

Teapigs Limited

Registered number 05426310

Annual report and financial statements

Year ended 31 March 2012

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Teapigs Limited

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Teapigs Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2012. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activities

The company's primary activity is to source, market and distribute premium tea products.

Results and dividends

The company made a profit for the financial year of £296,000 (2011: £117,000). The directors do not recommend the payment of a dividend.

Principal risks and uncertainties

The directors of Tata Global Beverages Group Limited manage the company's risks at a group level rather than at an individual business unit level. For this reason, the company's directors believe that a discussion of the group's risks would not be appropriate for an understanding of the development, performance or position of the business of Teapigs Limited. More detail on the performance of the Group as a whole can be found in the report of Tata Global Beverages Group Limited.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

L A Allen	
N I Kilby	
M Thakrar	
N Holland	(appointed 7 April 2011)
J R Nicholas	(resigned 8 April 2011)

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Teapigs Limited

Directors' report (continued)

Disclosure of information to auditors

In accordance with Section 418 of the Companies Act 2006, the directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

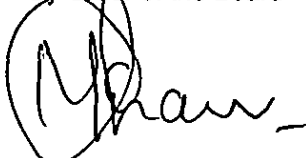
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board



M Thakrar
Director

25 July 2012

Teapigs Limited

Independent auditor's report to the members of Teapigs Limited

We have audited the financial statements of Teapigs Limited for the year ended 31 March 2012 which comprise the Accounting Policies, 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Teapigs Limited

Independent auditor's report to the members of Teapigs Limited (Continued)

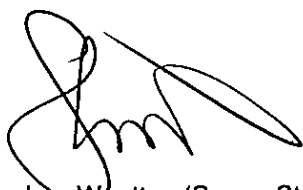
Opinion on other matter prescribed by the Companies Act 2006

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

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 take advantage of the small companies' exemption in preparing the Directors' Report



Stephen Wootten (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

25 JULY 2012

Teapigs Limited

Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards. The company has consistently applied its accounting policies.

Cash flow statement

Tata Global Beverages Group Limited has presented in its consolidated financial statements a group cash flow statement drawn up in accordance with the provisions of FRS 1. Accordingly, the company has taken advantage of the exemption available under FRS 1 to dispense with presenting its own cash flow statement.

Fixed Assets

Fixed assets are held at historic cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Computer Equipment	- 3 to 5 years
Fixtures and Fittings	- 2 to 5 years

Deferred tax

Deferred tax is fully provided in respect of timing differences that have originated but not reversed by the balance sheet date. These are based on average tax rates that are expected to apply at the time of the reversal, which will be the rates that have either been enacted, or substantially enacted, by the balance sheet date. No deferred tax is provided on permanent timing differences. Deferred tax assets are recognised to the extent that they are regarded as recoverable. Deferred tax balances are not discounted.

Turnover

Turnover comprises sales of goods after deduction of discounts and sales taxes. Turnover is recognised when the risks and rewards of the underlying products and services have been substantially transferred to the customer.

Teapigs Limited

Accounting policies (continued)

Stock

Stock is valued at the lower of cost and net realisable value. Cost comprises that expenditure which has been incurred in the normal course of business in bringing the product to its present location and condition, including attributable overheads.

Foreign currencies

Transactions in foreign currencies are translated at the rate of exchange ruling at the day of the transaction. Any exchange differences are dealt with in the profit and loss account. Period end foreign currency assets and liabilities are translated at period end exchange rates.

Pension and other post retirement benefit arrangements

Pension costs relating to defined contribution schemes represent contributions payable to the scheme for the accounting period. They are recognised in the profit and loss account as they arise.

