

Tata Global Beverages GB Limited
(formerly Tetley GB Limited)

Registered number 03019950

Annual report and financial statements

Year ended 31 March 2011

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Tata Global Beverages GB Limited

(formerly Tetley GB Limited)

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Tata Global Beverages GB Limited

(formerly Tetley GB Limited)

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2011

Principal activities

The principal activities of the company are the processing, marketing and distribution of tea products

Results, business review, future developments and dividends

The name of the company was changed from Tetley GB Limited to Tata Global Beverages GB Limited on the 30 July 2010

The company operates within the UK from where it services the UK grocery and foodservice markets as well as export markets primarily in Canada and Western Europe

The company remains a leading member of the Ethical Tea Partnership, an international non-commercial alliance of tea packers whose vision is of a thriving tea sector that is socially just and environmentally sustainable. During the year the company announced its commitment to purchasing all of the tea for its Tetley branded teabag and loose tea products from Rainforest Alliance Certified TM farms by 2016

The directors are pleased to report that it has been a successful and profitable year for the company. The company achieved sales of £189.5 million which represents an increase of 4.2% year on year. Profit after tax of £20.2 million was £3.5 million behind the prior year.

The market performance of the company remains strong. The company has a UK market share in value terms of 24.7% (2010: 25.1%) which reflects the achievement of better quality sales at the expense of a marginal loss in volumes. In Canada, the company's largest export market, leadership was also retained with a share of 35.1% (2010: 35.9%).

Financial Risk Management

The company takes a proactive approach to the management of the various risks that it faces. Of these risks the principal ones are raw tea pricing, currency movements, and the current dependence on black tea. These are managed in the following ways:

Raw tea pricing – raw tea is the company's single largest cost. Climatic conditions in the different countries from which raw tea is sourced can lead to fluctuations in price. However, these raw teas are blended before packing which allows some flexibility to manage these fluctuations by substitution.

Currency movements – foreign exchange risk in relation to export revenues and import costs is managed by the group's Treasury function using spot, forward and option exchange contracts.

Dependence on black tea – much of the company's current trading is in black tea, a market that is in slow decline in the UK. Management's strategy is to grow the business in product categories other than black tea, which are currently growing.

The company's activities and future prospects have been reviewed and the company plans to continue trading within the tea market. The company is looking to maximise the value of its portfolio of brands and to increase its presence in the wider beverage market.

Tata Global Beverages GB Limited

(formerly Tetley GB Limited)

Directors' report (continued)

The company is a wholly owned subsidiary of Tata Global Beverages Group Limited. More detail on the performance of the Group as a whole can be found in the Directors' report of that company.

Directors and their interests

The directors during the period were as follows:

L Krishna Kumar
N Holland (appointed 30 June 2011)
J R Nicholas (resigned 8 April 2011)
P Siganporia (appointed 30 June 2011)
P D Unsworth (resigned 30 June 2011)

Going Concern

The directors confirm that they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and, having received the assurances referred to in note 16 in respect of the borrowings from Tata Global Beverages Group Limited (formerly Tata Tea (GB) Limited) and Tata Global Beverages Holdings Limited (formerly Tetley Group Holdings Limited), they have adopted the going concern basis in preparing the financial statements.

Health, safety and the environment

The company operates in full compliance with all relevant environmental legislation and has a worldwide environmental policy and ISO14001 accreditation for its UK based facilities.

As a responsible employer, the company is aware of its position and role in the community and is continually committed to improving its environmental performance.

Disabled persons

It is the policy of the company to employ disabled persons, whenever possible, in jobs suited to their individual circumstances and to give them, together with employees who become disabled while employed, full and fair consideration at all times in career development, training and promotion.

Research and development expenditure

The company is committed to growth through new product development and geographical expansion. A focused programme of research and product development is in place to meet that strategic need, building on successes, entering new and developing markets, and creating new, differentiated products that will enable the company to penetrate new markets.

Charitable and political contributions

Charitable donations during the period amounted to £1,000 (2010: £2,000). No political donations were made in the year (2010: £nil).

Supplier payments

The company agrees payment terms with its suppliers when it places purchase orders for the supply of goods and services. Tea commodity purchases are subject to industry-wide purchase contracts. The company expects to meet these payment terms provided it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

Tata Global Beverages GB Limited

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Directors' report (continued)

Employee involvement

The company believes in effective communication to engage its employees worldwide. This is regularly delivered via its intranet site, a monthly Core Brief and World of Tetley, a quarterly in-house magazine, supported by ad hoc mailings and face to face communication events. Together, these ensure all employees are well informed about the company's performance and key business issues and developments.

