

Registered Number: 312976

**U.A.C. HOLDINGS LIMITED**  
**REPORT AND ACCOUNTS 1997**

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**U.A.C. Holdings Limited****Directors' Report for the Year ended 31 December 1997****Directors**

The directors of the company during the year were as follows :-

Mr G B St L Anderson  
 Mrs V A Roberts  
 Mr I A C Shrimpton  
 Mr R M Tomlinson

**Review of Activities**

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

During the year the company transferred its entire holding in H Leverton Limited to another group company for a consideration equal to the carrying value of the investment.

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 1998 significantly different from its present activities.

**Profits and Dividend**

The profit for the year is £126,812. No dividend is recommended.

**Director's Interests**

According to the Register of Directors' Interests, the notifiable interests of the Directors in office at 31st December 1997 in the shares of the Company's ultimate holding company Unilever PLC were as follows :-

	<u>Unilever PLC</u>	<u>At 1.1.1997</u>	<u>At 31.12.1997</u>
Mr G B St L Anderson	Ordinary shares of 1.25p each	4,000	4,000
Mrs V A Roberts	Ordinary shares of 1.25p each	12,124	17,044
Mr I A C Shrimpton	Ordinary shares of 1.25p each	2,840	4,896
Mr R M Tomlinson	Ordinary shares of 1.25p each	13,956	16,088

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

Options to acquire the number of Unilever PLC Ordinary shares of 1.25p each listed below, were granted, exercised and held as follows :-

		<u>At 1.1.1997</u>	<u>Granted</u>	<u>Exercised</u>	<u>At 31.12.1997</u>
Mr G B St L Anderson	(b)	6,792	NIL	NIL	6,792
Mrs V A Roberts	(b)	5,420	1,860	4,132	3,148
Mr I A C Shrimpton	(b)	6,320	NIL	2,064	4,256
Mr R M Tomlinson	(a)	40,620	15,900	NIL	56,520
	(b)	7,996	1,860	4,132	5,724

- (a) under the Unilever PLC 1985 and 1987 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 of 1.25p each, acquired by the Unilever Employee Share Trusts for the purpose of satisfying share options granted to employees.

	<u>At 1.1.1997</u>	<u>At 31.12.1997</u>
The Directors	53,025,432	42,951,985

On 13 October 1997, the ordinary share capital of PLC was divided so that each existing 5p ordinary share was split into four shares of 1.25p respectively. All references to the nominal value and number of shares at the end of 1996 have been restated.

**Auditors**

Coopers & Lybrand 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: **3 SEP 1998**

  
G B St L Anderson  
Secretary

**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 1997. 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

  
G.B. St L. Anderson  
Secretary

Date: **3 SEP 1998**

**U.A.C. Holdings Limited****Report of the Auditors to the Members**

We have audited the accounts on pages 5 to 12.

**Respective responsibilities of directors and auditors**

As stated on page 3, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

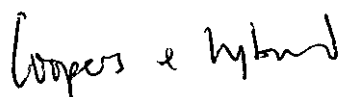
**Basis of opinion**

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31 December 1997 and of its profit and total recognised gains for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand  
Chartered Accountants and Registered Auditors  
London

3 September 1998

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

	<u>Notes</u>	1997 £000	1996 £000
Operating profit	(1)	127	163
Interest and similar income	(2)	<u>(5)</u>	<u>3,786</u>
Profit on ordinary activities before taxation		122	3,949
Taxation on profit on ordinary activities	(3)	<u>5</u>	<u>(172)</u>
Profit of the year retained	(8)	127	3,777
Profit retained 1 January		<u>35,545</u>	<u>31,768</u>
Profit retained 31 December		<u><u>35,672</u></u>	<u><u>35,545</u></u>

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

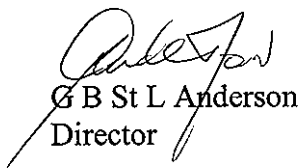
The profit for each financial year represents the total recognised gains of that year.

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.

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

	<u>Notes</u>	1997 £000	1996 £000
<b>Fixed assets</b>			
Investments	(5)	2,044	5,601
<b>Current assets</b>			
Indebtedness with parent company's central services subsidiary due after more than one year.		34,246	30,567
<b>Creditors : amounts falling due within one year</b>	(6)	<u>(18)</u>	<u>(23)</u>
<b>Net current assets</b>		<u>34,228</u>	<u>30,544</u>
<b>Total assets less current liabilities</b>		<u>36,272</u>	<u>36,145</u>
<b>Capital and reserves</b>			
Called up share capital	(7)	600	600
Profit retained		<u>35,672</u>	<u>35,545</u>
<b>Equity Shareholders' funds</b>	(8)	<u>36,272</u>	<u>36,145</u>

The financial statements on pages 5 to 13 were approved by the Board of Directors on  
**3 SEP 1999** and were signed on its behalf by:

  
 G B St L Anderson  
 Director

**U.A.C. Holdings 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 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 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** : Balances expressed in foreign currencies have been translated at the rates of exchange current at the year end and profits/losses are taken through the Profit and Loss Account.

