

Registered number: 334527

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# UNILEVER UK LIMITED

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## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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UNILEVER UK LIMITED

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**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**INTRODUCTION**

The Directors submit their report and audited financial statements of Unilever UK Limited (“the Company”) for the year ended 31 December 2022.

**BUSINESS REVIEW**

The financial performance in 2022 is in line with expectations, net assets have increased, and sufficient liquidity is in place.

In October 2021, Unilever created separate standalone tea business in line with the strategic review announced in 2020. In November 2021, Unilever announced it had entered into an agreement to sell its global tea business, Ekaterra, to CVC Capital Partners Fund VIII. This sale was completed in July 2022 with Unilever continuing to provide some services to Ekaterra under a transitional service agreement, expected to continue until the end of June 2023.

In July 2022, the company made some significant changes to position Unilever for growth now and into the future. We moved to an operating model organised around five Business Groups:

- Beauty & Wellbeing
- Personal Care
- Nutrition
- Home Care
- Ice Cream

Each Business Group is focused on particular categories and brands and is fully responsible and accountable for its own strategy, growth and profit delivery globally, while at the same time we continue to leverage our scale and global capabilities as Unilever. The aim is to make Unilever simpler and faster. The new model will underpin improved performance by reducing complexity and ensuring we can respond to consumer and channel trends faster than ever before.

In April 2021, Unilever announced its plans to separate several smaller beauty and personal care brands into a new standalone business unit. After reviewing options for Elida Beauty, we concluded that this business will create the most value managed as an independent unit within Unilever, with dedicated focus under our new Compass operating model, which was launched in July 2022.

With the ongoing investment in our brands, people and organisational capabilities, the Board of Directors believe the Company is well placed to be competitive in future years.

**Section 172 Statement**

The Directors recognise their duty to promote the success of the Company, maintain a reputation for high standards and to act fairly for the benefit of all our stakeholders.

- *Employees*  
Please refer to Employee Involvement in the Directors Report
- *Suppliers, customers and others*  
The Company aims to foster excellent relationships with suppliers, customers and other stakeholders. The Company has dedicated customer service teams for its Retail, Food solutions and Unilever International business units. The Company closely monitors its compliance with supplier payment terms.

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UNILEVER UK LIMITED

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- *Planet and society*

As part of our materiality process, the Company analyses insights from stakeholders to make sure the Company is focusing on the most important sustainability issues. The Company focuses its external advocacy on the social, environmental and economic issues most important to Unilever. The Unilever Groups Environmental, Social, and Governance Statement, which the Company adheres too, can be found in the Unilever PLC accounts. Copies of Unilever Group financial statements can be publicly obtained from Unilever PLC, Corporate Secretaries Department 100 Victoria Embankment, London EC4 0DY and [www.unilever.com](http://www.unilever.com).

The Company holds investments in other Unilever Group Companies and therefore, has a business relationship with such entities.

During any accounting year under review the Company has considered its activities and decisions in relation to:

- New strategy or a refresh;
- Large scale restructuring programmes;
- Board of Directors appointments; and
- Decisions relating to major regulatory or legal matters especially when in public domain.

The Company is subject to Unilever's Code of Business Principles and has applied these to its operations.

#### **PRINCIPLE RISKS AND UNCERTAINTIES**

Unilever Europe B.V carries out, or procures, key Supply Chain operations for Unilever's European subsidiaries, and manages key risks related to the Supply Chain for Unilever's European subsidiaries (including the Company).

The Company's operations expose it to a variety of financial risks including credit risk and liquidity risk. The Company has specific policies for the management of these risks, and does so as follows:

##### ***Credit risk***

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually.

##### ***Liquidity risk***

The Unilever Group ensures, by means of giving loans, that the Company has sufficient funds available to fund its operations.

The remaining business risks and uncertainties affecting the Company are considered to relate to consumer consumption levels, customer landscape, competitor activity, physical risk, legislative, fiscal and regulatory conditions.

Further discussion of these risks and uncertainties, and how they are managed in the context of the Unilever Group as a whole, is provided in the published Unilever Group Annual Report.

The Company's ultimate parent undertaking, Unilever PLC, includes the Company in its consolidated financial statements. Further discussion of the principal risks of the business, and how they are managed in the context of the Unilever Group, is provided in the consolidated financial statements of Unilever PLC. These statements are prepared in accordance with International Financial Reporting Standards and provided in the published Unilever PLC Annual Report, available at [www.unilever.com](http://www.unilever.com).

#### FINANCIAL KEY PERFORMANCE INDICATORS

Given the straightforward nature and management structure of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business at this level of the Group.

This report was approved by the Board of Directors on 6 June 2023 and signed on its behalf on 07/06/23  
by

*Pamela Dickson*

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Ms P Dickson  
Director

Registered Office: Unilever House, Springfield Drive, Leatherhead, Surrey, KT22 7GR  
Company registration number: 334527

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**CORPORATE GOVERNANCE STATEMENT**

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For the year ended 31 December 2022, under The Companies (Miscellaneous Reporting) Regulations 2018, the Company has not applied the Wates Principles. Although the Wates Principles have not been adopted by the Company, it is believed that the policies of the Unilever Group adopted by the Company ensures strong Corporate Governance.

Additionally, the titles from the Wates Principles have been used in the Corporate Governance Statement to ensure that the Company is following the same corporate governance themes of all companies that adopt the Wates Principles.

**Purpose and leadership**

The Company was incorporated in 1937 and manufactures and sells consumer goods. The Company has adopted the Unilever Group's vision to be the global leader in sustainable business, demonstrating how our purpose-led, future-fit business model drives superior performance, consistently delivering financial results in the top third of our industry. Our purpose is to make sustainable living commonplace.

