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PROOKE BOND GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE EIGHTEEN MONTHS ENDED 31 DECEMBER 1985



BROOKE BOND GROUP LIMITED

DIRECTORS' REPORT FOR THE EIGHTEEN MONTHS ENDED 31 DECEMBER 1985

DIRECTORS

Mr E J Verloop - Chairman  
Mr D E Barter  
Mr P L Brazier  
Mr J H Lane  
Mr A H L Padfield  
Mrs V A Roberts  
Mr D H Spaughton

The Earl of Limerick resigned as a Director on 23 July 1984. Sir John Cuckney resigned as Chairman and as a Director and Lord Fanshawe and Mr A M Heath resigned as Directors on 1 December 1984. Messrs P D Silvester, H F Somerville, J B Brighouse and J C Brock retired as Directors on 31 August 1985, 10 November 1985, 30 November 1985 and 31 December 1985 respectively. Mr A C Mitchell-Innes resigned as a Director on 2 March 1985. Mr P B Sawdy retired as Deputy Chairman, Chief Executive and as a Director on 31 December 1985.

Mr E W Saunders was appointed as a Director on 11 July 1984 and resigned on 1 December 1984.

Mr E J Verloop was appointed as a Director on 17 October 1984 and as Chairman on 2 December 1984. Mr D F Jeffrey was appointed as a Director on 14 November 1984 and resigned on 15 December 1986. Mrs V A Roberts and Messrs D E Barter, J H Lane and D H Spaughton were appointed as Directors on 16 December 1985. Mr A H L Padfield was appointed as a Director on 16 December 1986.

In accordance with Article 91 of Articles of Association Mrs V A Roberts and Messrs D E Barter, J H Lane, A H L Padfield and D H Spaughton retired at the Annual General Meeting and being eligible were re-elected.

REVIEW OF ACTIVITIES

There was no change in the principal activity of the Company which was to act as a holding Company.

During the period the Company disposed of its interest in the Mallinson-Denny group, Baxters Butchers Limited and Brooke Bond Inc, the latter in exchange for shares in Unilever Canada Inc.

Following the acquisition of the Company by Unilever PLC the Brooke Bond Head Office was closed early in 1986. Appropriate provision for these costs have been made in these financial statements.

The Directors consider that, in the conditions prevailing during the period under review, the development of the Company's business and its financial position at the 31 December 1985 were satisfactory. The Directors do not expect any development in the Company's business in 1986 significantly different from its present activities.

# ACCOUNTING REFERENCE DATE

The Accounting Reference Date of the Company has been changed to 31 December with the consequence that this report and the attached financial statements are for the eighteen month period ending 31 December 1985.

## PROFITS AND DIVIDEND

The profit and loss account for the period and statement of retained profits are set out on page 5 of the financial statements.

The loss for the period is £19,961,000.

## CHANGES IN TANGIBLE FIXED ASSETS

The movements in tangible fixed assets during the year are set out in Note 8 to the financial statements.

## DIRECTORS' INTERESTS

According to the Register of Directors' Interests, the interests of the Directors in office at 31 December 1985, in the share and loan capital of the Company's holding company, Unilever PLC, and its subsidiaries, requiring disclosure under the Companies Act 1985 were as follows:-

		<u>At 1.7.1984 or on appointment if later</u>	<u>At 31.12.1985</u>
<u>Unilever PLC</u>			
Mr D E Barter	Option to acquire Ordinary shares of 25p each	180 (b)	180 (b)
Mr D F Jeffrey	- " -	NIL	6,050 (a)
- " -	- " -	NIL	361 (b)
Mr J H Lane	- " -	5,733 (a)	5,733 (a)
- " -	- " -	722 (b)	722 (b)
Mrs V A Roberts	- " -	722 (b)	722 (b)
Mr D H Spaighton	- " -	722 (b)	722 (b)

(a) under The Unilever PLC 1985 Executive Share Option Scheme and subject to the Rules of that Scheme.

(b) under The Unilever PLC 1985 Sharesave Scheme and subject to the Rules of that Scheme.

## CHANGE OF NAME

On 24 March 1986 the Company was re-registered as a private company.

AUDITORS

Deloitte Haskins & Sells resigned as Auditors on 1 June 1985 and Price Waterhouse were appointed in their place.

