

U.A.C. HOLDINGS LIMITED
REPORT AND ACCOUNTS 2005

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Registered Number: 312976

U.A.C. Holdings Limited**Director's Report for the Year ended 31 December 2005**

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

Mr G B St L Anderson

Ms A M Dillon

(appointed 18 February 2005)

Mr R M Tomlinson

(resigned 18 February 2005)

Mrs B S Macaulay

Review of Activities

There was no significant change in the principal activities of the Company which is to act as a holding company. 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. The Directors do not expect any development in the Company's business in the coming year which is significantly different from its present activities.

Results and Dividend

The profit for the year is £55,000 (2004 – £485,000). The Directors do not recommend the payment of a dividend in the current year (2004 – nil).

Directors' Interests

According to the Register of Directors' Interests, the notifiable interests of the Directors in office at 31 December 2005, in the share capital of the Company's ultimate holding company, Unilever PLC, were as follows:

	<u>Unilever PLC</u>	<u>At 1.1.2005</u> (1.4p shares)	<u>At 31.12.2005</u> (1.4p shares)
Mr G B St L Anderson	Ordinary shares	6,947	9,329
Ms A M Dillon	Ordinary shares	959 (on appointment)	1,552
Mrs B S Macaulay	Ordinary shares	377	2,260

U.AC. Holdings Limited**Directors' Interests (continued)**

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

		<u>At 1.1.2005</u>	<u>Granted</u>	<u>Exercised</u>	<u>At 31.12.2005</u>
Mr G B St L Anderson	(b)	3,479	1,832	2,382	2,929
Ms A M Dillon	(a)	6,875	Nil	Nil	6,875
		(on appointment)			
	(b)	1,221	Nil	Nil	1,221
		(on appointment)			
Mrs B S Macaulay	(b)	3,326	610	1,588	2,348

(a) under the Unilever 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 Trust (Jersey) for the purpose of satisfying share options granted to employees.

	<u>At 1.1.2005</u>	<u>At 31.12.2005</u>
Ms A M Dillon	48,763,265 (on appointment)	43,232,118
The Directors	48,888,961	43,232,118

Global Performance Share Plan

The following conditional shares were outstanding, awarded or vested during 2005 under the Global Performance Share Plan:


	<u>At 1.1.2005</u>	<u>Granted ⁽¹⁾</u>	<u>At 31.12.2005</u>
Ms A M Dillon	Nil	3,670	3,670

(1) Each award of performance shares is conditional and vests subject to certain conditions (free cash flow performance and top-line growth performance) three years after the date of the award. The 2005 awards are subject to the performance period 1 January 2005 to 31 December 2007.

U.AC. Holdings Limited**Directors' Interests (continued)****Auditors**

PricewaterhouseCoopers LLP 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



G B St L Anderson
Secretary

Date: 21 September 2006

U.A.C. Holdings 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 2005. 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, that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 1985. They also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

U.A.C. Holdings Limited**Independent Auditors' Report to the Shareholders of U.A.C. Holdings Limited**

We have audited the financial statements of U.A.C. Holdings Limited for the year ended 31 December 2005 which comprise the profit and loss account, balance sheet, principal accounting policies and 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 Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 Section 235 of the Companies Act 1985 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 give a true and fair view and are properly prepared in accordance with the Companies Act 1985. 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 Annual Report, and consider whether it is consistent with the financial statements. This other information comprises only the Directors' Report and the Statement of the Directors' Responsibilities. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 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.

U.A.C. Holdings Limited**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors
London

Date: 21 September 2006

U.A.C. Holdings Limited**Profit and Loss Account – Year ended 31 December 2005**

	<u>Notes</u>	2005 £000	2004 £000
Profit on disposal of investments	(1)	13	-
Profit on ordinary activities before taxation		13	-
Taxation on profit on ordinary activities	(3)	42	485
Profit of the year retained		55	485
Profit retained 1 January		25,199	24,714
Profit retained 31 December		25,254	25,199

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

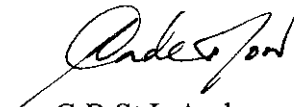
There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

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

U.A.C. Holdings Limited**Balance Sheet – 31 December 2005**

	<u>Notes</u>	2005 £000	2004 £000
Fixed assets			
Investments	(5)	-	-
Current assets			
Debtors	(6)	25,854	25,799
Net Assets		<u>25,854</u>	<u>25,799</u>
Capital and reserves			
Called up share capital	(7)	600	600
Profit and loss account		<u>25,254</u>	<u>25,199</u>
Equity Shareholders' funds	(8)	<u>25,854</u>	<u>25,799</u>

The financial statements on pages 7 to 13 were approved by the Board of Directors on 21/09/2006 and were signed on behalf by:


G B St L Anderson
Director

U.A.C. Holdings Limited**Principal Accounting Policies**

The financial statements are prepared under the historical cost convention and in accordance with the applicable accounting standards in the United Kingdom, except that full provision has been made for deferred taxation liabilities for the reasons explained below.