The Company makes some of the world's best-known brands and is working hard to reduce their environmental footprint and increase their positive social impact, as part of Unilever's Compass strategy, and at the heart of the Company's purpose.

The board promotes regular engagement with employees, through holding town halls with employees, for employees to hear the strategy of the Company and to give employees the opportunity to ask questions of their senior leaders. The Company operates a hybrid working policy whereby office-based employees are able manage their time between the office and home to enable the optimum balance between safety, collaboration, and efficiency.

The company has made Equality, Diversity and Inclusion a key priority, including through the Count Me In programme encouraging employees to self-identify along several diversity measures such as sexuality, gender, race, and disability. This data will be used to build a picture of where the Company is today to improve policies and culture. There are also a number of employee networks in place to drive understanding, collaboration and inclusion, not only in the areas mentioned above, but also for example, for employees who are parents or carers.

The Company is focused on ensuring that disabled employees have a safe and accessible working environment, and that disabled candidates are encouraged to apply for roles at Unilever, ensuring that any access needs are accommodated. Unilever UK is a Disability Confident employer and the Company is working with the employee network 'Enable' to see what more can be done to improve our workplaces and policies.

**Board of Directors composition**

The directors of the Company report into their appropriate Business Group leads within the Unilever Group. The Board of Directors composition is made up of Directors who specialise in the core areas of business, this includes Marketing, Human Resources, Finance, Customer Development, Communications and Supply Chain. The Directors have an extensive knowledge of their respective fields and bring a wealth of background and expertise with regards to their respective fields.

The Board of Directors discuss geography subjects with other operating UK Unilever boards which creates a constructive discussion in relation to the subjects which are brought to these meetings. This facilitates and helps effective decision making due to different viewpoints being discussed.

**Directors Responsibilities**

There are clear lines of accountability and responsibility when there is a decision made by the Company. All decisions are made in line with the Unilever Group internal authorities. The Directors also consider their Directors duties; details of the stakeholder engagement under section 172 of the Companies Act can be found on page 1.

The Board of Directors has subdelegated corporate governance to a sub-committee, called the Governance Forum, made up of the Board of Directors and other Directors of Unilever UK subsidiaries. There are quarterly meetings of the Governance Forum to review issues and processes to ensure that the governance remains fit for purpose by regularly challenging the status quo. The Governance Forum adheres to terms of reference which have been approved by the Board of Directors of the Company.

**Opportunity and risk**

The Company has an embedded risk management approach with clear roles, responsibilities and authorities to ensure that all opportunities are robustly reviewed and to ensure there are no gaps. Through this approach the Company ensures that it is prepared for any risks that it might face in the short, medium and long term. This provides confidence that there is good corporate governance within the Company. Unilever's Code of Business Principles ensures that the Company's principles are followed by all employees of the Company.

**Remuneration**

The Company follows the remuneration policy of the Unilever Group. Director and employee remuneration is based on clear structures and policies which are available for all employees to see.

**Stakeholder relationships and engagement**

With every decision that the Company makes, the Directors acknowledge their duties under section 172 of the Companies Act and give consideration to the stakeholders of the Company. These stakeholder engagements can be seen on page 1.

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**STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, DIRECTORS REPORT AND THE FINANCIAL STATEMENTS**

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The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company Law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have 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.

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**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Directors present their report and the financial statements for the year ended 31 December 2022.

**PRINCIPAL ACTIVITY**

The principal activity of the Company during the year consisted of toll manufacturing and the sale of consumer products on behalf of its ultimate parent company, Unilever PLC.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to **£81,673,000 (2021: profit £100,041,000)**. No dividend was paid during the year (2021: £Nil).

**DIRECTORS**

The Directors who held office during the year were:

Ms H Detsiny

Mr S Munden (resigned 30 June 2022)

Mr J Strachan (resigned 31 March 2022)

Mr M Woodward

Mr R Sharp

Ms P Dickson

Mr M Dicken (appointed 11 August 2022)

Ms N Martinelli (appointed 11 August 2022)

Mrs K Y Edwards (appointed 8 December 2022)

**POLITICAL AND CHARITABLE DONATIONS**

The Company made charitable donations amounting to £1,014,000 (2021: £2,076,000) in respect of community development, health, the environment and other causes. The Company made no political donations nor incurred any political expenditure during the year (2021: £Nil).

**FUTURE DEVELOPMENTS**

During October 2021, Unilever created a separate standalone tea business, Ekaterra, in line with the strategic review announced in 2020. In July 2022, Unilever completed the sale of Ekaterra to CVC Capital Partners Fund VIII with some support continuing to be provided under a transitional service agreement. This agreement is due to cease at the end of June 2023.

In October 2022 ground was broken on the new Unilever Campus in Kingston, the start of works to deliver a new joint Unilever Global and UKI HQ in 2025. As part of this transition, in January 2023 Unilever announced the intention to vacate the current UKI Head Office building in Leatherhead in the second half of 2023, with staff moving into the existing Kingston office until the new Unilever Campus is completed.

**EMPLOYEE INVOLVEMENT**

The Board of Directors recognises the importance of communications with, and the fullest possible involvement of, employees in the business. The Company has long established consultative forums with employees at our sites across the UK, as well as a national employee forum, giving employees the opportunity to elect representatives to raise issues, ask questions and receive briefings from leaders in the Company on a range of topics.

These groups meet regularly and there are processes in place to ensure that specific information relating to the interests of employees, including safety at work and services available to staff, is published periodically, both to individual employees and to their representatives.

**UNILEVER UK LIMITED**

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There are also a range of other internal communications and employee engagement initiatives from the Company, ensuring strategy and priorities are well understood, and focusing on wellbeing, equity, diversity and inclusion, sustainability, and building a positive and engaging culture at Unilever.