In accordance with Section 384 of the Companies Act 1985, the auditors, Price Waterhouse, retire at the conclusion of the forthcoming Extraordinary General Meeting and, being eligible, offer themselves for re-appointment.

BY ORDER OF THE BOARD

*DA. Shaughnessy*

30 January 1987

BROOKE BOND GROUP LIMITED

AUDITORS' REPORT TO THE MEMBERS OF BROOKE BOND GROUP LIMITED

We have audited the financial statements set out on pages 5 to 18 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 December 1985 and of its results and source and application of funds for the period then ended and comply with the Companies Act 1985.

*Price W. Thomas*  
Chartered Accountants  
LONDON

30 January 1987

BROOKE BOND GROUP LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE EIGHTEEN MONTHS ENDED 31 DECEMBER 1985

	<u>Notes</u>	<u>1985</u> <u>£000</u>	<u>Year to</u> <u>30 June</u> <u>1984</u> <u>£000</u>
Income from shares in group companies		16,227	12,063
Income from shares in related companies		1,150	851
Other operating income		9,981	5,401
Administrative expenses		(15,026)	(8,992)
(Increase)/decrease in provisions against investments		(6,326)	14,974
OPERATING PROFIT		<u>6,006</u>	<u>24,297</u>
Interest	2	<u>21,113</u>	<u>9,212</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>27,119</u>	<u>33,509</u>
Tax on profit on ordinary activities	5	<u>3,710</u>	<u>(3,334)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>30,829</u>	<u>30,175</u>
Extraordinary items	6	<u>(50,790)</u>	<u>-</u>
RESULT FOR THE FINANCIAL PERIOD		<u>(19,961)</u>	<u>30,175</u>
Dividends		<u>-</u>	<u>(4,087)</u>
AMOUNT TRANSFERRED (FROM)/TO RESERVES		<u>(19,961)</u>	<u>26,088</u>

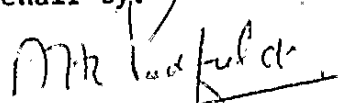

The notes on pages 8 to 18 form part of these financial statements.

**BROOKE BOND GROUP LIMITED**  
**BALANCE SHEET AT 31 DECEMBER 1985**

	<u>Notes</u>	<u>1985</u>	<u>30 June 1984</u>
		£000	£000
<b>FIXED ASSETS</b>			
Tangible assets	8	921	1,171
Investments	9	374,686	393,592
		<u>375,607</u>	<u>394,763</u>
<b>CURRENT ASSETS</b>			
Debtors	10	34,284	13,558
Cash at bank and in hand		257	1,633
		<u>34,541</u>	<u>15,191</u>
CREDITORS: amounts falling due within one year	12 (a)	(14,452)	(31,035)
<b>NET CURRENT ASSETS</b>		<u>20,089</u>	<u>(15,844)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>395,696</u>	<u>378,919</u>
CREDITORS: amounts falling due after more than one year	12 (b)	(103,671)	(70,585)
		<u>292,025</u>	<u>308,334</u>
PROVISIONS FOR LIABILITIES AND CHARGES	13	(15,324)	(1,585)
		<u>276,701</u>	<u>306,749</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	77,857	77,857
Share premium account	15	30,990	30,990
Revaluation reserve	15	80,276	109,392
Profit and loss account	15	87,578	88,510
<b>SHAREHOLDERS' FUNDS</b>		<u>276,701</u>	<u>306,749</u>

The notes on pages 8 to 18 form part of these financial statements.

Approved by the board of directors  
on 30 January 1987 and signed on  
its behalf by:

 )  
 ) Directors

BROOKE BOND GROUP LIMITED

SOURCE AND APPLICATION OF FUNDS

FOR THE EIGHTEEN MONTHS ENDED 31 DECEMBER 1985

	<u>1985</u>		<u>Year to 30 June 1984</u>	
	£000	£000	£000	£000
Profit on ordinary activities before taxation		27,119		33,509
Extraordinary items before tax		(56,448)		-
Adjustments for non cash items				
Depreciation	368		264	
Movement in provisions against investments	6,326		(14,974)	
Provision against loan no longer required	(4,698)		-	
Other	-		(79)	
		1,996		(14,789)
Cash generated (absorbed) by operations		(27,333)		18,720
Tax paid		(3,533)		(6,697)
Dividends paid		(4,087)		(12,768)
Movement on provisions for liabilities and charges		13,739		-
Debtors	(2,424)		(4,636)	
Creditors	70,159		3,643	
Changes in working capital		67,735		(993)
Purchases of tangible fixed assets (net of disposals)		(118)		(347)
Disposals of fixed asset investments (net of acquisitions)		7,191		(1,433)
		53,594		(3,518)
Opening borrowings net of cash at bank and in hand		(66,823)		(63,305)
Closing borrowings net of cash at bank and in hand		(13,229)		(66,823)

The notes on pages 8 to 18 form part of these financial statements.



