83,551	65,270
Amounts owed to group undertakings	324,238	128,173
Social security and other taxes	76,629	50,360
Other creditors	25,382	46,432
Accruals and deferred income	33,654	-
	543,454	290,235

Notes to the Financial Statements

For the year ended 31 December 2011

9. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
1 Ordinary shares of £1 each share of £1	<u>1</u>	<u>1</u>

10. Reserves

	Profit and loss account £
At 1 January 2011	(158,921)
Loss for the year	(190,702)
At 31 December 2011	<u>(349,623)</u>

11. Operating lease commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	2011 £	2010 £
Expiry date		
Within 1 year	<u>-</u>	<u>2,194</u>

12. Related party transactions

No transactions with related parties were undertaken such as required to be disclosed under Financial Reporting Standard for Smaller Entities (effective April 2008)

13. Ultimate parent undertaking and controlling party

At 31 December 2011, Customer Club Limited was a wholly owned subsidiary of The Marketing Innovation Group Limited, a company registered in England and Wales. The parent company of The Marketing Innovation Group Limited, by virtue of 51% shareholding, is Hilco Investments Limited who are owned by Hilco London Limited, both companies registered in England and Wales. Hilco London Limited is 100% owned by Hilco Merchant Resources, LLC, a company registered in the United States of America. The directors consider the ultimate parent undertaking and controlling related party of the company to be Hilco Trading LLC, a company registered in the United States of America, by virtue of its 66.7% shareholding in Hilco Merchant Resources, LLC.

Notes to the Financial Statements

For the year ended 31 December 2011

14. Contingencies

The company is party to a cross guarantee of The Marketing Innovation Group Limited loan from Filefigure Limited, a fellow group undertaking, to secure borrowings in respect of other companies in the group. At 31 December 2011, the potential liability was £469,500 (2010 £252,000)