Staff were located principally at the Head Office buildings in Leatherhead, and factories in Burton, Crumlin, Gloucester, Leeds and Port Sunlight.

**DISCLOSURE OF INFORMATION TO AUDITOR**

The Directors who held office at the date of approval of this Directors' Report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP, will therefore continue in office.

This report was approved by the Board of Directors on 6 June 2023 and signed on its behalf on 07/06/23  
by

*Pamela Dickson*

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Ms P Dickson  
Director

Registered Office: Unilever House, Springfield Drive, Leatherhead, Surrey, KT22 7GR  
Company registration number: 334527

## UNILEVER UK LIMITED

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF UNILEVER UK LIMITED**

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**Opinion**

We have audited the financial statements of Unilever UK Limited ("the Company") for the year ended 31 December 2022 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

**Fraud and breaches of laws and regulations – ability to detect**

*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Board, Governance Committee of the Board, Central Leadership Team minutes;
- Considering remuneration incentive schemes and performance targets for management and staff; and
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the group to full scope component audit teams of relevant fraud risks identified at the Group level and request to full scope component audit teams to report to the Group audit team any instances of fraud that could give rise to a material misstatement at group.

As required by auditing standards and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group and component management may be in a position to make inappropriate accounting entries. On this audit, we do not believe there is a fraud risk related to revenue recognition; no instances of fraud or suspected fraud have been identified, and the potential for fraud in relation to revenue recognition, after consideration of the fraud triangle, is remote.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the Company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments based on risk criteria and comparing the identified entries to supporting documentation.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, regulation of products and GDPR (General Data Protection Legislation), recognising the nature of the Company's activities include trading home, personal care and food products. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Other information**

The directors are responsible for the strategic report, corporate governance statement and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report, corporate governance statement and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in strategic report, corporate governance statement and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Sabira Datto (Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*

15 Canada Square  
Canary Wharf  
London  
E14 5GL

Date 07/06/2023

## UNILEVER UK LIMITED

**PROFIT & LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
Turnover	3	1,894,994	1,854,811
Cost of sales		(1,355,357)	(1,303,578)
<b>Gross profit</b>		<b>539,637</b>	<b>551,233</b>
Administrative expenses		(436,665)	(450,264)
Other operating expenses		(1,835)	(4,138)
Profit from sale of Business		-	17,455
Profit from sale of Land	12	-	8,083
Foreign exchange (loss)/gain	4	(676)	541
<b>Operating profit</b>	4	<b>100,461</b>	<b>122,910</b>
Finance income	8	11,785	96
Finance costs	9	(1,961)	(1,639)
<b>Profit before taxation</b>		<b>110,285</b>	<b>121,367</b>
Taxation on profit	10	(28,612)	(21,326)
<b>Profit for the financial year</b>		<b>81,673</b>	<b>100,041</b>
<b>Other comprehensive (loss)/income: items that will not be reclassified to profit or loss</b>			
Deferred tax charge	10	(1)	(135)
<b>Total comprehensive income for the year</b>		<b>81,672</b>	<b>99,906</b>

The notes on pages 16 to 35 form part of these financial statements.

## UNILEVER UK LIMITED

BALANCE SHEET  
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
<b>Non-current assets</b>			
Intangible assets	11	336,051	348,631
Property, plant and equipment	12	428,912	421,848
Investments	13	63,673	63,673
		<u>828,636</u>	<u>834,152</u>
<b>Current assets</b>			
Inventory	14	10,365	8,891
Trade and other receivables (including: £Nil (2021: £Nil) due after more than one year)	15	1,326,487	1,174,385
		<u>1,336,852</u>	<u>1,183,276</u>
<b>Current liabilities</b>			
Trade payables and other current liabilities	17	(468,744)	(393,191)
		<u>868,108</u>	<u>790,085</u>
<b>Net current assets</b>		<u>1,696,744</u>	<u>1,624,237</u>
<b>Total assets less current liabilities</b>		<u>1,696,744</u>	<u>1,624,237</u>
<b>Non-current liabilities</b>			
Other non-current liabilities	17	(52,608)	(60,018)
Provisions	18	(12,242)	(13,997)
		<u>1,631,894</u>	<u>1,550,222</u>
<b>Net assets</b>		<u>1,631,894</u>	<u>1,550,222</u>
<b>Equity and reserves</b>			
Called up share capital	19	722,168	722,168
Share premium account		34,335	34,335
Other reserves	20	161,620	161,620
Profit and loss account		713,771	632,099
		<u>1,631,894</u>	<u>1,550,222</u>
<b>Total Shareholders' funds</b>		<u>1,631,894</u>	<u>1,550,222</u>

The notes on pages 16 to 35 form part of these financial statements.

The financial statements were approved by the Board of Directors on 6 June 2023 and were signed on its behalf by

*Pamela Dickson*

Ms P Dickson  
Director

## UNILEVER UK LIMITED

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £000	Share premium Account £000	Other Reserves £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2022</b>	<b>722,168</b>	<b>34,335</b>	<b>161,620</b>	<b>632,099</b>	<b>1,550,222</b>
Profit for the year	-	-	-	81,673	81,673
Other comprehensive (loss)/income for the year: Items that will not be reclassified to profit or loss	-	-	-	(1)	(1)
Deferred tax charge	-	-	-	81,672	81,672
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81,672</b>	<b>81,672</b>
<b>At 31 December 2022</b>	<b>722,168</b>	<b>34,335</b>	<b>161,620</b>	<b>713,771</b>	<b>1,631,894</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £000	Share premium Account £000	Other reserves £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2021</b>	<b>722,168</b>	<b>34,335</b>	<b>161,620</b>	<b>532,193</b>	<b>1,450,316</b>
Profit for the year	-	-	-	100,041	100,041
Other comprehensive (loss)/income for the year: Items that will not be reclassified to profit or loss	-	-	-	(135)	(135)
Deferred tax charge	-	-	-	99,906	99,906
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99,906</b>	<b>99,906</b>
<b>At 31 December 2021</b>	<b>722,168</b>	<b>34,335</b>	<b>161,620</b>	<b>632,099</b>	<b>1,550,222</b>

The notes on pages 16 to 35 form part of these financial statements.