BROOKE BOND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985

1. ACCOUNTING POLICIES

(a) Basis of financial statements

These financial statements are prepared on the historical cost basis of accounting, modified to include the revaluation of the company's investments in subsidiaries and related companies. (see (b) below)

Consolidated financial statements are not prepared because the company is a wholly owned subsidiary of its ultimate holding company, Unilever PLC which is incorporated in Great Britain.

(b) Investments in subsidiaries and related companies

The company's investments in its subsidiaries and related companies are stated at the value attributed to the company's share of their underlying net tangible assets at 30 September 1984, the date treated as the acquisition date of the company by Unilever PLC. No further revaluation will be made hereafter in accordance with Unilever group accounting policies unless in the opinion of the directors a permanent diminution in value has occurred.

(c) Foreign currency items

Assets and liabilities denominated in foreign currencies are translated at rates of exchange ruling on the Balance Sheet date. All exchange differences are taken to the profit and loss account.

(d) Depreciation

Provision is made for depreciation of tangible fixed assets, on the straight line method, at rates designed to write off the original cost of the assets over their useful lives.

The rates in use are in the following ranges:

Leasehold land and buildings	Period of lease
Fixtures, fittings and equipment	5 to 10 years
Motor vehicles	5 years

(e) Deferred taxation

Provision for deferred taxation is made by the liability method on timing differences to the extent that it is probable that an asset or liability will crystallise.

(f) Pensions

During the period the company operated a retirement benefit scheme which was set up under a separate trust, the assets being completely separate from the assets and businesses of the company. The scheme was funded by contributions partly from the company at rates determined by independent actuaries. When benefits were increased, any uncovered actuarial liability was funded by contributions from the company in the period in which it was identified.

On 1 October 1986 the assets and liabilities of the Brooke Bond Group Pension Scheme were merged with the Unilever Superannuation Fund.

BROOKE BOND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED

2. INTEREST

	<u>1985</u> <u>£000</u>	Year to 30 June <u>1984</u> <u>£000</u>
Receivable		
From third parties	539	553
From group companies	30,121	17,079
	<u>30,660</u>	<u>17,632</u>
Payable		
To third parties on:		
Bank and other borrowings repayable within five years	5,222	4,820
Long term borrowings	1,792	1,761
	<u>7,014</u>	<u>6,581</u>
To group companies	2,533	1,839
	<u>9,547</u>	<u>8,420</u>
Net interest receivable	<u>21,115</u>	<u>9,212</u>

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation  
is arrived at after crediting/(charging):

Royalties from group companies	4,401	2,384
Management service fees from group companies	5,580	3,084
Depreciation	(368)	(264)
Auditors' remuneration	(111)	(86)
Directors' emoluments (Note 4)	(1,600)	(800)
Hire of equipment	(310)	(181)
Lease payments in respect of land and buildings	(338)	-
Take-over defence costs	(2,414)	-
Profit on redemption on Loan Stock	185	-
Income from listed investments	<u>(8,966)</u>	<u>(6,403)</u>

BROOKE BOND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED

4. DIRECTORS' EMOLUMENTS

Directors' emoluments include fees £11,512 (1984 £18,596), and payments to former directors £592,712 (1984 £53,500) as compensation for loss of office.

There were two Chairmen during the period. The first, who served until 1 December 1984 received £17,500 (1984 £35,518), the second received no emoluments in respect of his services to the company.

