

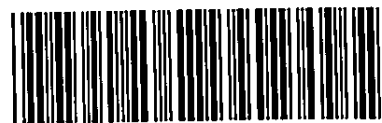
COMPANY REGISTRATION NUMBER 0572008

**RINGTONS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2009**

**unw LLP**

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

TUESDAY



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# **RINGTONS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

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

**Company secretary**

C Moffett

**Registered office**

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

**Auditor**

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

**Bankers**

Lloyds TSB Plc  
Black Horse House  
91 Sandyford Road  
Newcastle upon Tyne  
NE99 1JW

**Solicitors**

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

# **RINGTONS LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 30 JUNE 2009**

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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 2009

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company comprises the blending, packing, and retailing of tea

The directors are satisfied with the company's performance reported in these financial statements

#### **Future Outlook**

The company's affairs in respect of its tea activity are considered to be satisfactory and progress in the development of the tea business continues

#### **Principal risks and uncertainties**

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

#### **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.

The directors have maintained their practice of formally publicising important developments and of promoting the common interests of the company and the staff by means of regular meetings and continuous individual contact.

#### **RESULTS AND DIVIDENDS**

The profit for the year amounted to £2,715,010. Particulars of dividends paid are detailed in note 11 to the financial statements.

#### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The monitoring and subsequent management of the company's exposure to financial risk is the responsibility of the company's directors. The company is exposed to tea price fluctuations although this is managed through purchasing bulk quantities at auction at defined prices. Bulk purchasing also mitigates the risk of exposure to tea shortages.

#### **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 Moffett  
P R Mumby

(Resigned 31 January 2009)

#### **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 those financial statements, the directors are required to

# **RINGTONS LIMITED**

## **THE DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 30 JUNE 2009**

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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.

### **DISABLED EMPLOYEES**

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

### **EMPLOYEE INVOLVEMENT**

During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas. Employees participate directly in the success of the business through the company's profit sharing schemes and are encouraged to invest in the company through participation in share option schemes.

### **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



C MOFFETT  
Company Secretary

Approved by the directors on 30 October 2009

# **RINGTONS LIMITED**

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

### **YEAR ENDED 30 JUNE 2009**

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We have audited the financial statements of Ringtons Limited for the year ended 30 June 2009. 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 Sections 495 and 496 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 pages 2 to 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 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.

#### **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 2009 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)*

**YEAR ENDED 30 JUNE 2009**

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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

Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JE

30 October 2009



A WILSON (Senior Statutory Auditor)  
For and on behalf of  
UNW LLP  
Chartered Accountants  
& Statutory Auditor

# RINGTONS LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2009

	Note	2009 £	2008 £
<b>TURNOVER</b>	<b>2</b>	<b>32,304,385</b>	<b>30,583,786</b>
Cost of sales		<u>17,217,647</u>	<u>16,306,241</u>
<b>GROSS PROFIT</b>		<b>15,086,738</b>	<b>14,277,545</b>
Distribution costs		9,718,338	9,351,613
Administrative expenses		2,580,944	2,784,868
Other operating income	3	<u>(62,209)</u>	<u>(175,443)</u>
<b>OPERATING PROFIT</b>	<b>4</b>	<b>2,849,665</b>	<b>2,316,507</b>
Profit on disposal of fixed assets	7	235,789	100,745
Other provisions		<u>(483,870)</u>	<u>(376,465)</u>
		<b>2,601,584</b>	<b>2,040,787</b>
Interest receivable and similar income	8	138,913	254,624
Interest payable and similar charges	9	<u>(141,918)</u>	<u>(247,745)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>2,598,579</b>	<b>2,047,666</b>
Tax on profit on ordinary activities	10	<u>(116,431)</u>	<u>22,000</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>2,715,010</u></b>	<b><u>2,025,666</u></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

## BALANCE SHEET

30 JUNE 2009

	Note	2009 £	2008 £
<b>FIXED ASSETS</b>			
Tangible assets	12	6,888,488	6,470,978
Investments	13	1	1,909,928
		<u>6,888,489</u>	<u>8,380,906</u>
<b>CURRENT ASSETS</b>			
Stocks	14	4,034,443	4,155,469
Debtors	15	1,645,753	5,455,859
Cash at bank		6,793,614	369,058
		<u>12,473,810</u>	<u>9,980,386</u>
<b>CREDITORS: Amounts falling due within one year</b>	16	5,493,411	4,530,236
<b>NET CURRENT ASSETS</b>		<u>6,980,399</u>	<u>5,450,150</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,868,888</u>	<u>13,831,056</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	17	3,397,000	3,397,000
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	19	66,328	171,759
Other provisions	20	225,182	-
		<u>10,180,378</u>	<u>10,262,297</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	21	142,444	142,444
Other reserves	22	296,343	296,343
Profit and loss account	23	9,741,591	9,823,510
<b>SHAREHOLDERS' FUNDS</b>	24	<u>10,180,378</u>	<u>10,262,297</u>

