

BROOKE BOND GROUP LIMITED

REPORT AND ACCOUNTS 2000

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Registered Number: 36581

Brooke Bond Group Limited

Directors' Report for the Year ended 31 December 2000

Directors

The directors of the Company during the year were as follows:

Mr G B St L Anderson
Mrs C J Hampton-Coutts
Mr R M Tomlinson

Review of Activities

There was no significant change in the principal activities of the Company which are to act as a holding company, and to receive commission income. All its out of the pocket expenses, including the remuneration of the auditors, were borne by the parent company or a fellow subsidiary.

The Directors consider that in the conditions prevailing during the year, the development of the Company's business and its financial position at the end of the year were satisfactory. As a result of the purchase of Japan Black Tea Limited by another group company, Brooke Bond Group Limited will no longer receive commission income from this company. Aside from this the Directors do not expect any development in the Company's business in 2001 which is significantly different from its present activities.

Profits and Dividend

The profit for the year is £ 10,638,413 (1999 - £ 8,377,754) and no dividend has been declared (1999 - nil).

Directors' Interests

According to the Register of Directors' Interests, the notifiable interests of the Directors in office at 31 December 2000 in the share capital of the Company's ultimate holding company, Unilever PLC, were as follows:

	<u>Unilever PLC</u>	<u>At 1.1.2000</u>	<u>At 31.12.2000</u>
		(1.4p shares)	(1.4p shares)
Mr G B St L Anderson	Ordinary shares	5,375	6,663
Mrs C J Hampton-Coutts	Ordinary shares	Nil	6,452
Mr R M Tomlinson	Ordinary shares	14,528	18,445

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Options to acquire the number of Unilever PLC Ordinary shares listed below were granted, exercised and held as follows:

		<u>At 1.1.2000</u>	<u>Granted</u>	<u>Exercised</u>	<u>At 31.12.2000</u>
Mr G B St L Anderson	(b)	4,933	2,382	2,449	4,866
Mrs C J Hampton-Coutts	(b)	6,440	3,970	6,440	3,970
Mr R M Tomlinson	(a)	85,395	5,500	Nil	90,895
	(b)	5,724	2,382	3,864	4,242

- (a) under the Unilever PLC 1985 and 1997 Executive Share Option Schemes and subject to the Rules of those Schemes.
 (b) under the Unilever PLC 1985 Sharesave Scheme and subject to the Rules of that Scheme.

The Directors, in common with all employees of Unilever PLC and its UK subsidiaries, have a beneficial interest in the undermentioned Unilever PLC ordinary shares acquired by the Unilever Employee Share Trusts for the purpose of satisfying share options granted to employees.

	<u>At 1.1.2000</u>	<u>At 31.12.2000</u>
The Directors	42,492,210	40,194,091

Auditors

PricewaterhouseCoopers will remain in office as auditors of the Company in accordance with the provisions of Section 386 of the Companies Act 1985.

BY ORDER OF THE BOARD



Date: 19 July 2001

H J Richmond
Secretary

Brooke Bond Group Limited**Statement of Directors' Responsibilities
for preparing the Accounts**

The directors are required by UK company law to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss and total recognised gains or losses of the Company for that year.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the accounts for the year ended 31 December 2000. The directors also confirm that applicable accounting standards have been followed and that the accounts have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the Company and for taking reasonable steps to prevent and detect fraud and other irregularities.

By Order of the Board



H J Richmond
Secretary

Date: 19 July 2001

Brooke Bond Group Limited**Report of the Auditors to the Members**

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Report and Accounts. As described on page 3 this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Report and Accounts and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 judgements 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London

19 July 2001

Brooke Bond Group Limited
Profit and Loss Account – Year ended 31 December

	<u>Notes</u>	2000 £000	1999 £000
Administrative expenses		(86)	(201)
Other operating income	(1)	<u>194</u>	<u>215</u>
Operating Profit	(2)	108	14
Exceptional item: (Loss)/Profit on disposal of investments	(3)	<u>(4,183)</u>	<u>3,817</u>
Profit on ordinary activities before interest		(4,075)	3,831
Interest and similar income	(4)	<u>15,811</u>	<u>4,866</u>
Profit on ordinary activities before taxation		11,736	8,697
Taxation on profit on ordinary activities	(5)	<u>(1,098)</u>	<u>(319)</u>
Profit of the year retained	(11)	10,638	8,378
Profit retained 1 January		<u>127,909</u>	<u>119,531</u>
Profit retained 31 December	(11)	<u>138,547</u>	<u>127,909</u>

All operations in the year and in the comparative year were continuing.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

The profit for each financial year represents the total recognised gains of that year and therefore no separate statement of total recognised gains has been presented.

