

COMPANY REGISTRATION NUMBER 00572008

**RINGTONS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2011**

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# **RINGTONS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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<b>The board of directors</b>	P N H Smith S M Smith C J Smith J R Malton
<b>Company Secretary</b>	P N H Smith
<b>Registered office</b>	10-22 Algemon Road Heaton Newcastle upon Tyne Tyne and Wear NE6 2YN
<b>Auditor</b>	UNW LLP Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
<b>Bankers</b>	Lloyds TSB Plc Black Horse House 91 Sandyford Road Newcastle upon Tyne NE99 1JW
<b>Solicitors</b>	Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF

# **RINGTONS LIMITED**

## **THE DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2011**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2011

#### **COMPANY CONTROL AND OWNERSHIP**

The company is a 100+ year old private, family owned and managed business

#### **PRINCIPAL ACTIVITIES**

The principal activities of the company comprise the following

- Sourcing, blending and packing of tea and infusions for its own brand and a variety of other customers
- Retailing of its tea brand and related products directly to households via sales vans, primarily throughout north and central England

#### **BUSINESS REVIEW**

Despite a lower profit figure than last year the directors were satisfied with the company's performance

#### **FUTURE DEVELOPMENTS**

Progress in the development of all aspects of the tea business and brand sales continues, however the directors remain cautious about future economic conditions

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £1,248,473 (2010 £1,785,992) Particulars of dividends paid are detailed in note 10 to the financial statements

#### **KEY PERFORMANCE INDICATORS**

The company's directors use a wide range of key performance indicators to monitor the business on a regular basis The shareholders are well informed about performance of the business

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the business and the execution of the company's strategy are subject to a number of risks The key business risks affecting the company are considered to relate to commodity sourcing, production costs, selling prices and customer contracts

#### **FINANCIAL RISK MANAGEMENT**

The directors consider the key financial risks to the business to be in relation to bad debts, fraud, payments, and cash management The directors are satisfied that these risks are sufficiently managed and controlled

#### **DIRECTORS**

The directors who served the company during the year were as follows

P N H Smith  
S M Smith  
C J Smith  
J R Malton  
C W Moffett

Subsequent to the year end C W Moffett resigned as director on 27 September 2011

#### **EMPLOYEES**

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status and offers appropriate training and career development for disabled staff If members of staff become disabled the company continues employment wherever possible and arranges retraining

The company is also committed to providing employees with information on matters of concern to them on a regular basis, so that the views of employees can be taken into account when making decisions that are likely to affect their interests In addition, the company encourages the involvement of employees by formally publicising important developments and promoting the common interests of the company and the staff by means of regular meetings and continuous individual contact

# RINGTONS LIMITED

## THE DIRECTORS' REPORT *(continued)*

### FOR THE YEAR ENDED 30 JUNE 2011

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#### DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated 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 consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the company and of the profit or loss of the company for that year. In preparing those consolidated financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 consolidated financial statements,
- prepare the consolidated 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 consolidated 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### AUDITOR

UNW LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office  
10-22 Algernon Road  
Heaton  
Newcastle upon Tyne  
NE6 2YN

Signed by order of the directors



P. H. SMITH  
Director

Approved by the directors on 15 November 2011

# **RINGTONS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RINGTONS LIMITED**

### **FOR THE YEAR ENDED 30 JUNE 2011**

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We have audited the financial statements of Ringtons Limited for the year ended 30 June 2011. 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).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 set out on page, 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 (APB's) Ethical Standards for Auditors.

#### **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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 30 June 2011 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.

#### **OPINION ON OTHER MATTERS 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.

# RINGTONS LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RINGTONS LIMITED *(continued)*


FOR THE YEAR ENDED 30 JUNE 2011

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### 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

  
Andrew Wilson BA FCA (Senior Statutory Auditor)  
For and on behalf of  
UNW LLP  
Chartered Accountants & Statutory Auditor

Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JE

15 November 2011

**RINGTONS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 £	2010 £
<b>TURNOVER</b>	<b>2</b>	<b>34,207,598</b>	<b>32,953,346</b>
Cost of sales		(20,021,887)	(18,305,487)
<b>GROSS PROFIT</b>		<b>14,185,711</b>	<b>14,647,859</b>
Distribution costs		(9,787,188)	(9,510,361)
Administrative expenses		(2,787,583)	(2,795,227)
Other operating income	3	93,620	124,446
<b>OPERATING PROFIT</b>	<b>4</b>	<b>1,704,560</b>	<b>2,466,717</b>
Other provisions		31,416	115,946
		<b>1,735,976</b>	<b>2,582,663</b>
Interest receivable and similar income	7	38,757	75,275
Interest payable and similar charges	8	(12,339)	(67,902)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,762,394</b>	<b>2,590,036</b>
Tax on profit on ordinary activities	9	(513,921)	(804,044)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>1,248,473</b>	<b>1,785,992</b>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 15 form part of these financial statements.

**RINGTONS LIMITED**  
**AS AT BALANCE SHEET**  
**30 JUNE 2011**

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible assets	11	7,349,213	6,864,517
Investments	12	1	1
		<u>7,349,214</u>	<u>6,864,518</u>
<b>CURRENT ASSETS</b>			
Stocks	13	5,764,082	4,280,943
Debtors	14	2,780,501	5,067,776
Cash at bank		1,156,493	2,435,672
		<u>9,701,076</u>	<u>11,784,391</u>
<b>CREDITORS: Amounts falling due within one year</b>	15	<u>(5,795,881)</u>	<u>(4,361,821)</u>
<b>NET CURRENT ASSETS</b>		<u>3,905,195</u>	<u>7,422,570</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>11,254,409</u>	<u>14,287,088</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	16	-	(3,397,000)
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	18	(146,091)	(143,199)
Other provisions	19	(77,820)	(109,236)
		<u>11,030,498</u>	<u>10,637,653</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	20	142,444	142,444
Other reserves	21	296,343	296,343
Profit and loss account	22	10,591,711	10,198,866
<b>SHAREHOLDERS' FUNDS</b>	23	<u>11,030,498</u>	<u>10,637,653</u>

These financial statements were approved by the directors and authorised for issue on 15 November 2011, and are signed on their behalf by



R. H. SMITH  
Director

Company Registration Number 00572008

The notes on pages 8 to 15 form part of these financial statements



# **RINGTONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30 JUNE 2011**

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#### **1 ACCOUNTING POLICIES**

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

##### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

##### **Turnover**

Turnover represents the following

Retail van sales - the value of sales of goods accepted by customers, excluding value added tax

Other customers - the value of sales of goods despatched to customers, excluding value added tax

##### **Fixed assets**

All fixed assets are initially recorded at cost

##### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	-	2% straight line
Leasehold Property	-	2% straight line
Plant & Machinery	-	10% - 25% straight line
Fixtures & Fittings	-	10% - 25% straight line
Motor Vehicles	-	10% - 25% straight line
Equipment	-	10% - 25% straight line

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

##### **Operating lease agreements**

Rentals applicable to operating leases where substantrally all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

##### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2011

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#### 1 ACCOUNTING POLICIES *(continued)*

##### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

##### Investments

Fixed asset investments in subsidiaries are shown at cost less any permanent diminution in value.

##### Pensions

The company operates a defined contribution scheme where contributions are charged to the profit and loss account as they arise.

#### 2 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below.

	2011	2010
	£	£
United Kingdom	<u>34,207,598</u>	<u>32,953,346</u>

#### 3 OTHER OPERATING INCOME

	2011	2010
	£	£
Rent receivable	<u>93,620</u>	<u>124,446</u>

#### 4 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2011	2010
	£	£
Depreciation of owned fixed assets	1,127,405	1,130,833
Profit on disposal of fixed assets	(94,848)	(31,149)
Auditor's remuneration as auditor	11,000	10,500
Auditor's remuneration for other services	7,000	3,000
Operating lease costs	110,958	113,350
Net loss/(profit) on foreign currency translation	<u>14,664</u>	<u>(5,116)</u>

**RINGTONS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

**5. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	2011 No	2010 No
Number of production staff	77	71
Number of selling and distribution staff	351	347
Number of administrative staff	27	25
	<u>455</u>	<u>443</u>