## UNILEVER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**1. ACCOUNTING POLICIES****1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

Unilever UK Limited is a company incorporated and domiciled in England. The registered number is 334527 and the registered address is Unilever House, Springfield Drive, Leatherhead, Surrey, KT22 7GR.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"), which applies the recognition and measurement bases of International Financial Reporting Standards ('IFRSs') adopted pursuant to Regulation (Ec) No 1606/2002 as it applies in the EU, but makes amendments where necessary in order to comply with Companies Act 2006 and has been set out below where advantages of the FRS 101 disclosure exemptions have been taken.

The Company has applied UK-adopted IFRS standards for reporting periods commencing on or after 31 December 2020.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Accounting Standards as adopted by the EU ("Adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and it has been set out below where advantages of the FRS 101 disclosure exemptions have been taken.

The Company's ultimate parent undertaking, Unilever PLC, includes the Company in its consolidated financial statements. The consolidated financial statements of Unilever PLC are prepared in accordance with International Financial Reporting Standards and provided in the published Unilever PLC Annual Report, available at [www.unilever.com](http://www.unilever.com).

In these financial statements, where applicable, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy; and
- Disclosures in respect of compensation of Key Management Personnel.

As the consolidated financial statements of Unilever PLC includes equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures where applicable:

- IFRS 2 Share Based Payments in respect of group settled share-based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets; and
- Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements and Management will continue to consider the adoption of new standards, and the impact of these on the financial statements, in future periods.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS (continued)**

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgments made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

**1.2 MEASUREMENT CONVENTION**

The financial statements are prepared on the historical cost basis except where specified.

**1.3 OTHER RESERVES**

The reconstruction reserve relates to goodwill arising on acquisition of the Ice Cream business in 2006.

**1.4 GOING CONCERN**

After making enquiries, the Directors have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future period of 12 months from the date of the report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

**1.5 GOODWILL**

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units. It is not amortised but is tested annually for impairment, with any impairment in carrying value being charged to profit and loss. This is not in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 which requires that all goodwill be amortised. The Directors consider that this would fail to give a true and fair view of the profit for the year and that the economic measure of performance in any period is properly made by reference only to any impairment that may have arisen.

**1.6 INTANGIBLE ASSETS**

Intangible assets are initially recognised at cost. After recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets other than Goodwill are considered to have a finite useful life of 3 years.

**1.7 PROPERTY, PLANT AND EQUIPMENT**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged to the profit and loss account so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold buildings: 40 years

Leasehold buildings: Life of lease up to a maximum of 40 years

Plant and machinery: 3-15 years

Freehold land is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within operating income in the statement of comprehensive income.

Finance costs incurred in relation to the purchase of tangible fixed assets are not capitalised. Fixed assets will be reviewed for impairment only if there is some indication that impairment has occurred. Impairment losses are recognised in the profit and loss account included within operating profit under the appropriate statutory heading and disclosed as an exceptional item if appropriate. The reversal of past impairment losses is recognised when the recoverable amount of a tangible fixed asset has increased because of a change in economic conditions or in the expected use of the asset.

**1.8 TRADE RECEIVABLES**

Trade receivables are measured at fair value, transactional price for activities supplied in the ordinary course of business less any impairment. If collection is due in one year or less, they are classified as due within one year. If not, they are presented as due after more than one year.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

**1.9 VALUATION OF INVESTMENTS**

Investments in subsidiary undertakings are entities controlled by the Company, where control is the power directly or indirectly to govern the financial and operating policies of the entity so as to obtain benefit from its activities.

Investments in subsidiary undertakings are held at cost less accumulated impairment losses. Where the value of an investment is considered to have been permanently impaired, a carrying value below cost method is employed and any impairment charge is taken to the Profit and Loss Account.

**1.10 INVENTORY**

Inventory for resale is stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Engineering stores are held at cost. Cost is determined on an average basis. Provisions are made for slow moving and obsolete inventory as appropriate. The impairment loss is recognised immediately in the Profit and Loss Account.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1.11 TRADE PAYABLES**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. If payment is due in one year or less, they are classified as due within one year. If not, they are presented as due after more than one year.

**1.12 PROVISIONS**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, considering relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried on the Balance Sheet.

**1.13 FOREIGN CURRENCY TRANSLATION**

*The Company's functional and presentational currency is the British Pound Sterling (GBP).*

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are re-translated to the functional currency at the foreign exchange rate ruling at that date.

**1.14 TURNOVER**

Turnover comprises sales of goods after deduction of discounts, and sales taxes. Discounts given by the Company include rebates, price reductions and incentives given to customers, promotional couponing and trade communication costs. Accumulated experience is used to estimate the provision for discounts using the most likely amount method: revenue is only recognised to the extent that it is highly probable, and a significant reversal will not occur.

Turnover is recognised when control of the products being sold has transferred to our customer and when there are no longer any unfulfilled obligations to the customer. This is generally on dispatch to the customer but depending on individual customer terms, this can be at the time of dispatch or delivery. This is considered appropriate point where the performance obligations in our contracts are satisfied as the Company no longer has control of the inventory.

**1.15 FINANCE COSTS**

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Finance costs related to lease liabilities are charged to the Profit and Loss Account using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1.16 LEASES**

The Company has adopted IFRS 16 in its reporting from 1 January 2019, applying the standard using the 'full retrospective' approach.