The emoluments of the other directors, converted to an annual basis and excluding pension fund contributions, fell into the following bands:

	1985	1984
Under £5,000	5	-
£ 5,001 - £ 10,000	-	3
£ 35,000 - £ 40,000	-	1
£ 45,001 - £ 50,000	1	2
£ 50,001 - £ 55,000	1	2
£ 55,001 - £ 60,000	-	1
£ 60,001 - £ 65,000	3	2
£ 75,001 - £ 80,000	1	-
£ 90,001 - £ 95,000	-	1
£125,001 - £130,000	1	-

The emoluments of the highest paid director were, on an annual basis, £126,621 (1984 £91,646)

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1985 £000	Year to 30 June 1984 £000
UK Corporation tax at 42.5% (1984 48.75%)	14,661	8,636
Double tax relief	(6,873)	(8,580)
	<hr/> 7,788	<hr/> 56
Overseas tax	1,833	1,440
	<hr/> 9,621	<hr/> 1,496
UK Deferred tax	226	86
	<hr/> 9,847	<hr/> 1,582
Tax based on the profit of the period		
ACT recoverable	(13,557)	1,752
	<hr/> (3,710)	<hr/> 3,334

In 1984 the company's taxable profits were reduced by group relief amounting to £7,196,000 for which no payment was made. No group relief has been claimed in 1985.

BROOKE BOND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED

6. EXTRAORDINARY ITEMS

	<u>1985</u> <u>£000</u>	Year to 30 June <u>1984</u> <u>£000</u>
Loss on sale of share in subsidiaries	38,488	-
Associated cost of disposal of shares in subsidiaries	2,040	-
Redundancy costs and provision for closure of Head Office	6,103	-
Cost and provisions for improved pension benefits	9,817	-
	<u>56,448</u>	<u>-</u>
Less: Tax on extraordinary loss		
UK Corporation tax - current	(687)	-
- deferred	(4,971)	-
	<u>50,790</u>	<u>-</u>

7. EMPLOYEES

a) Staff costs

Wages and salaries	3,996	2,900
Social security costs	227	173
Pension costs	751	562
	<u>4,974</u>	<u>3,635</u>

Staff costs include directors' emoluments but exclude payments of compensation for loss of office.

	<u>1985</u>	<u>1984</u>
b) Average number of employees in period	<u>160</u>	<u>220</u>
c) Emoluments of senior employees, on an annual basis		
£30,001 - £35,000	3	5
£35,001 - £40,000	3	2
£40,001 - £45,000	2	-
	<u>8</u>	<u>7</u>

**BROOKE BOND GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED**

**8. TANGIBLE FIXED ASSETS**

	Total £000	Leasehold land and buildings £000	Fixtures fittings & equipment £000	Motor vehicles £000
Cost				
At 1 July 1984	2,634	-	1,928	706
Additions	1,048	349	305	394
Disposals	(1,699)	-	(1,020)	(679)
At 31 December 1985	<u>1,983</u>	<u>349</u>	<u>1,213</u>	<u>421</u>
Depreciation				
At 1 July 1984	(1,463)	-	(1,285)	(178)
Charge during period	(368)	(5)	(151)	(212)
Disposals	769	-	498	271
At 31 December 1985	<u>(1,062)</u>	<u>(5)</u>	<u>(938)</u>	<u>(119)</u>
Net book value				
At 31 December 1985	<u>921</u>	<u>344</u>	<u>275</u>	<u>302</u>
At 1 July 1984	<u>1,171</u>	<u>-</u>	<u>643</u>	<u>528</u>

The net book value of leasehold land and buildings comprises:

	1985	30 June 1984
Short leaseholds	100	-
Long leaseholds	244	-
	<u>344</u>	<u>-</u>

At 31 December 1985 the company had a commitment under an operating lease in respect of land and buildings to pay £675,000 during 1986 (1984 £ NIL). This commitment expires in more than five years.

At 31 December 1985 there were the following commitments to capital expenditure not provided for in these accounts.

Amounts contracted £ NIL (1984 £200,000)

Amounts authorised but not contracted £ NIL (1984 £ NIL)