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	8,354,143	8,385,196
Social security costs	737,679	765,131
Staff pension costs	361,748	363,021
Other pension costs	16,000	12,800
	<u>9,469,570</u>	<u>9,526,148</u>

**6. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were

	2011 £	2010 £
Aggregate remuneration	292,285	757,233
Value of company pension contributions to money purchase schemes	16,000	12,800
	<u>308,285</u>	<u>770,033</u>

Remuneration of highest paid director:

	2011 £	2010 £
Total remuneration (excluding pension contributions)	<u>122,741</u>	<u>250,633</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No	2010 No
Money purchase schemes	<u>1</u>	<u>1</u>

**7. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2011 £	2010 £
Bank interest receivable	26,591	—
Other similar income receivable	12,166	75,275
	<u>38,757</u>	<u>75,275</u>

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2011

#### 8 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Interest payable on bank borrowing	3,847	50,824
Interest on group loans	8,492	17,078
	<u>12,339</u>	<u>67,902</u>

#### 9 TAXATION ON ORDINARY ACTIVITIES

##### (a) Analysis of charge in the year

	2011 £	2010 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2010 - 28%)	498,047	763,638
Over/under provision in prior year	12,982	(36,465)
Total current tax	<u>511,029</u>	<u>727,173</u>
Deferred tax		
Origination and reversal of timing differences (note 18)		
Capital allowances	1,001	75,254
Other	1,891	1,617
Total deferred tax (note 18)	<u>2,892</u>	<u>76,871</u>
Tax on profit on ordinary activities	<u>513,921</u>	<u>804,044</u>

##### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2010 - 28%)

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>1,762,394</u>	<u>2,590,036</u>
Profit on ordinary activities by rate of tax	493,470	725,210
Expenses not deductible for tax purposes	61,773	37,610
Accelerated capital allowances and other short term timing differences	(12,242)	8,407
Tax chargeable at lower rates	(9,030)	-
Adjustments to tax charge in respect of previous periods	12,982	(36,465)
Industrial buildings allowances	(3,254)	(7,589)
Group relief claimed without payment	(32,670)	-
Total current tax (note 9(a))	<u>511,029</u>	<u>727,173</u>

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2011

#### 10. DIVIDENDS

##### Equity dividends

	2011 £	2010 £
Paid during the year		
Equity dividends on ordinary shares	<u>855,628</u>	<u>1,328,717</u>

#### 11. TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Other Assets £	Total £
<b>COST</b>						
At 1 Jul 2010	4,080,922	784,544	5,850,187	1,485,048	3,652,441	15,853,142
Additions	—	—	673,693	125,845	950,759	1,750,297
Disposals	—	—	(38,475)	(35,549)	(1,511,658)	(1,585,682)
<b>At 30 Jun 2011</b>	<u>4,080,922</u>	<u>784,544</u>	<u>6,485,405</u>	<u>1,575,344</u>	<u>3,091,542</u>	<u>16,017,757</u>
<b>DEPRECIATION</b>						
At 1 Jul 2010	1,338,561	81,572	4,073,186	1,126,683	2,368,623	8,988,625
Charge for the year	74,762	15,678	340,896	123,084	572,985	1,127,405
On disposals	—	—	(21,526)	(29,909)	(1,396,051)	(1,447,486)
<b>At 30 Jun 2011</b>	<u>1,413,323</u>	<u>97,250</u>	<u>4,392,556</u>	<u>1,219,858</u>	<u>1,545,557</u>	<u>8,668,544</u>
<b>NET BOOK VALUE</b>						
<b>At 30 Jun 2011</b>	<u>2,667,599</u>	<u>687,294</u>	<u>2,092,849</u>	<u>355,486</u>	<u>1,545,985</u>	<u>7,349,213</u>
At 30 Jun 2010	<u>2,742,361</u>	<u>702,972</u>	<u>1,777,001</u>	<u>358,365</u>	<u>1,283,818</u>	<u>6,864,517</u>

#### 12. INVESTMENTS

	Associated undertakings £
<b>COST</b>	
At 1 July 2010 and 30 June 2011	<u>1</u>
<b>NET BOOK VALUE</b>	
At 30 June 2011 and 30 June 2010	<u>1</u>

