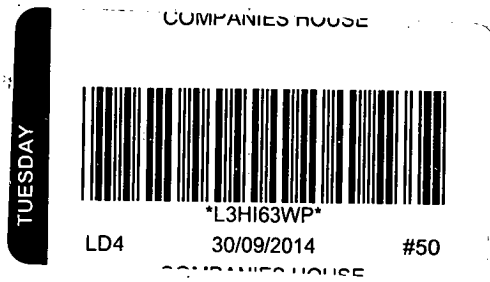


Denby Brands Limited

Directors' report and financial statements

for the year ended 31 December 2013

Registered number: 06761664



Company Information

Directors	Mary Lynne Okulski Iain Duncan David Bolsher (resigned 16 January 2014) Garry Biggs Richard Eaton Robert Barton Martin Duggan Christopher Emmott Paul McGowan
Company secretary	Robert Barton
Registered number	06761664
Registered office	Denby Pottery Denby Derbyshire DE5 8NX
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Melton Street Euston Square London NW1 2EP
Bankers	Bank of Scotland Butt Dyke House 33 Park Row Nottingham NG1 6GY
Solicitors	Wright Hassall LLP Olympus Avenue Leamington Spa Warwickshire CV34 6BF

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Directors' report

for the year ended 31 December 2013

The directors present their report and the financial statements of Denby Brands Limited ('the company') for the year ended 31 December 2013.

Principal activities

The principal activity of the company is to develop, hold and receive income for the use of intellectual property.

Business review

Demand for the company's intellectual property remained strong and the income derived continued to be invested in the development of new products, patterns and shapes. The profit for the year after taxation was £28,000 (2012: £17,000). The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year were:

Mary Lynne Okulski
Iain Duncan
David Bolsher (resigned 16 January 2014)
Garry Biggs
Richard Eaton
Robert Barton
Martin Duggan
Christopher Emmott
Paul McGowan

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 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 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.

Directors' report

for the year ended 31 December 2013

Disclosure 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 each director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- each director 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.

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 on 29 September 2014 and signed on its behalf.



Garry Biggs
Director

Independent auditor's report to the members of Denby Brands Limited
for the year ended 31 December 2013

We have audited the financial statements of Denby Brands Limited for the year ended 31 December 2013, set out on pages 5 to 11. 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 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 31 December 2013 and of its profit 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 Denby Brands Limited
for the year ended 31 December 2013

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 to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.



Marc Summers FCA (Senior statutory auditor)

for and on behalf of
Grant Thornton UK LLP

Chartered Accountants
Statutory Auditor

London

29 September 2014

Profit and loss account

for the year ended 31 December 2013

	Note	2013 £000	2012 £000
Turnover	1	1,050	900
Selling and distribution costs		(603)	(473)
Administrative expenses		(419)	(410)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	2	28	17
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
Profit for the financial year	8	28	17
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 11 form part of these financial statements.

Statement of total recognised gains and losses
for the year ended 31 December 2013

	Note	2013 £000	2012 £000
Profit for the financial year		28	17
Other movements in profit and loss reserve		(10)	-
Total recognised gains and losses relating to the year		<u>18</u>	<u>17</u>

The notes on pages 8 to 11 form part of these financial statements.

Balance sheet

as at 31 December 2013

	Note	£000	2013 £000	£000	2012 £000
Fixed assets					
Intangible assets	3		2,002		2,104
Tangible assets	4		18		29
			<u>2,020</u>		<u>2,133</u>
Current assets					
Debtors	5	1,458		1,264	
Creditors: amounts falling due within one year	6	(3,318)		(3,255)	
Net current liabilities			<u>(1,860)</u>		<u>(1,991)</u>
Net assets			<u>160</u>		<u>142</u>
Capital and reserves					
Called up share capital	7		-		-
Profit and loss account	8		160		142
Shareholder's funds			<u>160</u>		<u>142</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies 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 on 29 September 2014.