These financial statements were approved by the directors and authorised for issue on 30 October 2009, and are signed on their behalf by



PWH SMITH  
Director

COMPANY REGISTRATION NUMBER 0572008

The notes on page 7 form part of these financial statements



# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 30 JUNE 2009

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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

The company prepares its report and accounts for the financial year ending on the nearest Saturday to 30 June of a given calendar year

##### **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 and invoiced 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	-	20% 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

### YEAR ENDED 30 JUNE 2009

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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:

	2009	2008
	£	£
United Kingdom	<u>32,304,385</u>	<u>30,583,786</u>

#### 3 OTHER OPERATING INCOME

	2009	2008
	£	£
Rent receivable	12,209	11,810
Management charges receivable	<u>50,000</u>	<u>163,633</u>
	<u>62,209</u>	<u>175,443</u>

#### 4 OPERATING PROFIT

Operating profit is stated after charging:

	2009	2008
	£	£
Depreciation of owned fixed assets	1,014,899	1,053,884
Loss on disposal of fixed assets	11,760	-
Auditor's remuneration		
- as auditor	10,000	13,000
- for other services	3,000	6,000
Operating lease costs		
- Other	66,330	66,614
Net loss on foreign currency translation	<u>11,747</u>	<u>-</u>

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 30 JUNE 2009

#### 5 PARTICULARS OF EMPLOYEES

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

	2009	2008
	No	No
Number of production staff	68	86
Number of selling and distribution staff	323	364
Number of administrative staff	25	40
	<u>416</u>	<u>490</u>

The aggregate payroll costs of the above were

	2009	2008
	£	£
Wages and salaries	8,982,760	8,708,764
Social security costs	818,464	795,208
Other pension costs	319,153	353,850
Other pension costs	61,869	19,000
	<u>10,182,246</u>	<u>9,876,822</u>

#### 6 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2009	2008
	£	£
Aggregate remuneration	690,292	567,925
Value of company pension contributions to money purchase schemes	61,869	19,000
	<u>752,161</u>	<u>586,925</u>

#### 7 PROFIT ON DISPOSAL OF FIXED ASSETS

	2009	2008
	£	£
Profit on disposal of fixed assets	<u>235,789</u>	<u>100,745</u>

#### 8 INTEREST RECEIVABLE AND SIMILAR INCOME

	2009	2008
	£	£
Other similar income receivable	<u>138,913</u>	<u>254,624</u>

#### 9 INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Interest payable on bank borrowing	56,900	62,050
Interest on group loans	85,018	185,695
	<u>141,918</u>	<u>247,745</u>

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 30 JUNE 2009

#### 10 TAXATION ON ORDINARY ACTIVITIES

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

	2009 £	2008 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2008 - 29 50%)	(11,000)	37,241
Total current tax	(11,000)	37,241
Deferred tax		
Origination and reversal of timing differences (note 19)		
Capital allowances	(89,241)	(15,241)
Other	(16,190)	-
Total deferred tax (note 19)	(105,431)	(15,241)
Tax on profit on ordinary activities	(116,431)	22,000

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

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 - 29 50%)

	2009 £	2008 £
Profit on ordinary activities before taxation	2,598,579	2,047,666
Profit on ordinary activities by rate of tax	727,602	604,061
Expenses not deductible for tax purposes	38,680	99,428
Capital allowances for period in excess of depreciation	20,881	18,694
Adjustments to tax charge in respect of previous periods	(11,000)	2,334
Profit on disposal of properties	76,067	-
Industrial buildings allowances	(12,716)	-
Group relief claimed	(850,514)	(687,276)
Total current tax (note 10(a))	(11,000)	37,241

#### 11. DIVIDENDS

##### Equity dividends

	2009 £	2008 £
Paid during the year		
Equity dividends on ordinary shares	2,796,929	752,256

