
Teapigs US LLC

Financial statements

Year ended 31 March 2023

Authorised by:

A handwritten signature in black ink, appearing to read 'AJ Burton'.

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Teapigs US LLC
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Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention and in accordance with the Tata Consumer Products UK Group Limited Accounting policies.

Function and presentation currency financial statements

The company's functional and presentation currency is US dollars.

Property, plant and equipment

Property, plant and equipment are held at historic cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Fixtures and Fittings - 2 to 5 years

Revenue from contracts with customer

Revenue from contract with customers is recognised when the company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset or when services are rendered.

Revenue is measured based on transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of the goods and services to a customer is based on the price specified in the contract and is net of variable consideration on account of estimated sales incentives / discounts offered by the Company. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

The company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customer.

Inventory

Inventory 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.

Trade and other receivables

Trade receivables that do not contain a significant financing component are initially measured at transaction price and subsequently measured at amortised cost using the effective interest method, less provision for impairment. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not they are represented as non-current assets.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. In the statement of financial position, bank overdrafts are shown separately in current liabilities.

Creditors

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. If the payment is expected to be made within one year or less (or in the normal operating cycle of the business, if longer), they are classified as current liabilities. If not, they are classified as non-current liabilities.

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.

Pension and other post-retirement benefit arrangements

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.

Future developments

During the latter part of the year, the company's operations have been transferred to Tetley USA Inc., a fellow subsidiary. The company, having no transactions, will become dormant for the foreseeable future.

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Income Statement and statement of Comprehensive income For the year ended 31 March 2022

	Note	2023 \$'000	2022 \$'000
Revenue	1	4,244	3,713
Cost of sales		(2,857)	(2,074)
Gross profit		1,387	1,639
Selling, marketing and distribution costs		(786)	(510)
Administrative expenses		(853)	(1,104)
Operating (loss) / profit	2	(252)	25
Other non operating income		209	-
Interest expense		(101)	(42)
Loss before taxation		(144)	(17)
Income tax expense		-	-
Loss for the financial year		(144)	(17)

The company has no other comprehensive income.

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Statement of financial position As at 31 March 2023

	Note	2023 USD'000	2022 USD'000
Non-current assets			
Property, plant and equipment	3	-	3
Total Non-Current Assets		-	3
Current assets			
Inventories	4	-	1,073
Trade and other receivables	5	1,936	877
Cash and cash equivalents		-	-
Total Current Assets		1,936	1,950
Current liabilities			
Borrowings		(3,001)	(2,398)
Creditors - amounts falling due within one year	6	(126)	(602)
Total Current Liabilities		(3,127)	(3,000)
Net Current Liabilities		(1,191)	(1,050)
Total assets less current liabilities		(1,191)	(1,047)
Equity			
Called up share capital		-	-
Retained losses		(1,191)	(1,047)
Total Equity		(1,191)	(1,047)

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Statement of changes in equity As at 31 March 2023

	Share capital \$'000	Retained losses \$'000	Total equity \$'000
Balance as at 1 April 2021	-	(1,030)	(1,210)
Loss for the financial year	-	(17)	(17)
Total comprehensive expense for the financial year	-	(17)	(17)
Balance as at 31 March 2022	-	(1,047)	(1,047)
Balance as at 1 April 2022	-	(1,047)	(1,047)
Loss for the financial year	-	(144)	(144)
Total comprehensive expense for the financial year	-	(144)	(144)
Balance as at 31 March 2023	-	(1,191)	(1,191)

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Notes to the financial statements

1 Revenue

The principal activity of the company is the marketing and distribution of tea in the USA, which is regarded by the directors as a single class of business.

2 Operating profit

	2023 \$'000	2022 \$'000
The operating loss is stated after charging:		
Wages and salaries	446	562
Social security costs	14	25
Other pension costs	9	19
Staff costs	469	606
Depreciation	3	9

3 Property, plant and equipment

	Fixtures and fittings \$'000
Cost	
At 1 April 2021	44
Additions	-
At 31 March 2022	44
Additions	-
At 31 March 2023	44
Depreciation	
At 1 April 2021	32
Charge for the year	9
At 31 March 2022	41
Charge for the year	3
At 31 March 2023	44
Net book amount	
At 31 March 2023	-
At 31 March 2022	3

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Notes to the financial statements (continued)

4 Inventory

	2023 \$'000	2022 \$'000
Finished goods	-	1,073

5 Trade and other receivables

	2023 \$'000	2022 \$'000
Amounts due within one year:		
Trade receivables considered good	330	835
Trade receivables considered doubtful	22	-
	352	835
Less: Allowance for doubtful debtors	(22)	-
Net Trade Receivables	330	835
Intercompany trade receivables	1,604	21
Prepayments	-	11
Other taxation	2	10
Other Receivables	2	21
Total Trade and Other Receivables	1,936	877

Intercompany trade receivables consists of a balance of \$1,604k due from Tetley USA (2022: Nil) and Nil from Tata Consumer Products GB Limited (2022: \$21k). The balances owed are non-interest bearing, unsecured and repayable on demand.

6 Creditors - amounts falling due within one year

	2023 \$'000	2022 \$'000
Trade creditors and accrued liabilities	126	147
Amounts owed to group undertakings	-	455
Total	126	602

Amounts owed to group undertakings mainly consists of a trading balance of \$Nil (2022: \$411k) with Teapigs Limited. The prior year balance was non-interest bearing, unsecured and repayable on demand.

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Notes to the financial statements (continued)

7 Parent company

The immediate parent undertaking is Teapigs Limited. The smallest parent to include the company's results in its consolidated financial statements is Tata Consumer Products UK Group 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 Consumer Products Limited, a company registered in India. The consolidated financial statements of Tata Consumer Products Limited are available from 1 Bishop Lefroy Road, Kolkata, India.