Teapigs Limited

Profit and loss account Year ended 31 March 2011

	Note	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Turnover	1	4,172	2,826
Cost of sales		(2,418)	(1,757)
Gross profit		1,754	1,069
Selling and distribution expenses		(438)	(180)
Administrative expenses		(916)	(726)
Operating profit	2	400	163
Profit on ordinary activities before tax		400	163
Tax on profit on ordinary activities	4	(104)	(46)
Profit for financial period	12	296	117

There is no material difference between the results as disclosed in the profit and loss account and the results on an historical cost basis

All amounts shown above relate to continuing operations

The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been provided

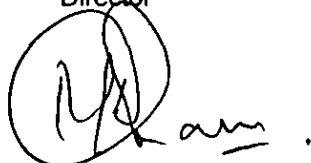
Teapigs Limited

Balance sheet As at 31 March 2011

	Note	31 March 2012 £'000	31 March 2011 £'000
Fixed assets	5	25	24
Current assets			
Stock	6	805	647
Debtors (amounts falling due within one year)	7	676	367
Debtors (amounts falling due after more than one year)	8	89	89
Cash at bank and in hand		204	136
		1,774	1,239
Creditors (amounts falling due within one year)	9	(889)	(672)
Net current assets		885	567
Total assets less current liabilities		910	591
Provisions for liabilities	10	(23)	-
Net assets		887	591
Capital and reserves			
Called up share capital	11	1,000	1,000
Profit and loss account	12	(113)	(409)
Total shareholders' funds		887	591

The financial statements on pages 5 to 14 were approved by the Board on 25 July 2012 and signed on its behalf by

M Thakrar
Director



Teapigs Limited
Registered number 05426310

Teapigs Limited

Notes to the financial statements (continued)

1 Turnover

The principal operation of the company is the marketing and distribution of tea, which is regarded by the directors as a single class of business. The origin and destination of the company's turnover is predominantly the United Kingdom.

2 Operating profit

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
The operating profit/(loss) is stated after charging:		
Wages and salaries	624	437
Social security costs	90	34
Other pension costs	25	24
Staff costs	739	495
Operating lease rentals - other	35	24
Depreciation of fixed assets - owned assets	6	4

The auditors' remuneration for audit services in the current and prior periods was borne by a fellow subsidiary undertaking, Tata Global Beverages Services Limited.

3 Directors and employees

The average number of persons (including directors) employed by the company during the period was 11 (2011: 4).

The emoluments of the Directors were as follows:

	Year ended 31 March 2012 £000	Year ended 31 March 2011 £000
Aggregate emoluments	180	180
Aggregate amounts receivable under long term incentive schemes	212	102
Other pension costs	28	22

Emoluments of the highest paid director were £111,503 (2011: £111,503) and receivable under long term incentive scheme was £106,000 (2011: £56,000).

Benefits under a defined contribution scheme are accruing to two directors (2011: two directors).

Teapigs Limited

Notes to the financial statements (continued)

4 Tax on profit on ordinary activities

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Current tax:		
UK corporation tax on profits for the year	109	73
Prior year adjustment	(28)	-
Total current tax charge / (credit) for the period	81	73
Deferred tax:		
Origination and reversal of timing differences	-	(27)
Prior year adjustment	23	-
Tax on profit on ordinary activities	104	46

The tax assessed on the profit on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 26% (2011 28%)

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Profit on ordinary activities before tax	400	163
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011 28%)	104	46
Adjusting for the effects of		
Short-term timing differences	-	27
Permanent differences	5	-
Prior year adjustment	(28)	-
Current tax charge for the period	81	73

Factors that may affect future tax charges for future periods

The main rate of corporation tax decreased from 28% to 26% from 1 April 2011 and reduces to 24% with effect 1 April 2012. In addition to these changes, a number of additional changes to the UK Corporation tax system were announced in the March 2012 UK Budget Statement. Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 is expected to be included in the Finance Act 2012. Further reductions to the main rate are proposed to reduce the rate to 22% from 1 April 2014. These further changes had not been substantively enacted at the balance sheet date and have no material impact on the deferred tax assets or liabilities of the group. Therefore these further changes have not been included in these financial statements.

