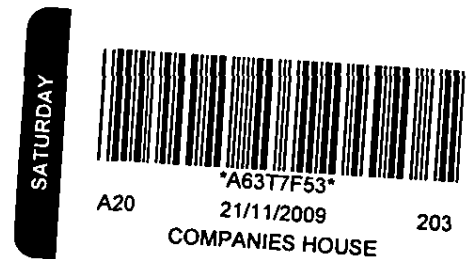


Tetley GB Limited
(Registered Number: 3019950)

Annual report and financial statements

Period ended 31 March 2009



Tetley GB Limited

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Tetley GB Limited

Directors' report

The directors present their report and the audited financial statements for the period ended 31 March 2009 which is a 360 day period (2008: 53 week period). The company has changed its financial year end to 31 March to be consistent with that of the ultimate parent undertaking.

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 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 is a member of the Ethical Tea Partnership, which promotes social responsibility in the tea trade and ethical sourcing of tea.

The Directors are pleased to report that it has been a successful and profitable period for the company. The company achieved sales of £163.2 million which represents an increase of 1.2 % year on year. Profit after tax of £28.9 million was £0.8 million behind the prior year.

The market performance of the company remains strong. The company has a UK market share in value terms of 26.1% (2008: 27.0%) 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 37.0% (2008: 36.6%).

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 parent company's Treasury function using forward 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.

The company is a wholly owned subsidiary of Tata Tea (GB) Limited. More detail on the performance of the Group as a whole can be found in the Directors' Report of that company.

Tetley GB Limited

Directors' report (Continued)

Directors and their interests

The directors during the period were as follows:

P D Unsworth
J R Nicholas
L Krishna Kumar

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 15 in respect of the borrowings from Tata Tea (GB) 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 £116,000 (2008: £228,291). No political donations were made in the period (2008: £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.

Tetley GB Limited

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 9 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 12, 13 and 14.

Statement of disclosure of information to auditors

For each of the persons who were directors at the time this report was prepared, the following applies:

- So far as the directors are aware, there is no relevant information of which the company's auditors are unaware; and
- The directors have taken steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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 Annual 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). The financial statements are required by law to 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.

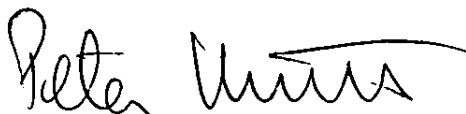
In preparing those financial statements, the directors are required to:

- 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; and

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

By Order of the Board



P D Unsworth
Director
28 May 2009

Tetley GB Limited

Independent auditors' report to the members of Tetley GB Limited

We have audited the financial statements of Tetley GB Limited for the period ended 31 March 2009 which comprise the accounting policies, profit and loss account, balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Sections 495 and 496 of the Companies Act 2006 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Companies Act 2006, and give a true and fair view. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors' remuneration specified by law are not made.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

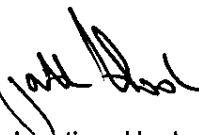
Tetley GB Limited

Independent auditors' report to the members of Tetley GB Limited (continued)

Opinion

In our opinion:

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006;
- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2009 and of its profit for the period then ended; and
- the information given in the Directors' Report is consistent with the financial statements.



Jonathan Hook
Senior Statutory Auditor
For and on behalf of PricewaterhouseCoopers LLP,
Chartered Accountants and Statutory Auditors
London, UK

29/5/09

Tetley GB Limited

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with 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 15 in respect of the borrowings from Tata Tea (GB) 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 228 of the Companies Act 2006 not to prepare group accounts as the results are included in the consolidated accounts of Tata Tea (GB) Limited.

Cash flow statement

Tata Tea (GB) 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 FRS5 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 FRS17.

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 20.

Tetley GB Limited

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 £4.4m lower for the period (2008: £4.1m).

Intangible Assets (Brands)

Intangible Assets held represents the purchase of Vitax and Flosana brands for £4.8m 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 costs 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 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.

Tetley GB Limited

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.

Stocks

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

Foreign currencies

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

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.

