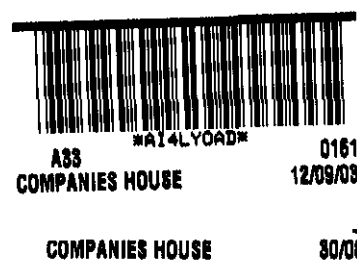


Registered Number 77912

**UNILEVER UK & CN HOLDINGS LIMITED
(FORMERLY BESTFOODS UK LIMITED)**

REPORT AND ACCOUNTS 2002

<u>CONTENTS</u>	<u>Page Number</u>
DIRECTORS' REPORT	1
STATEMENT OF DIRECTORS' RESPONSIBILITIES	5
INDEPENDENT AUDITORS' REPORT	6
PROFIT AND LOSS ACCOUNT	8
BALANCE SHEET	10
ACCOUNTING POLICIES	11
NOTES TO THE ACCOUNTS	14



Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Directors' Report for the year ended 31 December 2002

Directors

The Directors of the Company during the period were as follows :-

Mr N G Allen	(resigned 31 October 2002)
Ms K Collier	(resigned 31 October 2002)
Mr R C Greenhalgh	(appointed 21 October 2002)
Mr D D McDermott	(resigned 1 February 2002)
Mr G E Neath	(resigned 31 October 2002)
Mr D A Robinson	(appointed 21 October 2002)
Mr M J Samuel	(appointed 21 October 2002)
Mr D R C Schwarz	(resigned 31 October 2002)
Mr R M Tomlinson	(appointed 21 October 2002)
Mr T J Voak	(appointed 21 October 2002)
Mr S G Williams	(appointed 21 October 2002)

Mr D A Robinson resigned as a director on 2 May 2003

Mr G D Pitkethly was appointed as a director on 2 May 2003

Ms T E Dougal-Biggs and Mr K M Goulborn were appointed as directors on 20 June 2003.

Review of Activities

During the first 6 months of the year there was no significant change in the principal activities of the Company which consisted of the manufacture and sale of branded consumer food products.

On 27 June 2002 a restructuring took place within the Unilever Group of companies with the result that the Ultimate parent company of Bestfoods UK Ltd became Unilever plc.

On 1 July 2002, the company transferred its trading assets and liabilities to Van den Bergh Foods Limited, now known as Unilever Bestfoods UK Limited, a company which became a subsidiary of Bestfoods UK Ltd following the restructuring on 27 June 2002. Van den Bergh Foods Limited issued shares in itself to Bestfoods UK Ltd in consideration for the trade transferred.

On 15 July 2002, the company changed its name to Unilever UK and CN Holdings Limited.

After this restructuring exercise, the company's primary activity became that of a holding company.

Research and Development

During the first 6 months of the year the Company's research and development laboratories continued to investigate new methods and materials both to improve the quality and performance of the existing brands and to provide opportunities for the introduction of new products.

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Profits and Dividend

The profit for the year is £25,162,000 (2001 - £20,592,000) out of which a dividend of £19,522,150 (2001 - £20,000,000) has been declared and paid.

Tangible Fixed Assets

The Company's land and buildings were used for productive and distributive activities and were not held for resale. The Directors consider that the difference between their market value and the value at which they were included in the balance sheet is not significant to be drawn to the attention of the shareholders.

Directors' Interests

According to the Register of Directors' Interests, the notifiable interests of the Directors in office at 31 December 2002, in the share capital of the Company's ultimate holding company, Unilever PLC, were as follows :-

	<u>Unilever PLC</u>	<u>At 1.1.2002</u> (1.4p shares)	<u>At 31.12.2002</u> (1.4p shares)
Mr R C Greenhalgh	Ordinary shares	20,494 (on appointment)	20,510
Mr M J Samuel	Ordinary shares	6,900 (on appointment)	6,934
Mr R M Tomlinson	Ordinary shares	34,198 (on appointment)	34,264
Mr T J Voak	Ordinary shares	1,408 (on appointment)	1,408
Mr S G Williams*	Ordinary shares	38,226 (on appointment)	40,726

* Mr S G Williams also has a conditional interest in 18,135 ordinary shares which were awarded in 2001 pursuant to the Unilever TSR-Long Term Incentive Plan. Between 0% and 200% of the shares will vest in May 2004 dependent on the TSR performance of Unilever against a peer group of 20 comparative companies over the performance period 1 January 2001 - 31 December 2003.

