

COMPANY REGISTRATION NUMBER 00572008

RINGTONS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2012



RINGTONS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

P N H Smith
S M Smith
C J Smith
J R Malton
J D Smith

Company secretary

P N H Smith

Registered office

10-22 Algemon Road
Heaton
Newcastle upon Tyne
Tyne and Wear
NE6 2YN

Auditor

UNW LLP
Chartered Accountants
& Statutory Auditor
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Bankers

Lloyds TSB Plc
City Office
PO Box 72
Bailey Drive
Gillingham Business Park
Kent
ME8 0LS

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

RINGTONS LIMITED

THE DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2012

COMPANY CONTROL AND OWNERSHIP

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

PRINCIPAL ACTIVITIES

The principal activity 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

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 £2,233,045 (2011 £1,248,473) Particulars of dividends paid are detailed in note 11 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

PRINCIPLE 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	
J D Smith	(Appointed 15 November 2011)
C W Moffett	(Resigned 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 developments 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 interest of the company and the staff by means of regular meetings and continuous individual contact

RINGTONS LIMITED

THE DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2012

DIRECTORS' RESPONSIBILITIES

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

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2012

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 those 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 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.

In so far as the directors are aware

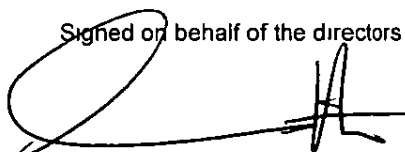
- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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
Tyne and Wear
NE6 2YN

Signed on behalf of the directors



S M Smith
Director

Approved by the directors on 8 November 2012

RINGTONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RINGTONS LIMITED

FOR THE YEAR ENDED 30 JUNE 2012

We have audited the financial statements of Ringtons Limited for the year ended 30 June 2012. 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 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 set out on page 3, 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 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.

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

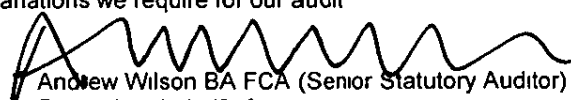
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RINGTONS LIMITED *(continued)*

FOR THE YEAR ENDED 30 JUNE 2012

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

8 November 2012

RINGTONS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 £	2011 £
TURNOVER	2	39,950,690	34,207,598
Cost of sales		(24,014,197)	(20,021,887)
GROSS PROFIT		15,936,493	14,185,711
Distribution costs		(10,246,122)	(9,787,188)
Administrative expenses		(3,179,842)	(2,787,583)
Other operating income	3	79,929	93,620
OPERATING PROFIT	4	2,590,458	1,704,560
Profit on disposal of fixed assets	7	304,174	—
Other provisions		45,927	31,416
		2,940,559	1,735,976
Interest receivable and similar income	8	24,312	38,757
Interest payable and similar charges	9	(19,203)	(12,339)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,945,668	1,762,394
Tax on profit on ordinary activities	10	(712,623)	(513,921)
PROFIT FOR THE FINANCIAL YEAR		2,233,045	1,248,473

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

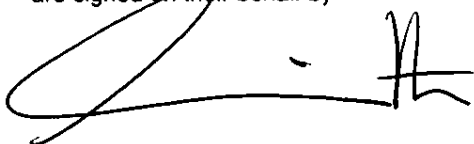
RINGTONS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	12	7,275,913	7,349,213
Investments		<u>1</u>	<u>1</u>
		7,275,914	7,349,214
CURRENT ASSETS			
Stocks	14	6,817,332	5,764,082
Debtors	15	3,670,998	2,780,501
Cash at bank and in hand		<u>1,758,753</u>	<u>1,156,493</u>
		12,247,083	9,701,076
CREDITORS. Amounts falling due within one year	16	(6,966,983)	(5,795,881)
NET CURRENT ASSETS		5,280,100	3,905,195
TOTAL ASSETS LESS CURRENT LIABILITIES		12,556,014	11,254,409
PROVISIONS FOR LIABILITIES			
Deferred taxation	18	(10,578)	(146,091)
Other provisions	19	<u>(31,893)</u>	<u>(77,820)</u>
		12,513,543	11,030,498
CAPITAL AND RESERVES			
Called-up equity share capital	20	142,444	142,444
Other reserves	21	296,343	296,343
Profit and loss account	22	<u>12,074,756</u>	<u>10,591,711</u>
SHAREHOLDERS' FUNDS	23	12,513,543	11,030,498

These financial statements were approved by the directors and authorised for issue on 8 November 2012, and are signed on their behalf by



S M 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 2012

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 substantially 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 2012

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.