**BROOKE BOND GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED**

**9. FIXED ASSET INVESTMENTS**

	Total	SUBSIDIARIES		RELATED	PARENT
		Shares	Loans	COMPANIES	COMPANY
	£000	£000	£000	(Shares) £000	Loan £000
<u>Cost or valuation</u>					
At 1 July 1984	430,161	165,444	250,156	14,561	-
Acquisitions and advances	148,845	70,110	18,017	20,718	40,000
Disposals and repayments	(156,036)	(81,183)	(74,841)	(12)	-
Movements on valuations	(10,087)	(9,846)	-	(241)	-
At 31 December 1985	<u>412,883</u>	<u>144,525</u>	<u>193,332</u>	<u>35,026</u>	<u>40,000</u>
<u>Provisions</u>					
At 1 July 1984	(36,569)	(4,212)	(32,357)	-	-
Movements on valuations	(6,326)	(4,708)	882	(2,500)	-
Realised on disposals	4,698	-	4,698	-	-
At 31 December 1985	<u>(38,197)</u>	<u>(8,920)</u>	<u>(26,777)</u>	<u>(2,500)</u>	<u>-</u>
<u>Net book value</u>					
At 30 June 1984	<u>393,592</u>	<u>161,232</u>	<u>217,799</u>	<u>14,561</u>	<u>-</u>
At 31 December 1985	<u>374,686</u>	<u>135,605</u>	<u>166,555</u>	<u>32,526</u>	<u>40,000</u>
<u>Original cost</u>					
At 30 June 1984	<u>320,769</u>	<u>68,813</u>	<u>250,156</u>	<u>1,800</u>	<u>-</u>
At 31 December 1985	<u>332,608</u>	<u>76,770</u>	<u>193,332</u>	<u>22,506</u>	<u>40,000</u>

Included in shares in subsidiaries and related companies above are a number of listed investments with a book value of £49,254,000 (1984 £47,122,000). The market value of these listed investments, all of which are quoted on recognised stock exchanges overseas, was £58,019,000 at 31 December 1985 (1984 £45,104,000.)

In the opinion of the directors the value of the company's investments in subsidiaries is not less than the net book value shown above.

**BROOKE BOND GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED**

**9. FIXED ASSET INVESTMENTS - CONTINUED**

**SUBSIDIARIES**

The principal subsidiaries required to be disclosed for the purposes of para 1 of Schedule 5 to the Companies Act 1985 are:

**EUROPE**

**United Kingdom**

**Grocery products**

Brooke Bond Commodities Ltd  
Brooke Bond Oxo Ltd

**Printing packaging manufacture**

The Berkshire Printing Co Ltd

**Manufacture of microbiological products**

Oxoid Ltd

**Malta**

**Grocery products**

Foster Clark Products Ltd (60%) +

**NORTH AND SOUTH AMERICA**

**U.S.A.**

**Grocery products**

Brooke Bond (USA) Inc +

**Timber, and buildings supplies**

Bailey Lumber Company

Thomson Mahogany

**Paraguay**

**Ranching and dairy farming**

Brooke Bond Agricultural Holdings Ltd \* +

\* Incorporated in Great Britain  
and registered in England

+ Held directly by the company

**ASIA**

**India**

**Tea plantations**

Doom Dooma India Ltd (74%)  
Tea Estates India Ltd (74%)

**Sri Lanka**

**Grocery products**

Brooke Bond Ceylon Ltd +

**AFRICA**

**Kenya**

**Tea, coffee, and flower plantations**

Brooke Bond Kenya Ltd (88.2%) +

**Malawi**

**Tea and coffee plantations**

Lujeri Tea Estates Ltd +

**Tanzania**

**Tea plantations**

Brooke Bond Tanzania Ltd +

**Zimbabwe**

**Ranching : grocery, products**

Lemco Zimbabwe Ltd

**South Africa**

**Grocery products**

BB Oxo Pty +

All companies are wholly owned and incorporated in their country of operation unless otherwise stated. The percentage figures shown in brackets relate to the proportion of share capital owned by the group.

BROOKE BOND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED

9. FIXED ASSETS INVESTMENTS - CONTINUED

RELATED COMPANIES AND OTHER INVESTMENTS

The following are the company's principal related companies and other investments. With the exception of Bushells Holdings Pty the investments are held directly by the company. All are incorporated in their country of operation, and all holdings are of ordinary shares.

Related Companies

Brooke Bond India Ltd (39.33%)

Grocery products, leather finishing, industrial machinery  
manufacturer and automotive products

Brooke Bond Pakistan Ltd (50%)

Grocery products

Other Investments

Canada

Unilever Canada Ltd (21.94%)

Australia

Bushells Holdings Pty (48.9%)



BROOKE BOND GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED

10. DEBTORS

	<u>1985</u> <u>£000</u>	<u>30 June</u> <u>1984</u> <u>£000</u>
Amounts owed by fellow subsidiaries	15,546	12,161
Prepayments and accrued income	380	519
ACT recoverable	13,557	-
Deferred tax	4,745	-
Other debtors	56	878
	<u>34,284</u>	<u>13,558</u>