The company owns 100% of the issued share capital of The Perfectly Picked and Packed Company Limited, a company registered in England and Wales, which has remained dormant throughout the period

The directors do not consider the fair value of the investments to be less than their carrying value in the financial statements

Under the provision of section 400 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity. The ultimate parent company, Ringtons Holdings Limited, prepares and delivers group accounts to Companies House which include this company and its subsidiaries

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2011

#### 13. STOCKS

	2011 £	2010 £
Raw materials	3,673,820	2,544,810
Finished goods	2,090,262	1,736,133
	<u>5,764,082</u>	<u>4,280,943</u>

#### 14. DEBTORS

	2011 £	2010 £
Trade debtors	1,899,077	1,317,713
Amounts owed by group undertakings	—	3,132,535
Other debtors	437,512	362,020
Prepayments and accrued income	443,912	255,508
	<u>2,780,501</u>	<u>5,067,776</u>

Amounts owed by group undertakings are unsecured and have no fixed date of repayment Interest is receivable at 0.25% above Base Rate

#### 15. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	2,208,442	1,429,864
Amounts owed to group undertakings	1,142,938	—
Corporation tax	283,077	775,345
PAYE and social security	241,631	213,476
Accruals and deferred income	1,919,793	1,943,136
	<u>5,795,881</u>	<u>4,361,821</u>

#### 16. CREDITORS: Amounts falling due after more than one year

	2011 £	2010 £
Amounts owed to group undertakings	—	3,397,000

The amounts owed to group undertakings are unsecured and have no fixed date of repayment Interest is payable at Base Rate

#### 17. PENSIONS

The company's contributions are charged to the profit and loss account in the year in which they are payable The cost of contributions to the scheme in the year amount to £377,748 (2010 £375,821) An amount of £48,781 (2010 £45,307) is due to the scheme at the year end

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2011

#### 18. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2011 £	2010 £
Provision brought forward	143,199	66,328
Profit and loss account movement arising during the year	2,892	76,871
Provision carried forward	<u>146,091</u>	<u>143,199</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2011 £	2010 £
Excess of taxation allowances over depreciation on fixed assets	158,773	157,772
Other timing differences	(12,682)	(14,573)
	<u>146,091</u>	<u>143,199</u>

#### 19. OTHER PROVISIONS

	2011 £	2010 £
Onerous lease provision		
Balance brought forward	109,236	225,182
Movement for year	(31,416)	(115,946)
	<u>77,820</u>	<u>109,236</u>

#### 20. SHARE CAPITAL

Authorised share capital:

	2011 £	2010 £
2,076,000 Ordinary shares of £1 each	<u>2,076,000</u>	<u>2,076,000</u>

Allotted, called up and fully paid.

	2011 No	£	2010 No	£
142,444 Ordinary shares of £1 each	<u>142,444</u>	<u>142,444</u>	<u>142,444</u>	<u>142,444</u>

#### 21. OTHER RESERVES

	2011 £	2010 £
Capital redemption reserve	<u>296,343</u>	<u>296,343</u>

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2011

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#### 22 PROFIT AND LOSS ACCOUNT

	2011	2010
	£	£
Balance brought forward	10,198,866	9,741,591
Profit for the financial year	1,248,473	1,785,992
Equity dividends	(855,628)	(1,328,717)
Balance carried forward	<u>10,591,711</u>	<u>10,198,866</u>

#### 23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011	2010
	£	£
Profit for the financial year	1,248,473	1,785,992
Equity dividends	(855,628)	(1,328,717)
Net addition to shareholders' funds	<u>392,845</u>	<u>457,275</u>
Opening shareholders' funds	10,637,653	10,180,378
Closing shareholders' funds	<u>11,030,498</u>	<u>10,637,653</u>

#### 24 ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

The immediate and ultimate parent undertaking, and controlling party is Ringtons Holdings Limited, a company registered in the United Kingdom

Ringtons Holdings Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 30 June 2011. The consolidated financial statements of Ringtons Holdings Limited are available from 10-22 Algernon Road, Heaton, Newcastle upon Tyne, NE6 2YN

Transactions with other companies within the Ringtons Group which are eliminated on consolidation are not disclosed as the company has taken advantage of the exemption available under FRS 8 "Related Party Disclosures"