Garry Biggs
Director

The notes on pages 8 to 11 form part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2013

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).

The principal accounting policies of the company have remained unchanged from the previous year.

1.2 Cash flow

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 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 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

1.5 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:

Fixtures and fittings	-	10%-33% straight line
Leasehold improvements	-	10% straight line

1.6 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.

2. Profit on ordinary activities before taxation

The profit is stated after charging:

	2013 £000	2012 £000
Amortisation - intangible fixed assets	132	131
Depreciation of tangible fixed assets:		
- owned by the company	11	13
Pension costs	17	16
	<u>160</u>	<u>159</u>

During the year, no director received any emoluments (2012 - £NIL).

Notes to the financial statements
for the year ended 31 December 2013

3. Intangible fixed assets

	Goodwill £000
Cost	
At 1 January 2013	2,599
Additions	30
At 31 December 2013	<u>2,629</u>
Amortisation	
At 1 January 2013	495
Charge for the year	132
At 31 December 2013	<u>627</u>
Net book value	
At 31 December 2013	<u>2,002</u>
At 31 December 2012	<u>2,104</u>

4. Tangible fixed assets

	Leasehold Improvements £000	Fixtures and fittings £000	Total £000
Cost			
At 1 January 2013 and 31 December 2013	5	88	93
Depreciation			
At 1 January 2013	3	61	64
Charge for the year	1	10	11
At 31 December 2013	<u>4</u>	<u>71</u>	<u>75</u>
Net book value			
At 31 December 2013	<u>1</u>	<u>17</u>	<u>18</u>
At 31 December 2012	<u>2</u>	<u>27</u>	<u>29</u>

5. Debtors

	2013 £000	2012 £000
Amounts owed by group undertakings	1,413	1,253
Other debtors	45	11
	<u>1,458</u>	<u>1,264</u>

Notes to the financial statements
for the year ended 31 December 2013

6. Creditors:
Amounts falling due within one year

	2013	2012
	£000	£000
Trade creditors	12	130
Amounts owed to group undertakings	3,278	3,113
Other taxation and social security	10	10
Other creditors	18	2
	<u>3,318</u>	<u>3,255</u>

7. Share capital

	2013	2012
	£000	£000
Allotted, called up and fully paid		
1 Ordinary share of £1	-	-
	<u>-</u>	<u>-</u>

8. Reserves

	Profit and loss account £000
At 1 January 2013	142
Profit for the financial year	28
Other movements	(10)
	<u>160</u>
At 31 December 2013	<u>160</u>

9. Contingent liabilities

Guarantees on behalf of group undertakings give rise to a contingent liability to the extent of all monies and other liabilities which are due to the company's asset finance providers.

The maximum amount of the contingency at the year end was £5,735,000 (2012: £4,510,000).

10. Capital commitments

The company had no capital commitments at 31 December 2013 or 31 December 2012.

11. Related party transactions

The company has taken advantage of the exemptions in paragraph 16.2 of the FRSSE and has not disclosed transactions with wholly owned members of the group headed by Denby Holdings Limited.

There were no other related party transactions.

Notes to the financial statements
for the year ended 31 December 2013

12. Ultimate parent undertaking and controlling party

At 31 December 2013, Denby Brands Limited was a wholly owned subsidiary of Denby Holdings Limited, a company registered in England and Wales. Valco Capital Partners II Limited Partnership had a 77.5% shareholding in Denby Holdings Limited. Valco Capital Partners II Limited Partnership is 100% owned by Hilco London Limited, a company registered in England and Wales.

The directors consider the ultimate parent undertaking and controlling party of the company to be Hilco Trading, LLC, a company registered in the United States of America, by virtue of its majority shareholding in Hilco London Limited.

The largest group of undertakings for which group accounts have been drawn up is that headed by Hilco Trading, LLC and the smallest such group of undertakings, including the company, is that headed by Denby Holdings Limited.