**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.

**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.



## U.A.C. Holdings Limited

## Notes to the Accounts – 31 December 1997

## (1) Operating Profit

The operating profit is arrived at after charging/(crediting) the following amounts :-

	1997 £000	1996 £000
Release of provision	(150)	(199)
Exchange adjustments	9	19
Group service fee for services to Unilever PLC	13	15
Auditors' remuneration for audit	<u>1</u>	<u>2</u>
	<u>(127)</u>	<u>(163)</u>

## (2) Interest and Similar Income/(Charges)

	1997 £000	1996 £000
Income from participating interests	-	3,712
Profit on disposal of fixed asset investments	-	74
Income from other fixed asset investments	<u>1</u>	<u>-</u>
Total interest receivable and investment income	<u>1</u>	<u>3,786</u>
Correction of prior years:		
Income from group undertakings	<u>(6)</u>	<u>-</u>
Total interest payable and similar charges	<u>(6)</u>	<u>-</u>
Total	<u>(5)</u>	<u>3,786</u>

**U.A.C. Holdings Limited****(3) Taxation on Profit on Ordinary Activities**

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

	1997 £000	1996 £000
On the profit of the year :		
United Kingdom Corporation Tax at 31.5% (1996 - 33%)	4	(1,738)
Foreign Taxation	-	(172)
Double Taxation Relief	-	<u>1,738</u>
	4	(172)
Prior year item:		
Foreign taxation	<u>1</u>	<u>-</u>
	<u>5</u>	<u>(172)</u>

**(4) 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. Unilever U.K. Central Resources Limited charges the company for management and other services.

## U.A.C. Holdings Limited

## (5) Fixed Assets - Investments

	<u>Shares in Group Undertakings</u> £'000	<u>Shares in Participating Interests</u> £'000	<u>Other Investments</u> £'000	<u>Total</u> £'000
Cost/Valuation 1 January	70	5,543	8	5,621
Disposals	-	(3,557)	-	(3,557)
Cost/Valuation 31 December	<u>70</u>	<u>1,986</u>	<u>8</u>	<u>2,064</u>
Provisions at 1 January	<u>20</u>	<u>-</u>	<u>-</u>	<u>20</u>
Provisions at 31 December	<u>20</u>	<u>-</u>	<u>-</u>	<u>20</u>
Net Book Value 31 December	<u>50</u>	<u>1,986</u>	<u>8</u>	<u>2,044</u>
1 January	<u>50</u>	<u>5,543</u>	<u>8</u>	<u>5,601</u>

There are no investments in listed shares.

**U.A.C. Holdings 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. The investment is in ordinary 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 Direct</u>	<u>Principal Activity</u>
<u>England and Wales</u>			
African and Eastern (Spain) Ltd.	Ordinary	100%	Non-Active
UAC Far East Ltd.	Ordinary	100%	Dormant
<u>Hong Kong</u>			
UNACO International Ltd.	Ordinary	100%	Non-Active
<u>Tanzania</u>			
UAC of Tanzania Limited (formerly Gailey & Roberts (Tanzania) Ltd.)	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

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. Group accounts have not been prepared because the company is a wholly owned subsidiary of a United Kingdom company.

# U.A.C. Holdings 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 :

<u>Name of Company and Country of Incorporation/Registration</u>	<u>Description of Shares Held</u>	<u>Proportion of Nominal Value of Shares Held Direct</u>
<u>Bahrain</u> ASPD W.L.L.	Ordinary	49%
<u>Cote d'Ivoire</u> Frageci S.A.	Ordinary	48.00%
Societe Ivoirienne pour la Trituration des Graines Oleagineuses et le Raffinage d'Huiles Vegetales SA	Ordinary	23.87%
<u>Ghana</u> Ghana Textile Printing	Ordinary	31.27%

The aggregate value of the capital and reserves and the profit/(loss) in those companies which have a material affect on these financial statements is as follows :

<u>Name of the company</u>	<u>Capital &amp; Reserves at 31 Dec 1997 £'000</u>	<u>Profit/(loss) for year ended 31 Dec 1997 £'000</u>
<u>Cote d'Ivoire</u> Societe Ivoirienne pour la Trituration des Graines Oleagineuses et le Raffinage d'Huiles Vegetales SA	7,444	1,683
Frageci S.A.	177	4,877

## (6) Creditors

	<u>1997 £000</u>	<u>1996 £000</u>
Amounts due within one year		
Taxation on profits	(18)	(23)
	<u>      </u>	<u>      </u>

## (7) Called Up Share Capital

	<u>1997 £000</u>	<u>1996 £000</u>
<b>Authorised</b>		
600,000 ordinary shares of £1 each	600	600
	<u>      </u>	<u>      </u>
<b>Allotted, called up and fully paid</b>		
600,000 ordinary shares of £1 each	600	600
	<u>      </u>	<u>      </u>

## U.A.C. Holdings Limited

### (8) Reconciliation of Movements in Shareholders' Funds

	1997 £000	1996 £000
Profit for the financial year	127	3,777
Opening shareholders' funds	<u>36,145</u>	<u>32,368</u>
Closing shareholders' funds	<u>36,272</u>	<u>36,145</u>

### (9) Related Party Transactions

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, P O Box 68, Blackfriars, London EC4 4BQ.