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 30 JUNE 2009

#### 12 TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Other Assets £	Total £
<b>COST</b>						
At 1 Jul 2008	4,192,000	184,000	4,927,000	1,746,000	3,716,000	14,765,000
Additions	–	630,924	670,971	63,236	260,815	1,625,946
Disposals	(111,078)	(30,380)	(304,693)	(416,454)	(534,086)	(1,396,691)
<b>At 30 Jun 2009</b>	<b>4,080,922</b>	<b>784,544</b>	<b>5,293,278</b>	<b>1,392,782</b>	<b>3,442,729</b>	<b>14,994,255</b>
<b>DEPRECIATION</b>						
At 1 Jul 2008	1,224,552	68,330	3,720,537	1,242,065	2,038,538	8,294,022
Charge for the year	76,273	11,083	269,888	133,206	524,449	1,014,899
On disposals	(37,026)	(13,519)	(349,817)	(358,820)	(443,972)	(1,203,154)
<b>At 30 Jun 2009</b>	<b>1,263,799</b>	<b>65,894</b>	<b>3,640,608</b>	<b>1,016,451</b>	<b>2,119,015</b>	<b>8,105,767</b>
<b>NET BOOK VALUE</b>						
<b>At 30 Jun 2009</b>	<b>2,817,123</b>	<b>718,650</b>	<b>1,652,670</b>	<b>376,331</b>	<b>1,323,714</b>	<b>6,888,488</b>
At 30 Jun 2008	2,967,448	115,670	1,206,463	503,935	1,677,462	6,470,978

#### 13 INVESTMENTS

	Associated undertakings £
<b>COST</b>	
At 1 July 2008	1,909,928
Disposals	(1,909,927)
<b>At 30 June 2009</b>	<b>1</b>
<b>NET BOOK VALUE</b>	
<b>At 30 June 2009</b>	<b>1</b>
At 30 June 2008	1,909,928

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

During the financial year the company transferred its 100% ownership of Ringtons Stores Limited, to its parent company Ringtons Holdings Limited in the form of a dividend

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 248 of the Companies Act 1985 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

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

### 14 STOCKS

	2009 £	2008 £
Raw materials	2,480,998	2,475,316
Finished goods	1,553,445	1,680,153
	<u>4,034,443</u>	<u>4,155,469</u>

### 15 DEBTORS

	2009 £	2008 £
Trade debtors	1,106,134	1,240,727
Amounts owed by group undertakings	—	3,541,097
Amounts owed by related parties	7,382	9,164
Corporation tax repayable	191,828	—
Other debtors	157,826	375,963
Prepayments and accrued income	182,583	288,908
	<u>1,645,753</u>	<u>5,455,859</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

	2009 £	2008 £
Overdrafts	222,305	1,068,309
Trade creditors	1,271,786	1,267,724
Amounts owed to group undertakings	1,196,575	—
Corporation tax	—	11,000
Other taxation and social security	250,706	242,759
Other creditors	27,007	—
Accruals and deferred income	2,525,032	1,940,444
	<u>5,493,411</u>	<u>4,530,236</u>

The interest rate applicable to the bank overdraft is 1% above Base Rate

### 17 CREDITORS Amounts falling due after more than one year

	2009 £	2008 £
Amounts owed to group undertakings	<u>3,397,000</u>	<u>3,397,000</u>

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

### 18 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 £375,780 (2008 £372,849) An amount of £44,344 (2008 £47,872) is due to the scheme at the year end

### 19 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2009 £	2008 £
Provision brought forward	171,759	187,000
Profit and loss account movement arising during the year	(105,431)	(15,241)
Provision carried forward	<u>66,328</u>	<u>171,759</u>

# RINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 30 JUNE 2009

#### 19 DEFERRED TAXATION *(continued)*

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

	2009 £	2008 £
Excess of taxation allowances over depreciation on fixed assets	82,518	171,759
Other timing differences	(16,190)	-
	<u>66,328</u>	<u>171,759</u>

#### 20 OTHER PROVISIONS

	2009 £
Onerous lease provision: Movement for year	<u>225,182</u>

#### 21. SHARE CAPITAL

Authorised share capital

	2009 £	2008 £
2,076,000 Ordinary shares of £1 each	<u>2,076,000</u>	<u>2,076,000</u>

Allotted, called up and fully paid

	2009 No	£	2008 No	£
Ordinary shares of £1 each	<u>142,444</u>	<u>142,444</u>	<u>142,444</u>	<u>142,444</u>

#### 22 OTHER RESERVES

	2009 £	2008 £
Capital redemption reserve	<u>296,343</u>	<u>296,343</u>

#### 23 PROFIT AND LOSS ACCOUNT

	2009 £	2008 £
Balance brought forward	9,823,510	8,550,100
Profit for the financial year	2,715,010	2,025,666
Equity dividends	(2,796,929)	(752,256)
Balance carried forward	<u>9,741,591</u>	<u>9,823,510</u>

#### 24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Profit for the financial year	2,715,010	2,025,666
Equity dividends	(2,796,929)	(752,256)
Net (reduction)/addition to shareholders' funds	(81,919)	1,273,410
Opening shareholders' funds	<u>10,262,297</u>	<u>8,988,887</u>
Closing shareholders' funds	<u>10,180,378</u>	<u>10,262,297</u>

# **RINGTONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 30 JUNE 2009**

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#### **25. 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 2009. The consolidated financial statements of Ringtons Holdings Limited are available from 10-22 Algemon Road 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"