The Company is a subsidiary of Unilever PLC and its cash flows 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 U.A.C. Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under S228 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: Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling on the date of the transaction, at monthly average rates or at covered rates where appropriate. Assets and liabilities denominated in foreign currencies have been translated into sterling at the covered rates of exchange and at rates current at the year-end, and profits/losses are taken through the Profit and Loss Account of the year.

Dividends: Final dividends are now only recognised in the profit and loss account when shareholders have approved such amount and interim dividends are only recognised when paid.

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

Change in Accounting Policy : The Accounting Standards Board issued Financial Reporting Standard (FRS) 21 'Events after the balance sheet date' in May 2004. This standard replaces Statement of Standard Accounting Practice 17 'Accounting for post balance sheet events' and the main effect of this change is to prohibit the recording of a provision for a proposed dividend where the dividend is declared after the balance sheet date. FRS 21 is applicable for accounting periods beginning on or after 1st January 2005. Therefore final dividends are now only recognised in the profit and loss account when shareholders have approved such amount and interim dividends are only recognised when paid. The adoption of FRS 21 has had no impact on the previously issued financial statements of the Company.

U.A.C. Holdings Limited**Notes to the Accounts – 31 December 2005****(1) Profit on disposal of investments**

The profit on disposal of investments is made up as follows:

	£000
ASPD W.L.L.	13
	<u>13</u>

(2) Auditors' Remuneration

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

(3) Taxation on Profit on Ordinary Activities

The credit for taxation is made up as follows:

	2005		2004	
	£000	£000	£000	£000
On the profit of the years				
Current tax:				
UK corporation tax	-		485	
Less: Double tax relief	-		-	
	<u>-</u>		<u>485</u>	
Adjustment for prior years	42		-	
UK Taxation		42		485
Total taxation credit		<u>42</u>		<u>485</u>

The current tax for the period is higher (2004 is higher) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2005	2004
	£000	£000
Profit on ordinary activities before tax	13	-
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 30% (2004 – 30%)	4	-
Effects of:		
Permanent differences	(4)	-
Adjustments to tax in respect of prior periods	42	485
Current tax credit	<u>42</u>	<u>485</u>

(4) Director's Emoluments

The Directors, including the Chairmen, are employed as managers by Unilever UK Central Resources Limited and they are remunerated by that company in respect of their services to the group as a whole.

U.A.C. Holdings Limited

(5) Fixed Assets - Investments

	Shares in Group Undertakings £000	Shares in Participating Interests £000	Total £000
Cost 1 January 2005	20	7	27
Disposals	-	(7)	(7)
Cost 31 December	20	-	20
Provisions 1 January 2005	(20)	(7)	(27)
Decrease	-	7	7
Provisions 31 December 2005	(20)	-	(20)
Net Book Value			
31 December 2005	-	-	-
1 January 2005	-	-	-

There are no investments in listed shares.

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 are also shown below:

Name of Company and Country of Incorporation/Registration	Description of Shares Held	Proportion of Nominal Value of Shares held and of Voting Rights	Principal Activity
Direct %			
<u>England and Wales</u>			
African and Eastern (Spain) Ltd.	Ordinary	100%	Dormant
<u>Tanzania</u>			
UAC of Tanzania Limited	Ordinary	100%	Dormant
Uniafric Trust (Tanzania) Ltd.	Ordinary	100%	Dormant
<u>Uganda</u>			
Uniafric Trust (Uganda) Ltd.	Ordinary	100%	Dormant
The United Africa Company of Uganda Ltd.	Ordinary	100%	Dormant
<u>Zambia</u>			
UAC of Zambia Limited	Ordinary	100%	Dormant

U.A.C. Holdings Limited**(5) Fixed Assets – Investments (continued)**

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

(6) Debtors

	2005 £000	2004 £000
Amounts due after more than one year		
Amounts owed by group undertakings	<u>25,854</u>	<u>25,799</u>

(7) Called Up Share Capital

	2005 £000	2004 £000
Authorised		
600,000 ordinary shares of £1 each	<u>600</u>	<u>600</u>
Allotted and fully paid		
600,000 ordinary shares of £1 each	<u>600</u>	<u>600</u>

(8) Reconciliation of Movements in Shareholders' Funds

	2005 £000	2004 £000
Profit for the financial year	55	485
Opening shareholders' funds	<u>25,799</u>	<u>25,314</u>
Closing shareholders' funds	<u>25,854</u>	<u>25,799</u>

U.A.C. Holdings Limited**(9) Related Party Transactions and Ultimate Parent Company**

The ultimate parent company is Unilever PLC and the immediate holding company is Unilever Overseas Holdings Limited. 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, PO Box 68, Blackfriars, London EC4P 4BQ.