Fixed assets

The movements in tangible fixed assets are set out in note 10 to the financial statements.

Loans to and from group undertakings

The company has agreed with certain group undertakings to offset debit and credit balances on loans to and from those group undertakings in the period. Details of loans to and from group undertakings are included within notes 13, 14, 15 and 16.

Statement of 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.

Tata Global Beverages GB Limited

(formerly Tetley GB Limited)

Directors' report (continued)

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

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

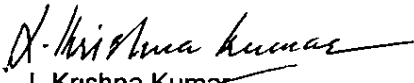
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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


L. Krishna Kumar
Director
2 August 2011

Tata Global Beverages GB Limited

(formerly Tetley GB Limited)

Independent auditors' report to the members of Tata Global Beverages GB Limited

We have audited the financial statements of Tata Global Beverages GB Limited for the year ended 31 March 2011 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 4, 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 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 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 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.

Tata Global Beverages GB Limited
(formerly Tetley GB Limited)

Independent auditors' report to the members of Tata Global Beverages GB Limited (continued)

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



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

2 August 2011

Tata Global Beverages GB Limited

(formerly Tetley GB Limited)

Accounting policies

Basis of accounting

The financial statements have been 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.

The directors confirm that they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and, having received the assurances referred to in note 16 in respect of the borrowings from Tata Global Beverages Group Limited (formerly Tata Tea (GB) Limited) and Tata Global Beverages Holdings Limited (formerly Tetley Group Holdings Limited), they have adopted the going concern basis in preparing the financial statements.

Consolidation

The company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 not to prepare group accounts as the results are included in the consolidated accounts of Tata Global Beverages Group Limited.

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.

Turnover

Turnover comprises sales of goods after deduction of discounts and sales taxes. Statutory turnover is after the deduction of promotional costs required by FRS 5 Application Note G. Turnover is recognised when the risks and rewards of the underlying products and services have been substantially transferred to the customer.

Research and development

Such expenditure is written off to the profit and loss account as incurred in accordance with SSAP 13.

Pension and other post retirement benefit arrangements

Pensions and other post retirement benefit arrangements are accounted for in line with FRS 17.

Defined Benefit Schemes

A number of the company's employees are members of The Tetley GB Final Salary Pension Scheme. Whilst this is a defined benefit scheme, the company is unable to identify its share of the underlying assets and liabilities of the scheme and the company accounts for the scheme as a defined contribution scheme, as required by FRS 17 'Retirement benefits'.

Defined Contribution Schemes

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.

Further details on the Group's pension schemes are given in note 21.

Tata Global Beverages GB Limited

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Accounting policies (continued)

Goodwill

Goodwill represents the excess of the fair values of the investments made in the tea business in 1995/6, over the fair values of the underlying net assets at the dates of acquisition and has been capitalised in accordance with FRS 10, 'Goodwill and Intangible assets'

This goodwill was initially amortised over a period of 20 years from acquisition. In the period ended 2 March 2002 the company changed the accounting policy to one where the goodwill arising at a group level has an indefinite useful economic life and as such goodwill has not been amortised. The factors that influenced the directors' view of the durability of the goodwill are the businesses' proven ability to maintain market leadership, and operate profitably, over a long period of time, the strength of the brand, the continuing commitment to high levels of investment in brand building and innovation and the significant financial and technical barriers to new market entrants that have been built. The carrying value of the goodwill will continue to be subject to an annual impairment review based on the expected future cash flows of the businesses and adjusted to the recoverable amount if required.

Whilst the accounting treatment represents a departure from the specific requirements of the Companies Act 2006, the directors consider this to be necessary for the overriding purpose of providing a true and fair view in accordance with the Companies Act 2006 (Section 404(5)). If the company had continued to amortise goodwill over a period of 20 years the profit before tax would have been £4.1 million lower for the period (2010: £4.1 million).

Intangible Assets (Brands)

Intangible Assets held represents the purchase of Vitax and Flosana brands for £4.8 million in April 2007.

The intangible brand assets have not been amortised as the directors have concluded that the brands have an indefinite useful life.