	2012	2011
	£	£
United Kingdom	<u>39,950,690</u>	<u>34,207,598</u>

3 OTHER OPERATING INCOME

	2012	2011
	£	£
Rent receivable	<u>79,929</u>	<u>93,620</u>

4 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Depreciation of owned fixed assets	1,207,134	1,127,405
Profit on disposal of fixed assets	(56,455)	(94,848)
Auditor's remuneration as auditor	11,000	11,000
Auditor's remuneration for other services	4,650	7,000
Operating lease costs	93,749	110,958
Net loss on foreign currency translation	<u>1,437</u>	<u>14,664</u>

5 PARTICULARS OF EMPLOYEES

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

	2012	2011
	No	No
Number of production staff	96	77
Number of selling and distribution staff	353	351
Number of administrative staff	<u>30</u>	<u>27</u>
	<u>479</u>	<u>455</u>

RINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

5 PARTICULARS OF EMPLOYEES (*continued*)

The aggregate payroll costs of the above were

	2012	2011
	£	£
Wages and salaries	9,552,493	8,354,143
Social security costs	852,749	737,679
Staff pension costs	405,129	361,748
Other pension costs	16,000	16,000
	<u>10,826,371</u>	<u>9,469,570</u>

6 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2012	2011
	£	£
Aggregate remuneration	495,433	292,285
Value of company pension contributions to money purchase schemes	16,000	16,000
	<u>511,433</u>	<u>308,285</u>

Remuneration of highest paid director

	2012	2011
	£	£
Total remuneration (excluding pension contributions)	<u>182,943</u>	<u>122,741</u>

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

	2012	2011
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

7 PROFIT ON DISPOSAL OF FIXED ASSETS

	2012	2011
	£	£
Profit on disposal of fixed assets	<u>304,174</u>	<u>-</u>

RINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

8 INTEREST RECEIVABLE AND SIMILAR INCOME

	2012	2011
	£	£
Bank interest receivable	23,169	26,591
Other similar income receivable	1,143	12,166
	<u>24,312</u>	<u>38,757</u>

9 INTEREST PAYABLE AND SIMILAR CHARGES

	2012	2011
	£	£
Interest payable on bank borrowing	<u>19,203</u>	<u>12,339</u>

10 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012	2011
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 26% (2011 28%)	821,581	498,047
Over/under provision in prior year	26,555	12,982
Total current tax	<u>848,136</u>	<u>511,029</u>
Deferred tax		
Origination and reversal of timing differences (note 18)		
Capital allowances	(36,235)	1,001
Other	(99,278)	1,891
Total deferred tax (note 18)	<u>(135,513)</u>	<u>2,892</u>
Tax on profit on ordinary activities	<u>712,623</u>	<u>513,921</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 26% (2011 28%)

	2012	2011
	£	£
Profit on ordinary activities before taxation	<u>2,945,668</u>	<u>1,762,394</u>
Profit on ordinary activities by rate of tax	765,874	493,470
Expenses not deductible for tax purposes	29,324	61,773
Capital allowances for period in excess of depreciation	134,855	(12,242)
Tax chargeable at lower rates	(16,058)	(9,030)
Adjustments to tax charge in respect of previous periods	26,555	12,982
Profit on disposal of properties	(67,352)	-
Industrial buildings allowances	-	(3,254)
Group relief claimed without payment	(25,062)	(32,670)
Total current tax (note 10(a))	<u>848,136</u>	<u>511,029</u>

RINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

11 DIVIDENDS

Equity dividends

	2012 £	2011 £
Paid during the year		
Equity dividends on ordinary shares	<u>750,000</u>	<u>855,628</u>