Brooke Bond Group Limited
Balance Sheet – 31 December

	<u>Notes</u>	2000 £000	1999 £000
Fixed assets			
Investments	(7)	93,237	93,282
Current assets			
Debtors due within one year	(8)	32	103
Debtors due after one year	(8)	<u>202,376</u>	<u>191,014</u>
		202,408	191,117
Creditors: amounts falling due within one year	(9)	<u>(849)</u>	<u>(241)</u>
Net current assets		<u>201,559</u>	<u>190,876</u>
Total assets less current liabilities		294,796	284,158
Creditors: amount falling due after more than one year	(9)	<u>(243)</u>	<u>(243)</u>
Net Assets		<u>294,553</u>	<u>283,915</u>
Capital and reserves			
Called up share capital	(10)	86,662	86,662
Share premium account	(11)	30,990	30,990
Revaluation reserve	(11)	36,906	38,354
Profit and loss account	(11)	<u>139,995</u>	<u>127,909</u>
Equity Shareholders' funds	(11)	<u>294,553</u>	<u>283,915</u>

The financial statements on pages 5 to 13 were approved by the Board of Directors on 19 July 2001 and were signed on behalf by:



C J Hampton-Coutts
Director

Registered Number: 36581

Brooke Bond Group Limited

Principal Accounting Policies

The Accounts are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

The Company is a wholly owned subsidiary of Unilever PLC and the cash flows of the Company are included in the consolidated cash flow statement of Unilever PLC. Consequently the Company is exempt under the terms of Financial Reporting Standard No. 1 (revised 1996) from publishing a cash flow statement.

The financial statements contain information about Brooke Bond Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 228 of the Companies Act 1985 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Unilever PLC, a company incorporated in England and Wales.

Foreign Currencies: Transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies have been translated into sterling at the rates of exchange current at the year-end and profits/losses are taken through the Profit and Loss Account.

Fixed Asset Investments: Fixed Asset Investments are generally carried at cost. However, in the case of certain investments, the investments 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. Where the value of an investment is considered to have been permanently impaired, a carrying value below this amount is employed.

Dividends: Dividends due from group undertakings and participating interests are credited to the profit and loss account when declared. In cases where dividend remittances from participating interests are not expected with reasonable certainty within one year, dividends are accounted for on a cash received basis.

Brooke Bond Group Limited
Notes to the Accounts – 31 December 2000

	2000 £000	1999 £000
(1) Other Operating Income		
Royalties from third parties	<u>194</u>	<u>215</u>

(2) Operating Profit

The operating profit is arrived at after charging the following amounts: -

	2000 £000	1999 £000
Exchange adjustments	-	118
Auditors' remuneration for audit	-	6
Group service fee for the services of Unilever PLC	-	17
	<u>-</u>	<u>131</u>

The auditor's remuneration is borne by the parent company's central services subsidiary.

	2000 £000	1999 £000
(3) Exceptional item:		
The (Loss)/ Profit on disposal of Investments is made up as follows:		
- Disposal of Compagnie Niger Francaise SA	-	94
- Disposal of dormant group companies	-	(2,048)
- Disposal of Foster Clark Products Malta	-	5,809
- Disposal of OXO Zambia Ltd.	-	(38)
- Disposal of dormant group companies	(4154)	-
- Write-off of Brooke Bond Overseas Ltd.	<u>(29)</u>	<u>-</u>
	<u>(4,183)</u>	<u>3,817</u>

(4) Interest and Similar Income

	2000 £000	1999 £000
Income from shares in group undertakings	10,553	833
Income from participating interests	250	261
Other interest receivable and similar income	1	1
Income from other fixed assets investments	<u>5,007</u>	<u>3,771</u>
Total interest receivable and similar income	<u>15,811</u>	<u>4,866</u>

