

HUK 10 Limited

Director's report and financial statements

For the period ended 2 January 2016

Registered number: 07530828

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Company Information

Director	Paul McGowan
Company secretary	Howard Gunn
Registered number	07530828
Registered office	7 River Court Brighthouse Business Village Brighthouse Road Middlesbrough TS2 1RT
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Natwest Bank Plc 106 Linthorpe Road Middlesbrough TS1 2JZ
Solicitors	Wright Hassall LLP Olympus Avenue Leamington Spa Warwickshire CV34 6BF

Contents

	Page
Director's report	1 - 2
Independent auditor's report	3 - 4
Statement of comprehensive income	5
Statement of financial position	6
Notes to the financial statements	7 - 11

Director's report

For the period ended 2 January 2016

The director presents his report and the financial statements of HUK 10 Limited ('the company') for the period ended 2 January 2016.

Principal activity

The principal activity of the company is that of financial intermediation and non-trading restructuring operations.

Dividends paid

Dividends paid in the amount to £2,400,000 (2015 - £6,045,144).

Director

The director who served during the period was:

Paul McGowan

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial period. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that he gives 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 director is required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

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

Director's report

For the period ended 2 January 2016

Small company regime

In preparing this report, the director have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 September 2016 and signed on its behalf.



Paul McGowan
Director

Independent auditor's report to the members of HUK 10 Limited

For the period ended 2 January 2016

We have audited the financial statements of HUK 10 Limited for the period ended 2 January 2016, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Director's responsibilities statement, the director is 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 Financial Reporting Council'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2 January 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Small 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, based on the work undertaken in the course of the audit, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Directors' report has been prepared in accordance with applicable legal requirements. Also, in our opinion, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' report.

Independent auditor's report to the members of HUK 10 Limited

For the period ended 2 January 2016

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the director was not entitled to prepare the financial statements and the Director's report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.



Peter Chapman (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

28 September 2016

Statement of comprehensive income

For the period ended 2 January 2016

		52 week period ended 2 January 2016 £	53 week period ended 3 January 2015 £
	Note		
Turnover		1,436,957	1,586,033
Gross profit		1,436,957	1,586,033
Administrative expenses		24,426	(235,298)
Other operating income		-	485,000
Operating profit	3	1,461,383	1,835,735
Income from fixed assets investments		-	2,295,144
Interest receivable and similar income	6	1,143,579	543,685
Interest payable and expenses		(320,468)	(126,312)
Profit before tax		2,284,494	4,548,252
Tax on profit		(258,054)	(261,133)
Profit for the period		<u>2,026,440</u>	<u>4,287,119</u>

There was no other comprehensive income for 2016 (2015: £NIL).

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

Statement of financial position

As at 2 January 2016

	Note	2 January 2016 £	3 January 2015 £
Current assets			
Debtors: amounts falling due within one year	8	12,432,403	10,230,603
Cash at bank and in hand	9	1,739	2,940
		<u>12,434,142</u>	<u>10,233,543</u>
Creditors: amounts falling due within one year	10	(12,309,373)	(9,735,214)
Net current assets		<u>124,769</u>	<u>498,329</u>
Total assets less current liabilities		<u>124,769</u>	<u>498,329</u>
		<u>124,769</u>	<u>498,329</u>
Net assets			
Capital and reserves			
Called up share capital		1	1
Profit and loss account		124,768	498,328
		<u>124,769</u>	<u>498,329</u>

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 on 28 September 2016.



Paul McGowan
Director

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

Notes to the financial statements

For the period ended 2 January 2016

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 Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

1.2 Turnover

Turnover 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. Turnover 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

Turnover 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 turnover 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 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.

1.4 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.

1.5 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Notes to the financial statements

For the period ended 2 January 2016

1. Accounting policies (continued)

1.6 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.

1.7 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.8 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

1.9 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

1.10 Taxation

Tax is recognised in the Statement of comprehensive income, except that a change 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 reporting date in the countries where the company operates and generates income.

2. Turnover

All turnover arose within the United Kingdom.

3. Operating profit

The operating profit is stated after charging:

	52 week period ended 2 January 2016 £	53 week period ended 3 January 2015 £
Exchange differences	36,189	208,010

4. Employees

The company had no employees other than the directors, who did not receive any remuneration (2015 - £Nil).

5. Auditor's remuneration

Auditor's remuneration of £2,000 (2015 - £2,000) was borne by Hilco Capital Limited, a fellow subsidiary of Hilco London Limited.

Notes to the financial statements

For the period ended 2 January 2016

6. Interest receivable

	52 week period ended 2 January 2016 £	53 week period ended 3 January 2015 £
Interest receivable from group companies	724,579	181,102
Other interest receivable	419,000	362,583
	<u>1,143,579</u>	<u>543,685</u>

7. Dividends

	2 January 2016 £	3 January 2015 £
Dividends paid on Ordinary shares	2,400,000	6,045,144
	<u>2,400,000</u>	<u>6,045,144</u>

Notes to the financial statements

For the period ended 2 January 2016

8. Debtors

	2 January 2016 £	3 January 2015 £
Amounts owed by group undertakings	77,844	5,816,701
Amounts owed by joint ventures and associated undertakings	11,582,342	3,959,314
Other debtors	772,217	454,588
	<u>12,432,403</u>	<u>10,230,603</u>

9. Cash and cash equivalents

	2 January 2016 £	3 January 2015 £
Cash at bank and in hand	1,739	2,940
	<u>1,739</u>	<u>2,940</u>

10. Creditors: Amounts falling due within one year

	2 January 2016 £	3 January 2015 £
Amounts owed to group undertakings	10,043,449	7,665,544
Corporation tax	1,131,856	873,802
Other creditors	200	-
Accruals and deferred income	1,133,868	1,195,868
	<u>12,309,373</u>	<u>9,735,214</u>

11. Contingent liabilities

There were no contingent liabilities at 2 January 2016 or 3 January 2015.

12. Capital commitments

The company had no capital commitments at 2 January 2016 or 3 January 2015.

Notes to the financial statements

For the period ended 2 January 2016

13. General information

The company is a private company limited by shares and incorporated in England. Its registered office is 7 River Court, Brighthouse Business Village, Brighthouse Road, Middlesbrough, Cleveland, TS2 1RT.

The smallest group of undertakings for which consolidated group accounts, which include the company, have been drawn up is headed by Hilco London Limited. Hilco London Limited has the same registered office as the company.