12 TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Other Assets £	Total £
COST						
At 1 Jul 2011	4,080,922	784,544	6,485,405	1,575,344	3,091,542	16,017,757
Additions	–	–	394,209	148,795	743,676	1,286,680
Disposals	(97,684)	(6,843)	(147,739)	(123,196)	(524,975)	(900,437)
At 30 Jun 2012	<u>3,983,238</u>	<u>777,701</u>	<u>6,731,875</u>	<u>1,600,943</u>	<u>3,310,243</u>	<u>16,404,000</u>
DEPRECIATION						
At 1 Jul 2011	1,413,323	97,250	4,392,556	1,219,858	1,545,557	8,668,544
Charge for the year	73,142	15,634	370,627	132,502	615,229	1,207,134
On disposals	(54,407)	(5,784)	(113,894)	(96,916)	(476,590)	(747,591)
At 30 Jun 2012	<u>1,432,058</u>	<u>107,100</u>	<u>4,649,289</u>	<u>1,255,444</u>	<u>1,684,196</u>	<u>9,128,087</u>
NET BOOK VALUE						
At 30 Jun 2012	<u>2,551,180</u>	<u>670,601</u>	<u>2,082,586</u>	<u>345,499</u>	<u>1,626,047</u>	<u>7,275,913</u>
At 30 Jun 2011	<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>

13 INVESTMENTS

	Associated undertakings £
COST	
At 1 July 2011 and 30 June 2012	<u>1</u>
NET BOOK VALUE	
At 30 June 2012 and 30 June 2011	<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 2012

14 STOCKS

	2012	2011
	£	£
Raw materials	4,411,682	3,673,820
Finished goods	2,405,650	2,090,262
	<u>6,817,332</u>	<u>5,764,082</u>

15 DEBTORS

	2012	2011
	£	£
Trade debtors	2,683,607	1,899,077
Amounts owed by group undertakings	22,839	—
Other debtors	462,145	437,512
Prepayments and accrued income	502,407	443,912
	<u>3,670,998</u>	<u>2,780,501</u>

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

16 CREDITORS Amounts falling due within one year

	2012	2011
	£	£
Overdrafts	3,489	—
Trade creditors	1,158,399	2,208,442
Amounts owed to group undertakings	2,894,787	1,142,938
Corporation tax	404,003	283,077
PAYE and social security	279,072	241,631
Accruals and deferred income	2,227,233	1,919,793
	<u>6,966,983</u>	<u>5,795,881</u>

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 amounted to £421,129 (2011: £377,748). An amount of £54,727 (2011: £48,781) is due to the scheme at the year end.

18 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	2012	2011
	£	£
Provision brought forward	146,091	143,199
Profit and loss account movement arising during the year	(135,513)	2,892
Provision carried forward	<u>10,578</u>	<u>146,091</u>

RINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

18 DEFERRED TAXATION *(continued)*

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

	2012 £	2011 £
Excess of taxation allowances over depreciation on fixed assets	122,538	158,773
Other timing differences	(111,960)	(12,682)
	<u>10,578</u>	<u>146,091</u>

19. OTHER PROVISIONS

	2012 £	2011 £
Onerous lease provision		
Balance brought forward	77,820	109,236
Movement for year	(45,927)	(31,416)
	<u>31,893</u>	<u>78,820</u>

20 SHARE CAPITAL

Authorised share capital

	2012 £	2011 £
2,076,000 Ordinary shares of £1 each	<u>2,076,000</u>	<u>2,076,000</u>

Allotted, called up and fully paid

	2012		2011	
	No	£	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

	2012 £	2011 £
Capital redemption reserve	<u>296,343</u>	<u>296,343</u>

22 PROFIT AND LOSS ACCOUNT

	2012 £	2011 £
Balance brought forward	10,591,711	10,198,866
Profit for the financial year	2,233,045	1,248,473
Equity dividends	(750,000)	(855,628)
Balance carried forward	<u>12,074,756</u>	<u>10,591,711</u>

RINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012	2011
	£	£
Profit for the financial year	2,233,045	1,248,473
Equity dividends	(750,000)	(855,628)
Net addition to shareholders' funds	1,483,045	392,845
Opening shareholders' funds	11,030,498	10,637,653
Closing shareholders' funds	12,513,543	11,030,498

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 2012. 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"