Brooke Bond Group Limited

(5) Taxation on Profit on Ordinary Activities

The (charge)/ credit for taxation is made up as follows:

	2000 £000	1999 £000
On the profit of the year: -		
United Kingdom Corporation Tax at 30.00% (1999 - 30.25%)	(2,749)	(2,118)
Foreign Taxation	(274)	(124)
Double Taxation Relief	1,925	1,930
Prior year item:		
United Kingdom Corporate Tax	-	(7)
	<u>(1,098)</u>	<u>(319)</u>

(6) Directors' Emoluments

The directors are employed as managers by Unilever U.K. Central Resources Limited and they are remunerated by that company in respect of their services to the group as a whole.

(7) Fixed Assets – Investments

	<u>Shares in</u> <u>Group Undertakings</u>		<u>Shares in</u> <u>Associated</u> <u>Companies</u>	<u>Other</u> <u>Investments</u>	<u>Total</u>
Cost/Valuation	<u>Listed</u> £000	<u>Other</u> £000	<u>Other</u> £000	<u>Listed</u> £000	£000
1 January	37,043	60,019	1,551	16,550	115,163
Transfers from group companies	-	6,555	-	-	6,555
Amount written off	-	(6,600)	-	-	(6,600)
31 December	<u>37,043</u>	<u>59,974</u>	<u>1,551</u>	<u>16,550</u>	<u>115,118</u>
Provision					
1 January and 31 December	-	21,881	-	-	21,881
Net Book Value					
31 December	<u>37,043</u>	<u>38,093</u>	<u>1,551</u>	<u>16,550</u>	<u>93,237</u>
1 January	<u>37,043</u>	<u>38,138</u>	<u>1,551</u>	<u>16,550</u>	<u>93,282</u>
Market value of listed investments	<u>36,280</u>			<u>316,143</u>	

Brooke Bond Group Limited

Investment in Group Undertakings

The investment is in subsidiary undertakings of the company. Their names together with their country of incorporation/registration are listed below. A description of the shares and the proportion held is shown below.

<u>Name of Company and Country of Incorporation/Registration</u>	<u>Description of Shares Held</u>	<u>Proportion of Nominal Value of Shares Held</u>		<u>Principal Activity</u>
		<u>Direct</u>	<u>Indirect</u>	
<u>England and Wales</u>				
BBG Investments (France) Ltd.	Ordinary	100%		Investm. Co.
Brooke Bond Assam Estates Ltd.	Ordinary	100%		Holding Co.
Brooke Bond Batchelors Ltd.	Ordinary	100%		Dormant
Brooke Bond Group Investments Ltd.	Ordinary	100%		Holding Co.
Brooke Bond South India Estates Ltd.	Ordinary	100%		Holding Co.
Brooke Bond (UK) Ltd.	Ordinary	100%		Dormant
<u>USA</u>				
Brooke-Bond Group (US) Inc.	Ordinary	100%		Holding Co.
Brooke Bond Group Investments Inc.	Ordinary		100%	Holding Co.
Carter Macy Co Inc.	Ordinary		100%	Tea and Tea Packaging
Red Rose Tea & Coffee Co Inc.	Ordinary		100%	Non Active
Sabrosa Coffee Co Inc.	Ordinary		100%	Non-Active
Unatrac U.S., Inc.	Ordinary		100%	Tea and Tea Packaging
	Preference		100%	Foods
<u>Kenya</u>				
Brooke Bond Kenya Ltd.	Ordinary	88.24%		Plantations,Tea & Tea Packaging
Brooke Bond Mombasa Ltd.	Ordinary		88.24%	Non Active
The Buret Tea Co Ltd.	Ordinary		88.24%	Non Active
Gakomo Estate Ltd.	Ordinary		88.24%	Non Active
Kenya Tea Blenders Ltd.	Ordinary		88.24%	Non Active
Kitco Ltd.	Ordinary		88.24%	Non Active
Mabroukie Tea & Coffee Estates Ltd.	Ordinary		88.24%	Non Active
Migaa Estate (1964) Ltd.	Ordinary		88.24%	Non Active
Waitangi Estate (1964) Ltd.	Ordinary		88.24%	Non Active
<u>Tanzania</u>				
Brooke Bond Tanzania Ltd.	Ordinary	100%		Plantations

In the opinion of the Directors, the value of the investment in each subsidiary undertaking, consisting of shares and amounts owing, is not less than the amount at which that investment is stated in the balance sheet.