Teapigs Limited

Notes to the financial statements (continued)

5 Fixed assets

	Fixtures and Fittings £'000	Computer equipment £'000	Total £'000
Cost			
At 1 April 2011	9	26	35
Additions	-	14	14
Disposals	(7)	-	(7)
At 31 March 2012	2	40	42
Depreciation			
At 1 April 2011	2	9	11
Charge for the year	1	7	8
Disposals	(2)	-	(2)
At 31 March 2012	1	16	17
Net book amount			
At 31 March 2012	1	24	25
At 31 March 2011	9	17	24

6 Stock

	31 March 2012 £'000	31 March 2011 £'000
Finished goods	805	647

The amount shown for finished goods is not materially different from the replacement cost of those finished goods to the company

7 Debtors - amounts falling due within one year

	31 March 2012 £'000	31 March 2011 £'000
Amounts due within one year:		
Trade debtors	586	318
Other debtors	14	22
Other taxation	76	-
Deferred tax	-	27
Total	676	367

Teapigs Limited

Notes to the financial statements (continued)

8 Debtors - amounts falling due after more than one year

	31 March 2012 £'000	31 March 2011 £'000
Amounts falling due after more than one year:		
Amounts owed by group undertakings	89	89

9 Creditors - amounts falling due within one year

	31 March 2012 £'000	31 March 2011 £'000
Trade creditors	271	418
Amounts owed to group undertakings	217	75
Accruals	401	179
Total	889	672

Amounts owed to group undertakings consist of a loan from Tata Global Beverages Services Limited. The loan is charged at variable rates and is unsecured. The principal is repayable on demand by the lender.

10 Provisions for liabilities

	Deferred tax £'000
At 1 April 2011	-
Charged to profit and loss account	(23)
At 31 March 2012	(23)

The major components of the deferred tax balance are as follows

	2012 £'000	2011 £'000
Fixed asset timing differences	(23)	-
	(23)	-

Teapigs Limited

Notes to the financial statements (continued)

11 Called up share capital

	Number	31 March 2012 £'000	31 March 2011 £'000
Authorised			
Ordinary shares of £1 each	10,000,000 (2011 10,000,000)	10,000	10,000
Allotted, called up and fully paid			
Ordinary shares of £1 each	1,000,000 (2011 1,000,000)	1,000	1,000

12 Reserves

	Profit and loss account £'000
At 1 April 2011	(409)
Profit for the financial period	296
At 31 March 2012	(113)

13 Reconciliation of movements in shareholders' funds

	31 March 2012 £'000	31 March 2011 £'000
Profit for the financial year	296	117
Net movement in shareholders' funds	296	117
Opening shareholders' funds	591	474
Closing shareholders' funds	887	591

Teapigs Limited

Notes to the financial statements (continued)

14 Leases

The Company had annual commitments under non-cancellable operating leases, as follows

Commitment expires	Land and buildings	
	2012 £'000	2011 £'000
Between two and five years	35	20
	35	20

15 Parent company

The immediate parent undertaking is Tata Global Beverages GB Limited. The smallest parent to include the company's results in its consolidated accounts is Tata Global Beverages Group Limited, a company incorporated in the United Kingdom. Copies of that company's financial statements may be obtained from Parkview, 82 Oxford Road, Uxbridge, Middlesex, UB8 1UX. The largest company to consolidate the company's results and the company's ultimate parent undertaking is Tata Global Beverages Limited, a company registered in India. The consolidated financial statements of Tata Global Beverages Limited are available from 1 Bishop Lefroy Road, Kolkata, India.

16 Related party transactions

As the company is a wholly owned subsidiary of Tata Global Beverages Group Limited, advantage has been taken of the exemption afforded by FRS 8 not to disclose any related party transactions with members of the Group or associates and joint ventures of Tata Global Beverages Group Limited.

During the year, two children of one of the directors, N I Kilby, were employed by the company and were remunerated on an arm's length basis.