* Mr S G Williams also has a conditional interest in 15,870 ordinary shares which were awarded in 2002 pursuant to the Unilever TSR-Long Term Incentive Plan. Between 0% and 200% of the shares will vest in March 2005 dependent on the TSR performance of Unilever against a peer group of 20 comparative companies over the performance period 1 January 2002 - 31 December 2004.

Unilever UK & CN Holdings Limited (formerly Bestfoods UK 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 1.1.2002</u>	<u>Granted</u>	<u>Exercised</u>	<u>At 31.12.2002</u>
Mr R C Greenhalgh	(a)	290,748	Nil	Nil	290,748
	(b)	958	Nil	Nil	958
		(on appointment)			
Mr D A Robinson	(a)	24,860	Nil	Nil	24,860
		(on appointment)			
Mr M J Samuel	(a)	35,750	Nil	Nil	35,750
	(b)	2,744	Nil	Nil	2,744
		(on appointment)			
Mr R M Tomlinson	(a)	90,403	Nil	Nil	90,403
	(b)	3,479	Nil	Nil	3,479
		(on appointment)			
Mr T J Voak	(a)	16,500	Nil	Nil	16,500
	(b)	2,744	Nil	Nil	2,744
		(on appointment)			
Mr S G Williams*	(a)	378,616	Nil	132,952	245,664
	(b)	2,807	Nil	Nil	2,807
		(on appointment)			

(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 Trusts for the purpose of satisfying share options granted to employees.

		<u>At 1.1.2002</u>	<u>At 31.12.2002</u>
The Directors	(all on appointment)	44,719,401	43,176,360

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Political and charitable contributions

The group made no political contributions during the period. Donations to UK charities amounted to £309 (2001 - £14,524).

Auditors

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 3 February 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as 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



Date : 12 August 2003

B S Macaulay
Secretary

Unilever UK & CN Holdings Limited (formerly Bestfoods UK 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 2002. 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.

By Order of the Board



B S Macaulay
Secretary

Date 12 August 2003

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Independent Auditors' Report to the Members

We have audited the financial statements on pages 8 to 25 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on pages 11 to 13.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements, in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit opinion

We conducted our audit in accordance with the auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

21 August 2003

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Profit and Loss Account – Year Ended 31 December

		<u>Notes</u>	12 months ended 31 December 2002 £000	15 months ended 31 December 2001 £000
Turnover	- Discontinued Operations	(1)	151,403	389,724
Cost of sales	- Discontinued Operations		(70,541)	(182,564)
Gross profit	- Discontinued Operations		80,862	207,160
Distribution costs	- Discontinued Operations		(21,666)	(65,719)
Administrative expenses	- Discontinued Operations		(19,863)	(85,514)
Operating profit	- Discontinued Operations	(2)	39,333	55,927
Loss on disposal of Fixed Asset Investment			-	(2,059)
Profit on transfer of assets arising from transfer of trade to Group Company			13,129	-
Profit on ordinary activities before interest			52,462	53,868
Interest and similar charges		(3)	(18,757)	(20,529)
Profit on ordinary activities before taxation			33,705	33,339
Taxation on profit on ordinary activities		(4)	(8,543)	(12,747)
Profit for the financial period			25,162	20,592
Dividends paid or proposed attributable to:				
Equity shareholders			(15,272)	(15,000)
Non-equity shareholders			(4,250)	(5,000)
Retained profit for the period			5,640	592

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

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

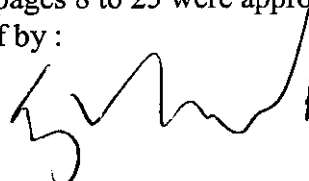
Note of historical cost profit and losses

	12 months ended 31 December 2002 £000	15 months ended 31 December 2001 £000
Profit for the financial period before taxation	33,705	33,339
Difference between historical cost depreciation charges and the actual depreciation charge for the year calculated on revalued amounts	35	87
Historical cost profit for the period on ordinary activities before taxation	<u>33,740</u>	<u>33,426</u>
Historical cost profit for the period retained after taxation and dividends	<u><u>5,675</u></u>	<u><u>679</u></u>