The primary factors that influenced the directors' view of the durability of the brands are the strength of the brands acquired and their respective market positions.

Tangible Fixed Assets and Depreciation

Fixed assets are recorded at historic cost less accumulated depreciation. No depreciation is charged on land. Freehold buildings are depreciated on a straight line basis over 50 years or their remaining life, if less. Leasehold buildings are depreciated on a straight line basis over the remaining term of the lease. Other fixed assets are depreciated on a straight line basis over their expected remaining useful lives at the following rates:

Plant and machinery	5 to 12 years
Commercial and motor vehicles	4 to 6 years
Office furniture and fittings	5 to 10 years
Computer hardware	3 to 5 years

Depreciation is provided to write off the cost, or valuation, of the relevant assets. Depreciation is not charged on capital work in progress until the assets are brought into operational use in the business and transferred to the appropriate asset category.

Tata Global Beverages GB Limited

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Accounting policies (continued)

Leased assets

Tangible fixed assets held under finance leases are capitalised and depreciated in accordance with the company's depreciation policy. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of the capital repayments outstanding. Operating lease charges are charged to the profit and loss account as incurred.

Investments

Fixed asset investments are shown at cost less provision for permanent diminution in value and, in the opinion of the directors, their value is not less than the aggregate amount shown in the balance sheet.

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 prevailing at the transaction date. Monetary assets and liabilities in foreign currencies are re-translated at the rate of exchange rate ruling at the balance sheet date. All exchange differences are taken to the profit and loss account.

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.

Tata Global Beverages GB Limited
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Profit and loss account
Year ended 31 March 2011

	Note	Year ended 31 March 2011 £'000	Year ended 31 March 2010 £'000
Turnover	1	189,466	181,916
Operating profit	1,2,3	24,368	30,740
Interest receivable and similar income	4	6,390	6,243
Interest payable and similar charges	5	(2,274)	(2,430)
Profit on ordinary activities before taxation		28,484	34,553
Tax on profit on ordinary activities	7	(8,329)	(10,824)
Profit for the financial year		20,155	23,729

There is no difference between the results as disclosed in the profit and loss account and the results on a 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

Tata Global Beverages GB Limited
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Balance sheet
As at 31 March 2011

	Note	31 March 2011 £'000	31 March 2010 £'000
Fixed assets			
Intangible assets	9	63,355	63,355
Tangible assets	10	14,140	15,812
Investments	11	1,000	1,000
		78,495	80,167
Current assets			
Stock	12	27,311	28,435
Debtors (amounts falling due within one year)	13	34,510	28,497
Debtors (amounts falling due after more than one year)	14	130,190	106,558
Cash at bank and in hand		6	6
		192,017	163,496
Creditors (amounts falling due within one year)	15	(46,526)	(43,579)
Net current assets		145,491	119,917
Total assets less current liabilities		223,986	200,084
Creditors (amounts falling due after more than one year)	16	(54,366)	(49,973)
Provisions for liabilities	17	(2,014)	(2,660)
Net assets		167,606	147,451
Capital and reserves			
Called up share capital	18	-	-
Profit and loss account	19	167,606	147,451
Total shareholders' funds		167,606	147,451

The financial statements on pages 7 to 22 were approved by the Board on 22 July 2011 and signed on its behalf on 2 August 2011 by


L. Krishna Kumar
Director

Tata Global Beverages GB Limited
Registered number 03019950

Tata Global Beverages GB Limited

(formerly Tetley GB Limited)

Notes to the financial statements

1 Turnover and profit information

The principal operations of the company are the processing, marketing and distribution of tea, which are regarded by the directors as a single class of business

The origin and destination of the company's statutory turnover is as follows

Year ended 31 March 2011

	Turnover by origin £'000	Turnover by destination £'000
<i>Continuing Operations</i>		
United Kingdom	186,618	150,666
Rest of the World	2,848	38,800
Total	189,466	189,466

Period ended 31 March 2010

	Turnover by origin £'000	Turnover by destination £'000
<i>Continuing Operations</i>		
United Kingdom	178,816	144,779
Rest of the World	3,100	37,137
Total	181,916	181,916