Included above are the following amounts due after more than one year:

Deferred tax	4,745	-
Other debtors	-	242
	<u>-</u>	<u>242</u>

11. DEFERRED TAXATION

Deferred taxation provided in the financial statements and the amounts not provided (assets/(liabilities)) are as follows:

	<u>Provided</u>		<u>Not provided</u>	
	<u>1985</u>	<u>1984</u>	<u>1985</u>	<u>1984</u>
Accelerated tax depreciation	(226)	-	-	(231)
Timing differences on provisions	4,971	-	-	568
	<u>4,745</u>	<u>-</u>	<u>-</u>	<u>337</u>

At 30 June 1984 there was no liability to deferred tax and ACT of £23.1m was available to offset against future tax liabilities. During the period £9.5m was transferred for utilisation to fellow subsidiaries for no consideration and the balance is considered recoverable and is included in debtors. (Note 10)

No provision has been made for any taxation liability for capital gains that might arise on the disposal of the fixed asset investments at the amounts at which they are stated in the balance sheet.

**BROOKE BOND GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED**

**12. CREDITORS**

	<u>1985</u> £000	<u>30 June</u> <u>1984</u> £000
a) Amounts due within one year		
Amounts owed to fellow subsidiaries	5,126	16,631
Taxation on profits	8,412	3,011
Other taxes and social security	421	205
Trade creditors and accruals	361	2,142
Dividends	-	4,087
Bank loans	43	4,668
Other loans	-	192
Other creditors	89	99
	<u>14,452</u>	<u>31,035</u>
b) Amounts due after more than one year		
Debenture stocks (secured against assets)		
8½% Debenture Stock 1987/92	-	443
5½% Debenture Stock 1980/85	-	3,000
Total Debenture Stocks	-	3,443
Unsecured Loan Stocks		
5 1/8% Unsecured Loan Stock 2003/08	1,500	1,500
7% Unsecured Loan Stock 2003/08	4,883	4,883
7½% Unsecured Loan Stock 2003/08	7,060	8,046
Total Unsecured Loan Stocks	13,443	14,429
Bank loans		
Wholly repayable after five years	-	16,784
Wholly repayable within five years	-	28,940
Total Bank loans	-	45,724
Amounts owed to fellow subsidiaries	90,228	6,989
	<u>103,671</u>	<u>70,585</u>

Although the debenture stocks had been repaid during the period a floating charge on all the assets of the company was outstanding under the terms of the trust deed in respect of £3,000,000 at 31 December 1985 but has since been released. At 30 June 1984 £3,443,000 was secured on the assets of the company.

At 31 December 1985 all the unsecured loan stocks were owned by the parent company, Unilever PLC.

**BROOKE BOND GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 1985 - CONTINUED**

**13. PROVISIONS FOR LIABILITIES AND CHARGES**

	Pensions £000	Closure costs £000	Other £000	Total £000
At 1 July 1984	85	-	1,500	1,585
Charged to operating profit	1,962	-	150	2,112
Charged to extraordinary items	9,817	6,103	400	16,320
Utilised during period	(2,608)	(1,136)	(949)	(4,693)
At 31 December 1985	<u>9,256</u>	<u>4,967</u>	<u>1,101</u>	<u>15,324</u>

**14. CALLED UP SHARE CAPITAL**

	<u>1985</u> £000	<u>30 June</u> <u>1984</u> £000
a) Authorised Ordinary shares of 25p each	<u>100,000</u>	<u>100,000</u>
b) Allotted and fully paid Ordinary shares of 25p each	<u>77,857</u>	<u>77,857</u>

**15. RESERVES**

	Share Premium £000	Revaluation Reserve £000	Profit and Loss £000
At 1 July 1984	30,990	109,392	88,510
Movement during period	-	(10,087)	-
Realisation on disposals	-	(19,029)	19,029
Result for period	-	-	(19,961)
At 31 December 1985	<u>30,990</u>	<u>80,276</u>	<u>87,578</u>

**16. CONTINGENT LIABILITIES**

	<u>1985</u> £000	<u>30 June</u> <u>1984</u> £000
Borrowings outstanding under guarantee	798	35,345
Other contingencies	<u>NIL</u>	<u>1,512</u>

**17. ULTIMATE HOLDING COMPANY**

Unilever PLC, which is incorporated in Great Britain, is regarded by the directors as being the ultimate holding company.