Tetley GB Limited

Profit and loss account Period ended 31 March 2009

	Note	Period ended 31 March 2009 £'000	Period ended 5 April 2008 £'000
Turnover	1	163,225	161,345
Operating profit	1,2,3	30,849	37,685
Net interest receivable and similar income	4	6,926	4,621
Profit on ordinary activities before taxation		37,775	42,306
Tax on ordinary activities	6	(8,829)	(12,595)
Retained profit for the financial period		28,946	29,711

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

All recognised gains and losses relating to the period are included above.

All amounts shown above relate to continuing operations.

Tetley GB Limited

Balance sheet As at 31 March 2009

	Note	31 March 2009 £'000s	5 April 2008 £'000s
Fixed assets			
Intangible assets	8	63,355	63,355
Tangible assets	9	17,316	18,896
Investments	10	1,000	2,146
		81,671	84,397
Current assets			
Stocks	11	21,951	16,346
Debtors (amounts falling due with one year)	12	24,213	32,328
Debtors (amounts falling due after more than one year)	13	80,862	139,647
Cash at bank and in hand		6	7
		127,032	188,328
Creditors: amounts falling due within one year	14	(35,482)	(40,397)
Net current assets		91,550	147,931
Total assets less current liabilities		173,221	232,328
Creditors: amounts falling due after more than one year	15	(46,245)	(134,530)
Provisions for liabilities and charges	16	(3,254)	(3,022)
Net assets		123,722	94,776
Capital and reserves			
Called up share capital	17	-	-
Profit and loss reserve	18	123,722	94,776
Total shareholders' funds		123,722	94,776

The financial statements on pages 7 to 22 were approved by the Board on 28 May 2009 and signed on its behalf by:



P D Unsworth
Director

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 is regarded by the directors as a single class of business.

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

Period ended 31 March 2009:

	Turnover by origin £'000s	Turnover by destination £'000s
<i>Continuing Operations</i>		
United Kingdom	161,844	129,701
Rest of the World	1,381	33,524
Total	163,225	163,225

Period ended 5 April 2008:

	Turnover by origin £'000s	Turnover by destination £'000s
<i>Continuing Operations</i>		
United Kingdom	160,804	129,906
Rest of the World	541	31,439
Total	161,345	161,345

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

	2009 £'000s	2008 £'000s
Turnover	163,225	161,345
Cost of sales	(96,144)	(91,411)
Gross profit	67,081	69,934
Selling and distribution costs	(17,239)	(17,497)
Administrative expenses	(16,521)	(14,453)
Other operating income	-	31
Group operating profit before exceptionals	33,321	38,015
Exceptional items	(2,472)	(330)
Operating profit	30,849	37,685

Tetley GB Limited

Notes to the financial statements (Continued)

2 Operating profit

	2009 £'000	2008 £'000
The operating profit is stated after charging:		
Wages and salaries	18,113	18,062
Social security costs	1,450	1,354
Other pension costs	2,877	2,848
Staff costs:	22,440	22,264
Auditors' remuneration	-	-
Auditors' fees for non audit services	10	11
Depreciation and amortisation of fixed assets	4,311	4,188
Operating lease rentals		
- Land and Buildings	1,648	1,665
- Other	300	316
Research and development costs	412	415
Exceptional items (see note 3)	2,472	330

The auditors' remuneration for audit services in the current year is borne by a fellow subsidiary undertaking, The Tetley Group Limited.

3 Exceptional items

	2009 £'000	2008 £'000
Re-organisation costs	616	330
Impairment of investment	1,856	-
	2,472	330

During the period £616,000 (2008: £330,000) of reorganisation costs were charged to operating profit. The restructuring costs incurred during the period related primarily to redundancy associated with restructuring of the UK operations and supply chain.

An impairment charge of £1,856,000 (2008: £nil) was made in respect of the write-down of the total investment in Drassington Limited.

Tetley GB Limited

Notes to the financial statements (Continued)

4 Net interest receivable and similar income

	2009 £'000	2008 £'000
Interest payable to group undertakings	(5,083)	(5,371)
Other interest payable	(202)	(290)
	(5,285)	(5,661)
Interest receivable from group undertakings	12,211	10,282
Other interest receivable	-	-
Net interest receivable	6,926	4,621

5 Directors and employees

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

	2009 Number	2008 Number
Manufacturing	464	492
Selling & distribution	95	97
Administration	65	64
	624	653

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 Tea (GB) Limited accounts. The directors do not receive any remuneration for their services to the company (2008: nil).