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'trade payables and other current liabilities' in the Balance Sheet.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to Nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

**Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for leases with a value of less than €10,000 and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**1.17 PENSIONS AND OTHER POST-RETIREMENT BENEFITS**

The Company's eligible employees are members of the Unilever Pension Fund, a group hybrid pension scheme providing defined benefits and defined contribution benefits. This is funded by the Company and employee contributions. The defined benefit plan is closed for new entrants.

The defined benefit fund contributions are paid by the Company as if it were a defined contribution scheme as the Company is unable to identify its share of the underlying assets and liabilities in the scheme. Company contributions, which normally represent the charge for the year, are determined on an actuarial basis so that the annual charge is a substantially level percentage of current and expected future pensionable payroll.

Sponsoring companies pay their contributions to Unilever U.K. Central Resources Limited, which accepts responsibility for continuing to the Fund and for accounting for the pension costs on their behalf, therefore all funding surplus or deficit is included in Unilever U.K. Central Resources Limited only.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1.17 PENSIONS AND OTHER POST-RETIREMENT BENEFITS (continued)**

The capital costs of unfunded retirement benefits for employees retiring before normal retirement age are paid to another group company which accepts responsibility for payment to the benefits to former employees. The capital costs are charged to the Profit and Loss Account in the year in which the decision to retire an employee before normal retirement age is made.

The Company also has some employees who are not eligible for the Unilever Pension Fund, but who still meet the auto-enrolment criteria. These members are auto enrolled into the Nest pension scheme, a defined contribution scheme with employer contributions matched at various rates and are accounted for accordingly.

**1.18 INTEREST INCOME AND EXPENSE**

Interest income and expense are recognised in the Profit and loss account using the effective interest method.

**1.19 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**1.20 CURRENT AND DEFERRED TAXATION**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised or that the Company has determined it is appropriate to recognise the deferred tax asset as it is recoverable due to the fact that the Company is part of a UK group for group relief purposes.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

## 2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### *Impairment of trade receivables*

The Company makes an estimate of the recoverable value of the trade receivables. When assessing impairment of trade receivables, management considers factors including the ageing profile of receivables and historical experience.

### *Provisions*

The Company has recognised provisions for restructuring, employee benefits and income tax in its financial statements which require management to make judgments. The judgment estimates and associated assumptions necessary to calculate these provisions are based on historic experience and other reasonable factors.

### *Recoverability of deferred tax assets*

The Company has recognised a significant deferred tax asset which requires judgment for determining the extent of its recoverability at the balance sheet date. The Company assesses recoverability with reference to forecasts on future taxable profits. These forecasts require the use of assumptions and estimates.

## 3. ANALYSIS OF TURNOVER

Turnover comprises the invoiced value of the sales of goods and services after deduction of discounts and sales taxes. Turnover is recognised when the risks and rewards of the underlying products have been substantially transferred from the Company to the customer.

The Company is engaged in the sale of consumer products and, in the opinion of the Directors, does not carry out classes of business substantially different from each other. Consequently, no segmental analysis of the business is included in these financial statements.

	2022 £000	2021 £000
Sale of goods	1,893,675	1,853,320
License income	1,319	1,491
<b>Total Turnover</b>	<b>1,894,994</b>	<b>1,854,811</b>
	2022 £'000	2021 £000
United Kingdom	1,876,072	1,828,605
Rest of Europe	15,678	22,249
Rest of the World	3,244	3,957
<b>Total Turnover</b>	<b>1,894,994</b>	<b>1,854,811</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. OPERATING PROFIT	Note	2022 £000	2021 £000
Operating profit is stated after debiting/ (crediting) the following significant balances			
Exchange adjustments		676	541
<i>Depreciation</i>			
- on owned tangible fixed assets	12	44,979	46,251
- on right of use assets	12, 21	9,175	10,817
<i>Amortisation</i>			
- on intangible assets	11	12,580	25,158
Loss on sale of fixed assets		228	873
Profit on sale of business MSO		-	(12,634)
Profit on sale of business Sourcing Unit		-	(4,821)
Profit on sale of Land	12	-	(8,083)
Gain on modification of right of use asset		(3,289)	-

**5. AUDITOR'S REMUNERATION**

The Company paid the following amount to its auditor in respect of the audit of the financial statements:

	2022 £000	2021 £000
Audit of these financial statements	<u>350</u>	<u>347</u>

**6. EMPLOYEE INFORMATION**

The number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	2022 Number of employees	2021 Number of employees
Production	1,405	1,503
Marketing, selling and distribution	950	929
Administration	133	116
<b>Total</b>	<u>2,488</u>	<u>2,548</u>

Staff costs, including Directors' remuneration, were as follows:

	2022 £000	2021 £000
<b>Staff Costs</b>		
Wages and salaries	153,119	149,264
Social security costs	19,186	16,919
Cost of defined benefit scheme	30,249	50,131
Cost of defined contribution scheme	8,057	5,171
<b>Total</b>	<u>210,611</u>	<u>221,485</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**7. DIRECTORS' REMUNERATION**

The Directors who served during the year are remunerated by the Company and details of their emoluments are provided below:

<b>All Directors</b>	<b>2022 £000</b>	<b>2021 £000</b>
Aggregate emoluments	<u>2,795</u>	<u>2,452</u>
<b>Highest paid Director</b>	<b>2022 £000</b>	<b>2021 £000</b>
Aggregate emoluments	<u>1,151</u>	<u>910</u>

In addition to the above, the highest paid Director also received shares as part of a long-term incentive scheme. During the year 8 Directors received shares under the long-term incentive schemes (2021: 6).