Further analysis of the company's profit and loss account is provided as follows

	2011 £'000	2010 £'000
Turnover	189,466	181,916
Cost of sales	(120,742)	(114,517)
Gross profit	68,724	67,399
Selling and distribution costs	(23,640)	(18,909)
Administrative expenses	(20,160)	(17,419)
Group operating profit before exceptionals	24,924	31,071
Exceptional items (see note 3)	(556)	(331)
Operating profit	24,368	30,740

Tata Global Beverages GB Limited
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Notes to the financial statements (continued)

2 Operating profit

	2011 £'000	2010 £'000
The operating profit is stated after charging		
Wages and salaries	18,734	18,615
Social security costs	1,583	1,577
Other pension costs	3,276	4,670
Staff costs	23,593	24,862
Auditors' remuneration	-	-
Auditors' fees for non audit services	62	14
Depreciation and amortisation of fixed assets	4,130	4,988
Operating lease charges		
- Land and Buildings	796	796
- Other	247	251
Research and development costs	609	558
Exceptional items (see note 3)	556	331

The auditors' remuneration for audit services is borne by a fellow subsidiary undertaking, Tata Global Beverages Services Limited (formerly The Tetley Group Limited). The cost of operating lease rentals in respect of land and buildings was shared with Tata Global Beverages Services Limited.

3 Exceptional items

	2011 £'000	2010 £'000
Re-organisation costs	556	331
Total	556	331

During the period £556,000 (2010: £331,000) of reorganisation costs were charged to operating profit. The restructuring costs incurred during the period related primarily to redundancies.

Tata Global Beverages GB Limited
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Notes to the financial statements (continued)

4 Interest receivable and similar income

	2011	2010
	£'000	£'000
Interest receivable from group undertakings	6,390	6,243
Total	6,390	6,243

Further information in respect of interest receivable from group undertakings is set out in note 14

5 Interest payable and similar charges

	2011	2010
	£'000	£'000
Interest payable to group undertakings	(1,908)	(2,098)
Other interest payable	(366)	(332)
Total	(2,274)	(2,430)

6 Directors and employees

The average number of persons (full time equivalent) employed, principally in the United Kingdom, during the period was

	2011	2010
	Monthly average number	Monthly average number
Manufacturing	382	402
Selling & distribution	66	96
Administration	24	36
Total	472	534

The directors of the company are directors of the Group's parent undertaking and are remunerated for their services to the Group as a whole. The emoluments of the directors and the details of the highest paid director are included within the Tata Global Beverages Group Limited accounts. The directors do not receive any remuneration for their services to the company (2010: nil).

Directors' pension arrangements at 31 March 2011 are as follows

Number of directors who are members of

	2011	2010
	Monthly Average Number	Monthly Average Number
Active members of Defined contribution pension schemes	2	2
Members of Defined benefit pension scheme who have benefits accruing	1	1

Tata Global Beverages GB Limited
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Notes to the financial statements (continued)

7 Tax on profit on ordinary activities

	2011	2010
	£'000	£'000
Current tax.		
UK corporation tax on profits in the period	8,737	10,316
Adjustments in respect of prior periods	909	624
Total current tax charge for the period	9,646	10,940
Deferred tax:		
Timing differences in respect of fixed assets	(268)	(116)
Other timing differences	(157)	-
Adjustments in respect of prior periods	(892)	(116)
Tax on profit on ordinary activities	8,329	10,824

Factors affecting the tax charge for the period

The current tax charge for the period is higher (2010 higher) than at the standard rate of corporation tax in the UK of 28% (2010 28%) The differences are explained below

	2011	2010
	£'000	£'000
Profit on ordinary activities before tax	28,484	34,553
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 28%)	7,976	9,675
Effects of		
Capital allowances for period less than depreciation	539	597
Permanent differences	49	56
Other timing differences	173	(12)
Adjustments in respect of prior periods	909	624
Current tax charge for the period	9,646	10,940

Legislation was substantively enacted in March 2011 to reduce the UK rate of corporation tax to 26% with effect from 1 April 2011. This change in rate has no material impact on the deferred tax assets or liabilities of the company. Legislation to reduce the main rate of corporation tax from 26% to 25% from 1 April 2012 is expected to be included in the Finance Act 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 23% by 1 April 2014. These further changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

Tata Global Beverages GB Limited
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Notes to the financial statements (continued)

8 Dividends

No dividends were paid during the year (2010 nil)