Directors' pension arrangements at 31 March 2009 are as follows:

	2009 Number	2008 Number
Active members of Defined contribution pension schemes	2	2
Members of Defined benefit pension scheme who have benefits accruing	1	1

Tetley GB Limited

Notes to the financial statements (Continued)

6 Taxation

	2009 £'000	2008 £'000
Current Tax:		
UK corporation tax on profits in the period	11,779	13,188
Adjustments in respect of prior periods	(2,411)	-
Total current tax	9,368	13,188
Deferred Tax	(539)	(593)
	8,829	12,595

Factors affecting the tax charge for the period

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

	2009 £'000	2008 £'000
Profit on ordinary activities before tax	37,775	42,306
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008: 30%)	10,577	12,691
Effects of:		
Capital allowances for period less than depreciation	598	428
Permanent differences	59	69
Other timing differences	23	-
Capital losses not relieviable	522	-
Tax credit in respect of prior years	(1,742)	-
Release of provision in respect of prior years	(669)	-
Current tax charge for the period	9,368	13,188

The capital losses not relieviable relate to the write-down of company's investment in Drassington Limited.

Factors affecting the tax charge for future periods

With effect from 1 April 2008 the applicable UK corporation tax rate has fallen from 30% to 28%.

Tetley GB Limited

Notes to the financial statements (Continued)

7 Dividends

No dividend was paid during the period (2008: nil).

8 Intangible assets

	Brands £'000	Goodwill £'000s	Total £'000s
Cost			
At 6 April 2008 and at 31 March 2009	4,815	81,269	86,084
Amortisation			
At 31 March 2009 and at 6 April 2008	-	22,729	22,729
Net book amount			
At 31 March 2009	4,815	58,540	63,355
At 5 April 2008	4,815	58,540	63,355

9 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 6 April 2008	6,980	50,199	239	1,800	59,218
Additions	366	1,497	-	876	2,739
Disposals	-	(210)	(46)	-	(256)
At 31 March 2009	7,346	51,486	193	2,676	61,701
Depreciation					
At 6 April 2008	3,012	37,121	189	-	40,322
Charge for the period	455	3,836	20	-	4,311
Disposals	-	(202)	(46)	-	(248)
At 31 March 2009	3,467	40,755	163	-	44,385
Net book amount					
At 31 March 2009	3,879	10,731	30	2,676	17,316
At 5 April 2008	3,968	13,078	50	1,800	18,896

Tetley GB Limited

Notes to the financial statements (Continued)

9 Tangible assets (continued)

The book value of leased tangible assets held under finance lease arrangements, all of which relate to commercial and motor vehicles, is as follows:

	Total £'000s
Cost at 6 April 2008	46
Disposal	(46)
Cost at 31 March 2009	-
Accumulated depreciation at 6 April 2008	39
Disposal	(46)
Depreciation	7
Accumulated depreciation at 31 March 2009	-
Net book amount at 31 March 2009	-
Net book amount at 5 April 2008	7

There are no remaining assets held under finance leases following the disposal of a motor vehicle which had a net book value of nil.

10 Investments

Cost	Shares in Group undertakings £'000
At 6 April 2008	2,146
Additions	710
Impairment	(1,856)
At 31 March 2008	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 94.0% equity holding in Drassington Limited, all of which were incorporated in the UK. The additions during the period relate to increased investment in Drassington Limited of £260,000 taking the holding to 95.0% and in Teapigs Limited £450,000.

The impairment in the year represents the write-down of the total investment in Drassington Limited.

Tetley GB Limited

Notes to the financial statements (Continued)

11 Stocks

	2009 £'000	2008 £'000
Raw materials	16,604	10,212
Work in progress	45	147
Finished goods	5,302	5,987
	21,951	16,346

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

12 Debtors: amounts falling due within one year

	2009 £'000	2008 £'000
Trade debtors	16,685	17,221
Amounts owed by group undertakings	4,790	12,502
Other debtors, prepayments and accrued income	2,322	2,314
Deferred taxation	416	291
	24,213	32,328

13 Debtors: amounts falling due after more than one year

	2009 £'000	2008 £'000
Amounts owed by group undertakings	80,862	139,647

Amounts owed by group undertaking represents a balance held with 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 the The Tetley Group Limited that it will not require the loan to be repaid within the next 12 months.