**8. FINANCE INCOME**

	<b>2022 £000</b>	<b>2021 £000</b>
Interest receivable from Group companies	11,686	96
Interest on Indirect taxes	95	-
Interest from third party	<u>4</u>	<u>-</u>
<b>Total finance income</b>	<u>11,785</u>	<u>96</u>

In 2022 a positive interest rate resulted in interest income on the intercompany current account balance with Unilever Finance International AG. In 2021 this interest rate was negative and as such a significant variance can be seen between the interest income value in the two years.

**9. FINANCE COSTS**

		<b>2022 £000</b>	<b>2021 £000</b>
Finance charges paid under finance leases	Note	303	607
Interest on lease liabilities	21	1,298	1,596
Interest on corporate income tax		360	(1,156)
Interest on Indirect taxes		-	591
<b>Total finance costs</b>		<u>1,961</u>	<u>1,638</u>

## UNILEVER UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. TAXATION**

The taxation charge is made up as follows:

Recognised in the profit and loss account	Note	2022 £000	2021 £000
<i>UK corporation tax</i>			
Current tax on income for the year		10,726	14,796
Adjustments in respect of prior periods		14,485	(575)
<b>Total current tax</b>		<b>25,211</b>	<b>14,221</b>
<i>Deferred tax</i>			
Origination and reversal of temporary differences		7,825	908
Increase in tax rate		2,405	4,539
Adjustments in respect of prior periods		(6,829)	1,658
<b>Total deferred tax</b>	16	<b>3,401</b>	<b>7,105</b>
<b>Tax charge on profit on ordinary activities</b>		<b>28,612</b>	<b>21,326</b>

Legislation has been introduced to increase the main rate of corporation tax from 19% to 25% (effective from 1 April 2023), which was substantively enacted on 24 May 2021 (enacted on 10 June 2021). This will have a consequential impact on the Company's future tax charge. Therefore, any deferred tax balances have been measured at the tax rate to be applied when temporary differences are expected to reverse.

Income tax recognised in other comprehensive income	2022 £000	2021 £000
Change in share-based payments	(1)	139
Adjustments in respect of prior periods		(4)
<b>Income tax recognised in other comprehensive income</b>	<b>(1)</b>	<b>135</b>

## UNILEVER UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. TAXATION (continued)**

The total tax assessed for the year is higher (2021: lower) than the standard rate of corporation taxation in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £000	2021 £000
<b>Reconciliation of tax expense</b>		
Profit before taxation	110,285	121,367
Tax using the UK corporation tax rate of 19% (2021: 19%)	20,954	23,060
<b>Effects of:</b>		
Non-deductible expenses	973	877
Share based payments – deferred tax only	(621)	37
Difference in tax rate for current and deferred tax	2,404	4,539
Amounts under provided in prior years	7,656	1,083
Income not taxable	(18)	(745)
Super deduction expenditure	(2,736)	(1,048)
Separation of Tea business	-	(6,477)
<b>Taxation on profit</b>	<b>28,612</b>	<b>21,326</b>
Taxation on profit	28,612	21,326

**11. INTANGIBLE ASSETS**

	Goodwill £000	Intangibles £000	Total £000
<b>Cost</b>			
At 1 January 2022	616,599	75,476	692,075
<b>At 31 December 2022</b>	<b>616,599</b>	<b>75,476</b>	<b>692,075</b>
<b>Impairment</b>			
At 1 January 2022	(280,548)	(62,896)	(343,444)
<b>Amortisation charge</b>	<b>-</b>	<b>(12,580)</b>	<b>(12,580)</b>
<b>At 31 December 2022</b>	<b>(280,548)</b>	<b>(75,476)</b>	<b>(356,024)</b>
<b>Net book value</b>			
<b>At 31 December 2022</b>	<b>336,051</b>	<b>-</b>	<b>336,051</b>
At 31 December 2021	336,051	12,580	348,631

The annual goodwill impairment review was completed, comparing the carrying value with recoverable value calculated by applying a discount factor to cash projections. No impairment was charged in 2022 (2021: £Nil).

## UNILEVER UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**12. PROPERTY, PLANT AND EQUIPMENT**

		Land and buildings	Plant and Machinery	Assets in course of construction	Total
	Note	£000	£000	£000	£000
<b>Cost</b>					
At 1 January 2022		267,818	676,746	31,313	975,877
Additions		8,798	44,405	15,384	68,587
Disposals		(11,096)	(8,877)	-	(19,973)
Transfer between classes		(326)	326	-	-
<b>At 31 December 2022</b>		<b>265,194</b>	<b>712,600</b>	<b>46,697</b>	<b>1,024,491</b>
<b>Accumulated depreciation</b>					
At 1 January 2022		(157,260)	(396,769)	-	(554,029)
Transfers from group		(507)	(45)	-	(552)
Depreciation charge	4	(12,557)	(41,597)	-	(54,154)
Disposals		6,245	6,911	-	13,156
<b>At 31 December 2022</b>		<b>(164,079)</b>	<b>(431,500)</b>	<b>-</b>	<b>(595,579)</b>
<b>Net book value</b>					
<b>At 31 December 2022</b>		<b>101,115</b>	<b>281,100</b>	<b>46,697</b>	<b>428,912</b>
At 31 December 2021		110,558	279,977	31,313	421,848

At 31 December 2022, property plant and equipment includes both right of use assets as detailed in Note 21.