9 Intangible assets

	Brands £'000	Goodwill £'000s	Total £'000s
Cost			
At 1 April 2010 and at 31 March 2011	4,815	81,269	86,084
Amortisation			
At 1 April 2010 and at 31 March 2011	-	22,729	22,729
Net book amount			
At 31 March 2011	4,815	58,540	63,355
At 31 March 2010	4,815	58,540	63,355

10 Tangible assets

	Freehold land and buildings £'000	Plant, machinery, fixtures, fittings and equipment £'000	Commercial and motor vehicles £'000	Capital work in progress £'000	Total £'000
Cost					
At 1 April 2010	7,622	53,444	166	2,386	63,618
Additions	-	-	-	2,616	2,616
Transfers	1,222	2,585	-	(3,807)	-
Disposals	(3)	(712)	-	-	(715)
At 31 March 2011	8,841	55,317	166	1,195	65,519
Depreciation					
At 1 April 2010	3,956	43,701	149	-	47,806
Charge for the period	611	3,507	12	-	4,130
Disposals	(2)	(555)	-	-	(557)
At 31 March 2011	4,565	46,653	161	-	51,379
Net book amount					
At 31 March 2011	4,276	8,664	5	1,195	14,140
At 31 March 2010	3,666	9,743	17	2,386	15,812

Tata Global Beverages GB Limited
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Notes to the financial statements (continued)

11 Investments

Cost	Shares in Group undertakings £'000
At 1 April 2010 and 31 March 2011	1,000

The company's shares in group undertakings at the start of the period are represented by 100% equity holdings in three dormant companies (Lyons Tetley Limited, Stansand Limited and Stansand (Brokers) Limited), a 100% equity holding in Teapigs Limited and a 94.9% equity holding in Drassington Limited, all of which were incorporated in the UK

12 Stock

	2011 £'000	2010 £'000
Raw materials	21,339	22,234
Work in progress	100	102
Finished goods	5,872	6,099
Total	27,311	28,435

The difference between the amount shown above and replacement cost is not material

13 Debtors (amounts falling due within one year)

	2011 £'000	2010 £'000
Trade debtors	25,859	20,614
Amounts owed by group undertakings	6,248	6,113
Other debtors, prepayments and accrued income	1,986	1,509
Deferred taxation	417	261
Total	34,510	28,497

The deferred tax asset £0.4 million (2010: £0.3 million) arises on timing differences on provisions and is expected to be recoverable in the future. The asset is held at a corporation tax rate of 26%. There is no unrecognised deferred tax.

Tata Global Beverages GB Limited
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Notes to the financial statements (continued)

14 Debtors (amounts falling due after more than one year)

	2011	2010
	£'000	£'000
Amounts owed by group undertakings	130,190	106,558
Total	130,190	106,558

Amounts owed by group undertakings represents a balance held with Tata Global Beverages Services Limited (formerly The Tetley Group Limited) The loan is charged at 2% above LIBOR and is unsecured The loan agreement provides for the principal to be repaid on demand by the borrower The company has indicated to Tata Global Beverages Services Limited that it will not require the loan to be repaid within the next 12 months

15 Creditors (amounts falling due within one year)

	2011	2010
	£'000	£'000
Trade creditors	32,130	30,415
Amounts owed to group undertakings	2,433	954
Corporation tax	2,670	2,606
Other taxation and social security	449	541
Other creditors and accruals	8,844	9,063
Total	46,526	43,579

16 Creditors (amounts falling due after one year)

	2011	2010
	£'000	£'000
Amounts owed to group undertakings	54,366	49,973
Total	54,366	49,973

Amounts owed to group undertakings include a loan from Tata Global Beverages Group Limited (formerly Tata Tea (GB) Limited) of £41.1 million and Tata Global Beverages Holdings Limited (formerly Tetley Group Holdings Limited) of £11.2 million together with other balances with fellow group subsidiaries The loans are charged at variable rates and are unsecured The loan agreements provide for the principal to be repaid on demand by the lender Each lender has indicated to the company that it will not require repayment of the balance of its loan, in the normal course of events, until at least twelve months from the date that these financial statements were approved The borrowings have, therefore, been treated as repayable after more than one year from the balance sheet date

Tata Global Beverages GB Limited
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Notes to the financial statements (continued)

17 Provisions for liabilities

	Reorganisation costs £'000	Deferred tax £'000	Other provisions £'000	Total £'000
At 1 April 2010	22	2,488	150	2,660
Established in period	556	-	-	556
Utilised in period	(41)	(1,161)	-	(1,202)
At 31 March 2011	537	1,327	150	2,014

The reorganisation provision relates to the restructure of the UK operations. Utilisation of provisions during the period related mainly to employee severance payments.