Tetley GB Limited

Notes to the financial statements (Continued)

14 Creditors: amounts falling due within one year

	2009 £'000	2008 £'000
Trade creditors	10,960	11,823
Amounts owed to group undertakings	1,369	7,469
Finance lease obligations	-	8
Corporation tax	3,818	3,271
Other taxation and social security	456	465
Other creditors and accruals	18,879	17,361
	35,482	40,397

15 Creditors: amounts falling due after one year

	2009 £'000	2008 £'000
Amounts owed to group undertakings	46,245	134,530

Amounts owed to group undertakings include a loan from Tata Tea (GB) Limited of £35,717,000 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.

16 Provisions for liabilities and charges

	Reorganisation costs £'000	Deferred tax £'000	Other provisions £'000	Total £'000
At 6 April 2008	-	2,872	150	3,022
Established in period	4,497	-	-	4,497
Utilised in period	(3,997)	(268)	-	(4,265)
At 31 March 2009	500	2,604	150	3,254

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

Tetley GB Limited

Notes to the financial statements (Continued)

16 Provisions for liabilities and charges (continued)

The major components of the deferred tax balance are as follows:

	2009 £'000	2008 £'000
Accelerated capital allowances	1,698	2,439
Other timing differences	906	433
	2,604	2,872

There is no unprovided deferred tax in respect of the company (2008: £nil).

17 Share capital

	Number	2009 £'000	2008 £'000
Authorised			
Ordinary shares of £1 each	100 (2008: 100)	-	-
Allotted, called up and fully paid			
Ordinary shares of £1 each	1 (2008: 1)	-	-

18 Reserves

	Profit and loss reserve £'000
At 6 April 2008	94,776
Profit for the period	28,946
At 31 March 2009	123,722

19 Reconciliation of movements in shareholders' funds

	2009 £'000	2008 £'000
Profit for the period	28,946	29,711
Opening shareholders' funds	94,776	65,065
Closing shareholders' funds	123,722	94,776

Tetley GB Limited

Notes to the financial statements (Continued)

20 Pensions

The company's employees are members of the two Tetley GB Limited 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 Tata Tea (GB) Limited 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.

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 £2.7m (2008: £2.7m), and are based on pension costs across the Group as a whole. Of this, £2.0m (2008: £2.0m) was charged to the company. An actuarial valuation of the Tetley GB Final Salary Pension scheme was undertaken on 31 March 2009 and a deficit of £11.9m was identified (after deducting the associated deferred tax).

The contributions to the scheme as a whole for the period ending 31 March 2010 are still under discussion with the trustees and are yet to be finalised.

Full disclosures relating to this scheme are included within the financial statements of 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 £852,000 (2008: £983,000).

21 Contingent liabilities

There were contingent liabilities at 5 April 2008 and 31 March 2009 in respect of operating leases undertaken in the normal course of business. See note 22 for details of commitments.

The company is a wholly owned subsidiary of Tata Tea (GB) Limited ("TTGB"). The main financing for the group of companies owned by TTGB is provided by a series of credit facilities to TTGB and nominated subsidiaries. Under the terms of these arrangements, outstanding liabilities are supported by guarantees and various securities provided by the principal subsidiaries of TTGB, including the company. The company has 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. At 31 March 2009, total amounts outstanding under this arrangement were £148.2 million (2008: £161.0 million).

The directors are of the opinion that these arrangements will not have a material impact on the results and financial position of the company.

Tetley GB Limited

Notes to the financial statements (Continued)

22 Leases

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

Commitment expires:	Land and buildings		Other	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Within one year	37	-	-	79
Between one and five years	277	336	300	237
After five years	1,334	1,329	-	-
	1,648	1,617	300	300

23 Capital commitments

Capital expenditure authorised by the Board and contracted for at 31 March 2009 amounted to £0.4 million (2008: £0.6 million).

24 Parent company

The immediate parent company is Tetley Group Holdings Limited. The smallest parent company to include the company's results in its consolidated accounts is Tata Tea (GB) Limited, a company incorporated in the United Kingdom. Copies of that company's financial statements may be obtained from 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ. The largest company to consolidate the company's results and the company's ultimate parent undertaking is Tata Tea Limited, a company registered in India.

25 Related party transactions

As the company is a wholly owned subsidiary of 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 Tea (GB) Limited.