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Balance Sheet – 31 December		<u>Notes</u>	2002 £000	2001 £000
Fixed assets				
Goodwill and other intangible assets	(7)	-	-	151,345
Tangible assets	(8)	-	-	40,444
Investments	(9)	4,627,212	4,627,212	108,234
			<u>4,627,212</u>	<u>300,023</u>
Current assets				
Stocks	(10)	-	-	29,316
Debtors	(11)	2,373	2,373	76,607
Cash at bank and in hand		-	-	226
			<u>2,373</u>	<u>106,149</u>
Creditors : amounts falling due within one year	(12)	(197,656)	(197,656)	(120,151)
Net current (liabilities)			<u>(195,283)</u>	<u>(14,002)</u>
Total assets less current liabilities			4,431,929	286,021
Creditors : amounts falling due after more than one year	(12)	-	-	(185,893)
Provision for liabilities and charges	(13)	-	-	(6,653)
Net Assets			<u>4,431,929</u>	<u>93,475</u>
Capital and reserves				
Called up share capital	(14)	403,640	403,640	60,000
Merger reserve	(15)	3,989,174	3,989,174	-
Revaluation reserve	(15)	-	-	1,459
Other reserves	(15)	33,129	33,129	20,000
Profit and loss account	(15)	5,986	5,986	12,016
Shareholders funds			<u>4,431,929</u>	<u>93,475</u>
Attributable to:				
Equity shareholders			4,325,712	78,475
Non-equity shareholders			106,217	15,000
			<u>4,431,929</u>	<u>93,475</u>

The financial statements on pages 8 to 25 were approved by the Board of Directors on 12 August 2003 and were signed on its behalf by :

 T J Voak, Director

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Principal Accounting Policies

The Accounts are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom, except that certain freehold land and buildings and plant and machinery have been revalued.

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.

The company is exempt under the terms of Financial Reporting Standard No 1 (revised 1996) from publishing a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Goodwill and Intangible Assets : No value is attributable to internally generated intangible assets. Goodwill and intangible assets purchased are capitalised and amortised in operating profit over the period of their useful economic life which the directors have assessed at between 20 to 40 years from the date of acquisition. A formal impairment review is carried out at the year end for purchased goodwill with an estimated useful life greater than 20 years. The directors review the carrying values of other purchased goodwill to determine if there are any indications that there has been an impairment in value. If any impairment in value has occurred additional amounts are charged as appropriate.

Patents and trade marks are stated in the balance sheet at cost and amortised by equal instalments over their estimated useful economic lives which are assessed at 40 years from the date of acquisition.

Tangible Fixed Assets : The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected economic lives of the assets concerned.

Freehold buildings	25-45 years
Leasehold land and buildings	Life of lease
Plant and machinery	12-14 years
Motor vehicles	4 years

Freehold land is not depreciated.

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Government Grants : Grants related to tangible fixed assets are credited to revenue over the expected useful life of the asset.

Deferred Taxation : Provision is made for deferred taxation on all timing differences in accordance with FRS 19. There will be no material impact or prior year adjustments due to FRS 19 as Unilever group policy has always been to provide fully for deferred tax in accordance with Dutch law.

Stocks : Stocks are consistently stated at the lower of cost and net realisable value. Costs of raw materials, consumables and goods purchased for resale are determined on a first in first out basis. For work in progress and finished goods the costs is taken as production which includes an appropriate proportion of attributable overheads.

Leases : Lease rental payments in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Research and Development : Expenditure on Research and Development of new products is charged against profits of the period in which it is incurred.

Foreign Currencies : Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling on the date of the transaction or at covered rates where appropriate. Monetary assets and liabilities denominated in foreign currencies have been translated into sterling at the rates of exchange current at the period end, and profits/losses are taken through the Profit and Loss Account of the period.

Employee Share Option Scheme: Unilever PLC grants options over its shares to eligible employees under an Employee Share Save Scheme. In order to meet this commitment share are purchased with finance provided by Unilever PLC and are held by the Unilever Employee Share Trust, Unilever Employee Share Trust (Jersey). In consideration of Unilever PLC granting options to its employees the company has agreed to contribute its share of the interest cost of holding the shares and of the difference between the purchase price of shares and the price at which the related options are exercised. The rights to receive dividends on shares held by the Trusts have been waived.

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Pensions : The company's eligible employees are members of the Unilever Pension Fund, a group defined benefit scheme which is funded by company and employee contributions. 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. The level of contributions is assessed on the advice of qualified actuaries who are employees of the Unilever Group.