The net book amount of land and buildings comprises:

	2022 £000	2021 £000
Land	5,869	5,586
Freehold Buildings	68,663	70,981
Leasehold Buildings	26,583	33,990
	<b>101,115</b>	<b>110,557</b>

## UNILEVER UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 12. PROPERTY, PLANT AND EQUIPMENT (continued)

Assets held under finance leases included above:

Gross book value	-	7,598
Depreciation charge	-	(3,229)
Net book value	-	4,369

<b>Profit on Land Sale:</b>	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>

Warrington (NBV £53,592)	-	2,505
Trafford Park (NBV £1,027,892)	-	5,578
	-	8,083

## 13. INVESTMENTS

Subsidiary  
undertakings  
£000

## Cost

At 1 January 2022	63,673
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<b>At 31 December 2022</b>	<b>63,673</b>
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## Subsidiary undertakings and associates

The investments are in subsidiary undertakings and associates of the Company. Their names together with their country of incorporation/registration are listed below. A description of the shares held, and the proportion held is also shown below:

Name	Country of incorporation	Class of shares held	Holding	Principal activity
			Direct %	
Unilever Bestfoods UK Limited	UK	Ordinary	100%	In Liquidation
Alberto Culver Company (UK) Limited	UK	Ordinary	100%	Dormant

The aggregate of the share capital and reserves as at 31 December 2022 and of the profit for the year ended on that date for the subsidiary undertaking were as follows:

	Aggregate of shares and reserves £'000	Profit for the year £'000
At 31 December 2022	66,451	0

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**14. INVENTORY**

	2022 £'000	2021 £'000
Engineering consumables	9,384	8,195
Finished goods and goods for resale	981	696
	<u>10,365</u>	<u>8,891</u>

Engineering consumables charged to the profit and loss account in the year amounted to £4,818,000 (2021: £6,382,000). Stock provisions increased by £1,318,000 mainly towards provision inventoried in Burton with addition of new production lines (2021: change £648,000). The write down and reversal are included in administrative expenses in the profit and loss account.

**15. TRADE AND OTHER RECEIVABLES**

	2022 £000	2021 £000
<b>Non-current receivables</b>		
Deferred taxation	-	-
Prepayments and accrued income	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>Current trade and other receivables</b>		
Trade receivables	128,178	75,563
Amounts owed by Group undertakings	1,130,465	1,012,938
Other receivables	5,566	342
Prepayments and accrued income	7,674	11,377
Group Relief	54,604	74,165
<b>Total</b>	<u>1,326,487</u>	<u>1,174,385</u>
<b>Total trade and other receivables</b>	<u>1,326,487</u>	<u>1,174,385</u>

Included within trade receivables are rebates payable to customers of £146,015,000 (2021: £139,985,000).

Amounts owed from Group undertakings include balances with Unilever U.K. Central Resources Limited which are interest bearing, unsecured and payable on demand. There is no intention to recall the repayment of this outstanding balance within a year as of 31 December 2022. All receivables owed by Group are current and their fair value is equivalent to their carrying value.

## UNILEVER UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**16. DEFERRED TAX ASSETS AND LIABILITIES**

	<b>Deferred Taxation £'000</b>
At 1 January 2022	(18,500)
Charged to profit and loss account	(3,401)
Charged to other comprehensive income	(1)
<b>At 31 December 2022</b>	<b>(21,902)</b>

**Recognised deferred tax assets and liabilities**

Legislation has been introduced to increase the main rate of corporation tax from 19% to 25% (effective from 1 April 2023), which was substantively enacted on 24 May 2021 (enacted on 10 June 2021). This will have a consequential impact on the Company's future tax charge. Therefore, any deferred tax balances have been measured at the tax rate to be applied when temporary differences are expected to reverse.

Deferred tax assets and liabilities are attributable to the following:

	<b>Assets 2022 £000</b>	<b>Assets 2021 £000</b>	<b>Liabilities 2022 £000</b>	<b>Liabilities 2021 £000</b>	<b>Net 2022 £000</b>	<b>Net 2021 £000</b>
Employee benefits - pension	835	900	-	-	835	900
Tangible fixed assets	-	-	(32,944)	(29,893)	(32,944)	(29,893)
Share based payments	8,543	7,440	-	-	8,543	7,440
Right of use asset leases	232	443	-	-	232	443
Provisions	1,432	2,545	-	-	1,432	2,545
Other	-	64	-	-	-	64
<b>Total deferred tax asset</b>	<b>11,042</b>	<b>11,392</b>	<b>(32,944)</b>	<b>(29,893)</b>	<b>(21,902)</b>	<b>(18,501)</b>

The amount of unrecognised deferred tax asset in respect of temporary differences on tangible fixed assets is £6,188,000 (2021: £7,586,000)

## UNILEVER UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**16. DEFERRED TAX ASSETS AND LIABILITIES (continued)**

Movement in deferred tax during the year:

	1 January 2022	Recognised in income (Tax rate change)	Recognised in income	Recognised in statement of other comprehensive income	31 December 2022
	£000	£000	£000	£000	£000
Employee benefits – pension	900	(16)	(49)	-	835
Tangible fixed assets	(29,893)	(2,776)	(275)	-	(32,944)
Share based payments	7,440	265	839	(1)	8,543
Provisions	2,545	153	(1,266)	-	1,432
IFRS-16 transitional adjustment	443	-	(211)	-	232
Other	64	(31)	(33)	-	-
<b>Total deferred tax asset</b>	<b>(18,501)</b>	<b>(2,405)</b>	<b>(995)</b>	<b>(1)</b>	<b>(21,902)</b>

Movement in deferred tax during the prior year:

	1 January 2021	Recognised in income (Tax rate change)	Recognised in income	Recognised in statement of other comprehensive income	31 December 2021
	£000	£000	£000	£000	£000
Employee benefits – pension	500	216	184	-	900
Tangible fixed assets	(21,262)	(7,174)	(1,457)	-	(29,893)
Share based payments	5,889	1,748	(62)	(135)	7,440
Provisions	2,023	611	(89)	-	2,545
IFRS-16 transitional adjustment	611	44	(212)	-	443
Other	979	15	(930)	-	64
<b>Total deferred tax asset</b>	<b>(11,260)</b>	<b>(4,540)</b>	<b>(2,566)</b>	<b>(135)</b>	<b>(18,501)</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**17. TRADE PAYABLES AND OTHER LIABILITIES**