Brooke Bond Group Limited

Associated Companies and Other Investments

Included in investments are the following investments which amount to 20% or more of the nominal value of the allotted shares of the companies concerned or where significant influence is exercised over the investment.

<u>Name of Company and Country of Incorporation/Registration</u>	<u>Description of Shares Held</u>	<u>Proportion of Nominal Value of Shares Held</u>	
		<u>Direct</u>	<u>Indirect</u>
<u>Côte d'Ivoire</u>			
Societe Ivoirienne pour la Trituration des Graines Oleagineuses et le Raffinage d'Huiles Vegetales S.A.	Ordinary	25.36%	
<u>Kenya</u>			
The Limuru Tea Company Ltd.	Ordinary		45.88%
<u>India</u>			
Hindustan Lever Ltd.	Ordinary	5%	

The aggregate value of the capital and reserves and the profit for those undertakings that principally affect the figures in the financial statements is as follows:

<u>Name of the company</u>	<u>Capital & Reserves at 31 Dec 2000</u>	<u>Profit for year ended 31 Dec 2000</u>
	£000	£000
<u>Côte d'Ivoire</u>		
Societe Ivoirienne pour la Trituration des Graines Oleagineuses et le Raffinage d'Huiles Vegetales S.A.	8,096	586
Hindustan Lever Ltd.	435,696	174,623

Where the investment is in a participating interest, the share of results of that company has not been included in these accounts on the same grounds that group accounts have not been prepared.

In the opinion of the Directors, the value of each investment in participating interests is not less than the amount stated in the Balance Sheet.

Brooke Bond Group Limited

(8) Debtors

	2000 £000	1999 £000
Amounts due within one year		
Amounts owed by group undertakings	-	71
Other debtors	<u>32</u>	<u>32</u>
	<u>32</u>	<u>103</u>
Amounts due after more than one year		
Amounts owed by group undertakings	2,421	2,421
Amounts owed by ultimate parent undertaking	21,858	21,858
Indebtedness with parent company's central services subsidiary	<u>178,097</u>	<u>166,735</u>
	<u>202,376</u>	<u>191,014</u>
Total Debtors	<u>202,408</u>	<u>191,117</u>

(9) Creditors

	2000 £000	1999 £000
Amounts due within one year		
Taxation on profits	824	188
Accruals and deferred income	25	34
Other creditors	<u>-</u>	<u>19</u>
	<u>849</u>	<u>241</u>
Amounts falling due after more than one year:		
Amounts owed to group undertakings	<u>243</u>	<u>243</u>

(10) Called Up Share Capital

	2000 £000	1999 £000
Authorised		
400,000,000 ordinary shares of 25p each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
346,646,201 ordinary shares of 25p each	<u>86,662</u>	<u>86,662</u>

Brooke Bond Group Limited**(11) Reconciliation of Movements in Shareholders' Funds**

	2000 £000	1999 £000
Profit for the financial year	10,638	8,378
Opening shareholders' funds	<u>283,915</u>	<u>275,537</u>
Closing shareholders' funds	<u>294,553</u>	<u>283,915</u>

Reserves

	Share Premium Account £000	Revaluation Reserve £000	Profit & Loss Account £000	Total £000
At 1.1.2000	30,990	38,354	127,909	197,253
Transfer from Profit & Loss	-	-	10,638	10,638
Transfer from Reserves	<u>-</u>	<u>(1,448)</u>	<u>1,448</u>	<u>-</u>
At 31.12.2000	<u>30,990</u>	<u>36,906</u>	<u>139,995</u>	<u>207,891</u>

(12) Related Party Transactions

The immediate holding company is Unilever PLC, which is also the ultimate parent company. The Company has not disclosed transactions with fellow subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard No. 8. Copies of the Unilever group accounts can be obtained from Unilever PLC, Corporate Relations Department, P O Box 68, Blackfriars, London EC4P 4BQ.