

Hilco Industrial Limited

Abbreviated accounts

for the year ended 31 December 2013

Registered number: 06088178

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Independent auditor's report to Hilco Industrial Limited

for the year ended 31 December 2013

under section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Hilco Industrial Limited for the year ended 31 December 2013 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

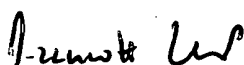
Respective responsibilities of director and auditor

The director is responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

Opinion on financial statements

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with the regulations made under that section.



Peter Chapman (Senior statutory auditor)
for and on behalf of

Buzzacott LLP

Statutory Auditor

130 Wood Street

London

EC2V 6DL

8 September 2014

Abbreviated balance sheet
as at 31 December 2013

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	2		6,113		1,611
Current assets					
Stocks and work in progress		3,566,473		1,389,617	
Debtors	3	2,117,945		400,154	
Cash at bank and in hand		2,732,774		683,033	
		<u>8,417,192</u>		<u>2,472,804</u>	
Creditors: amounts falling due within one year		<u>(8,057,075)</u>		<u>(2,076,596)</u>	
Net current assets			<u>360,117</u>		<u>396,208</u>
Net assets			<u>366,230</u>		<u>397,819</u>
Capital and reserves					
Called up share capital	4		1		1
Capital reserve			6,111,761		6,111,761
Profit and loss account			<u>(5,745,532)</u>		<u>(5,713,943)</u>
Shareholders' funds			<u>366,230</u>		<u>397,819</u>

The abbreviated accounts, which 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, were approved and authorised for issue by the board and were signed on its behalf on 8 September 2014.


J Chen
Director

The notes on pages 3 to 5 form part of these financial statements.

Notes to the abbreviated accounts
for the year ended 31 December 2013

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Cash flow statement

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.3 Turnover

Turnover represents the commissions due and payable to the company, as an agent, by both vendors and buyers on completion of auctions, and profit made on the acquisition and subsequent sale of industrial equipment where the company acts as principal.

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:

Leasehold property	-	20% straight line
Fixtures and fittings	-	20% straight line
Office equipment	-	20% straight line
Website costs	-	20% straight line

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.

1.6 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

Where a number of stock items are purchased together, cost of each stock item is estimated proportional to the expected profit for selling all of the batch of stock items.

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Notes to the abbreviated accounts
for the year ended 31 December 2013

1. Accounting policies (continued)

1.8 Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.10 Interest capitalisation

Interest on investment loans is capitalised as part of work in progress if considered recoverable. If the loan balance and interest is not deemed recoverable, it is expensed in the period.

1.11 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual terms of share capital and other reserves do not have any provision meeting the definition of a financial liability, such share capital and other reserves are classed as equity instruments. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the abbreviated accounts
for the year ended 31 December 2013

2. Tangible fixed assets

	£
Cost	
At 1 January 2013	63,848
Additions	5,818
At 31 December 2013	<u>69,666</u>
Depreciation	
At 1 January 2013	62,237
Charge for the year	1,316
At 31 December 2013	<u>63,553</u>
Net book value	
At 31 December 2013	<u>6,113</u>
At 31 December 2012	<u>1,611</u>

3. Debtors

Included within other debtors is amounts totalling £18,064 (2012: £18,064) relating to rent deposits due after more than one year.

4. Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

5. Ultimate parent undertaking and controlling party

At 31 December 2013, Hilco Industrial Limited was 100% owned by Hilco Industrial, 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 limited liability company registered in the United States of America.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Hilco Trading, LLC.