The major components of the deferred tax balance are as follows

	2011 £'000	2010 £'000
Accelerated capital allowances	1,292	1,570
Other timing differences	35	918
Total	1,327	2,488

There is no unprovided deferred tax in respect of the company (2010: £nil)

18 Called up share capital

	Number	2011 £'000	2010 £'000
Authorised			
Ordinary shares of £1 each	100 (2010: 100)	-	-
Allotted, called up and fully paid			
Ordinary shares of £1 each	1 (2010: 1)	-	-

19 Reserves

	Profit and loss account £'000
At 1 April 2010	147,451
Profit for the period	20,155
At 31 March 2011	167,606

Tata Global Beverages GB Limited
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Notes to the financial statements (continued)

20 Reconciliation of movements in shareholders' funds

	2011	2010
	£'000	£'000
Profit for the period	20,155	23,729
Opening shareholders' funds	147,451	123,722
Closing shareholders' funds	167,606	147,451

21 Pensions

The company's employees are members of two company pension schemes

The company participates in the Tetley GB Final Salary Pension Scheme, which is of the funded defined benefit type providing benefits to certain employees within the UK subsidiaries of the Tata Global Beverages group. The assets of the scheme are held separately from the group's assets. The Scheme closed to new entrants in April 1997 and was closed to future accrual with effect from 6 April 2005. All existing Scheme members are eligible to join the UK defined contribution plan.

The contributions paid by the company are accounted for as if the scheme were a defined contribution scheme, as the company is unable to identify its share of the underlying assets and liabilities in the scheme.

The total cost of contributions to the group scheme amount to £3.0 million (2010: £4.9 million) and are based on pension costs across the Group as a whole. Of this, £2.25 million (2010: £3.675 million) was charged to the company. An actuarial valuation of the Tetley GB Final Salary Pension scheme was undertaken on 31 March 2011 and a deficit of £6.8 million (2010: £12.4 million) was identified after deducting the associated deferred tax of £2.4 million (2010: £4.8 million).

The group expects to contribute £3.0 million over the following year, of which the company will be charged £2.25 million.

Full disclosures relating to this scheme are included within the financial statements of Tata Global Beverages Group Limited (formerly Tata Tea (GB) Limited).

The defined contribution scheme is administered by independent pension advisers and invested by external managers for employees joining the Group after July 1995. Such employees were not eligible to participate in the Tetley defined benefit scheme. The pension cost in the period of the company's defined contribution scheme was £1,173,000 (2010: £853,000).

Tata Global Beverages GB Limited (formerly Tetley GB Limited)

Notes to the financial statements (continued)

22 Contingent liabilities

There were contingent liabilities at 1 April 2010 and 31 March 2011 in respect of operating leases undertaken in the normal course of business. See note 23 for details of commitments.

The company is a wholly owned subsidiary of Tata Global Beverages Group Limited (formerly Tata Tea (GB) Limited). The main financing for the group of companies owned by Tata Global Beverages Group Limited during the period was provided by a series of credit facilities to Tata Global Beverages Group Limited and nominated subsidiaries. Under the terms of these arrangements, outstanding liabilities were supported by guarantees and security was provided by the principal subsidiaries of Tata Global Beverages Group Limited, including the company.

The company provided a series of undertakings and covenants to the lenders in connection with the Group's performance consistent with usual practice in such financing arrangements. The credit facilities of Tata Global Beverages Group Limited were repaid in January 2011. At 31 March 2011, total amounts outstanding under this guarantee arrangement were £nil (2010: £110.0 million).

23 Leases

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

Commitment expires	Land and buildings		Other	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Within one year	-	-	-	-
Between one and five years	325	321	247	251
After five years	471	475	-	-
	796	796	247	251

24 Capital commitments

Capital expenditure authorised by the Board and contracted for at 31 March 2011 amounted to £0.4 million (2010: £0.6 million).

25 Parent company

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

Tata Global Beverages GB Limited

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Notes to the financial statements (continued)

26 Related party transactions

As the company is a wholly owned subsidiary of Tata Global Beverages Group Limited (formerly Tata Tea (GB) 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