	2022 £000	2021 £000
<b>Current trade payables and other liabilities</b>		
Bank overdrafts	2,943	1,135
Trade payables	186,473	153,093
Lease liabilities	8,972	9,040
Amounts owed to Group undertakings	181,640	139,115
Corporation tax payable	34,510	53,338
Other taxation and social security	791	2,495
Accruals and deferred income	38,106	25,978
Financial payables	8,691	8,997
Provisions	6,618	-
<b>Total</b>	<b>468,744</b>	<b>393,191</b>
<b>Other non-current liabilities</b>		
Deferred tax liability	21,902	18,501
Lease liabilities	23,474	34,927
Other payables	3,752	2,607
Accruals and deferred income	3,480	3,983
<b>Total</b>	<b>52,608</b>	<b>60,018</b>
<b>Total trade payables and other liabilities</b>	<b>521,352</b>	<b>453,209</b>

**18. PROVISIONS**

	2022 £000	2021 £000
Due within one year	6,618	-
Due after one year	12,242	13,997
<b>Total provisions</b>	<b>18,860</b>	<b>13,997</b>

	Restructuring provision £000	Employee benefits £000	Others £000	Total £000
At 1 January 2022	10,180	3,600	217	13,997
Charged to profit and loss account	7,790	402	1,874	10,066
Released back to profit and loss account	(913)	(466)	-	(1,379)
Utilisation	(2,986)	(338)	(500)	(3,824)
<b>At 31 December 2022</b>	<b>14,071</b>	<b>3,198</b>	<b>1,591</b>	<b>18,860</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**18. PROVISIONS (continued)**

Provisions consist of three elements:

**Restructuring**

The Company has constructive obligations in respect of redundancy and other costs relating principally to restructuring its operations on an ongoing basis. The amounts of the provision are based on calculations of the cost of redundancies for notified individuals at the balance sheet date.

**Employee benefits**

The Company has constructive obligations in respect of other benefits to employees. The provision will be utilised when the payments are made in the future.

**Other**

Other provisions relate to ongoing contractual obligations.

**19. CALLED UP SHARE CAPITAL**

	2022 £000	2021 £000
<b>Allotted, called up and fully paid</b>		
722,168,297 (2021: 722,168,297) Ordinary shares of £1 each	<u>722,168</u>	<u>722,168</u>
<b>Total called up share capital</b>	<u><u>722,168</u></u>	<u><u>722,168</u></u>

**20. OTHER RESERVES**

The reconstruction reserve represents the premium remaining from purchase of the Ice Cream business from Unilever Ice Cream & Frozen Food Limited in 2006. In 2009, the Directors reassessed the presentation of the reconstruction reserve and determined that an amount equivalent to amortisation of the goodwill arising on the Ice Cream business acquisition should be charged to the Profit and Loss Account as a reserve transfer from the reconstruction reserve on an annual basis. Amortisation of goodwill and the associated reduction of the reconstruction reserve balance ceased on conversion to FRS101 with a remaining balance of £161,620,000.

**NOTES TO THE FINANCIAL STATEMENTS  
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**21. LEASES****Right-of-use assets**

Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented as property, plant and equipment (see note 12):

	<b>Land and Buildings £000</b>	<b>Plant and equipment £000</b>	<b>Total £000</b>
Balance at 1 January 2022	29,621	1,839	31,461
Additions and modifications to right-of-use assets	4,814	1,802	6,616
Depreciation charge for the year	(7,698)	(1,477)	(9,175)
Derecognition of right-of-use assets	(154)	(85)	(239)
<b>Balance at 31 December 2022</b>	<b>26,583</b>	<b>2,079</b>	<b>28,662</b>

	<b>Land and Buildings £000</b>	<b>Plant and equipment £000</b>	<b>Total £000</b>
Balance at 1 January 2021	39,853	2,688	42,542
Additions and modifications to right-of-use-assets	-	1,538	1,538
Depreciation charge for the year	(9,046)	(1,578)	(10,624)
Derecognition of right-of-use assets	(1,186)	(809)	(1,995)
<b>Balance at 31 December 2021</b>	<b>29,621</b>	<b>1,839</b>	<b>31,461</b>

**Amounts recognised in profit or loss**

The following amounts have been recognised in profit or loss for which the Company is a lessee:

	<b>2022 £000</b>	<b>2021 £000</b>
<b>Leases under IFRS16</b>		
Interest expense on lease liabilities	1,298	1,596
Depreciation	9,175	10,624

**22. CAPITAL COMMITMENTS**

	<b>2022 £000</b>	<b>2021 £000</b>
Capital expenditure that has been contracted for but has not been provided for in the financial statements	27,866	4,460
<b>Total</b>	<b>27,866</b>	<b>4,460</b>

Capital commitments mainly relate to a new warehouse facility in Port Sunlight and the new campus in Kingston.

NOTES TO THE FINANCIAL STATEMENTS  
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**23. CONTINGENT LIABILITY**

The Company has no contingent liabilities as at 31 December 2022 (2021: £2.9m).

**24. CONTROLLING PARTY**

The ultimate parent company and controlling party is Unilever PLC and the immediate holding company is Unilever UK Group Limited, both companies incorporated in the United Kingdom. The Company has not disclosed transactions with fellow, wholly owned subsidiaries in accordance with the exemption under the terms of FRS 101 as the ultimate parent company produces publicly available consolidated financial statements. Copies of Unilever Group financial statements can be publicly obtained from Unilever PLC, Corporate Secretaries Department 100 Victoria Embankment, London EC4 0DY and [www.unilever.com](http://www.unilever.com).

**25. SUBSEQUENT EVENTS**

No significant events have taken place subsequent to the Balance Sheet date.