Details of recent actuarial valuations of the Unilever Pension Fund are set out in the annual accounts of Unilever UK Central Resources Limited, which indicate that the fund was in surplus at the balance sheet date. The accounting effects of amortisation of this surplus over the estimated service lives of the employees in the scheme are dealt with in the accounts of Unilever UK Central Resources Limited in respect of all sponsoring companies. The company is unable to identify its share of assets and liabilities of the Unilever Pension Fund and the transitional disclosures of FRS17 are, therefore, not provided.

Sponsoring companies pay their contributions to Unilever UK Central Resources Limited, which accepts responsibility for contributing to the Fund and for accounting for the pension cost on their behalf.

The capital costs of unfounded retirement benefits for employees retiring before normal retiring age are paid to another group company which accepts responsibility for payment of 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.

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

Notes to the Accounts - 31 December 2002

(1) Turnover

The turnover comprised solely group sales (2001 - £8,608,000) and represents sales at invoiced value, excluding value added tax.

The company operates within the food industry and 100% (2001: 96%) of its sales are within the UK.

(2) Operating Profit

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

	2002 £000	2001 £000
Amortisation of goodwill and trademarks	2,351	5,969
Depreciation		
- on owned tangible fixed assets	2,807	8,259
Operating lease expenditure		
- plant and machinery	340	2,074
- other tangible assets	3,205	5,201
Auditors' remuneration	-	97
Auditors' remuneration for non audit services	-	3
Operating exceptional items – restructuring costs	513	18,488
	<u> </u>	<u> </u>

In 2002 the auditors' remuneration has been borne by a fellow subsidiary.

(3) Interest and Similar Income/(Charges)

	2002 £000	2001 £000
Income from shares in group undertakings	-	2,200
Other interest receivable and similar income	102	195
Total interest receivable and investment income	<u>102</u>	<u>2,395</u>
Interest payable on loans from group undertakings	(18,093)	(21,648)
Interest on loans from third parties	(83)	(453)
Amortisation of Eurobond issue expenses	(683)	(823)
Total interest payable and similar charges	<u>(18,859)</u>	<u>(22,924)</u>
Total	<u>(18,757)</u>	<u>(20,529)</u>

Interest payable on borrowings, the final repayment of which will be made within 5 years, amounted to £18,176,000 (2001: £22,101,000).

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(4) Taxation on Profit on Ordinary Activities

The charge for taxation is made up as follows :-

	2002 £000	2001 £000
On the profit of the periods :-		
United Kingdom Corporation Tax at 30% (2000 – 30%)	(4,445)	(18,415)
Deferred Taxation - current year	(4,079)	5,668
- prior year	(19)	-
	<u>(8,543)</u>	<u>(12,747)</u>

The current tax for the period is lower (2001 higher) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2002 £000	2001 £000
Profit on ordinary activities before tax	<u>33,705</u>	<u>33,339</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 30% (2000 – 30%)	(10,112)	(10,002)
Effects of:		
Permanent differences	81	(1,905)
Capital allowances higher /(lower) than depreciation	381	(2,903)
Short term timing differences	1,266	(2,976)
Loss on disposal of subsidiary	-	(629)
Profit on transfer of fixed assets	3,939	-
Current tax charge	<u>(4,445)</u>	<u>(18,415)</u>

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(5) Directors' Emoluments

The directors in office at the end of the period, including the Chairman, 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. Unilever UK Central Resources Limited charges the company for management and other services.

The director who resigned during the period was employed by Unilever UK and CN Holdings Limited. His emoluments during the year were £nil.

	2002 £000	2001 £000
Director's emoluments	-	881
Compensation for loss of office	-	911
	<u>-</u>	<u>1,792</u>

The aggregate emoluments of the highest paid director were £nil (2001: £305,000).

(6) Employee Information

In April 2002, all staff of the company became employees of Unilever Bestfoods UK Services Limited and are now remunerated by that company. Unilever Bestfoods UK Services Limited charges the company for their service costs and hence no employee numbers are disclosed for the company. Service costs charged for the year are £5,602,000. The staff costs below in 2002 only relate to the period up to the date of the transfer.

	2002 £000	2001 £000
Staff Costs		
Wages and salaries	5,456	32,961
Social security costs	377	2,756
Pension costs – company scheme	-	81
	<u>5,833</u>	<u>35,798</u>

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(7) Goodwill and Intangible Assets

	<u>Goodwill</u>	<u>Trademarks & Patents</u>	<u>Total</u>
	£000	£000	£000
Cost			
At 1 January 2002	188,144	1,000	189,144
Transfer to group companies	(188,144)	(1,000)	(189,144)
At 31 December 2002	-	-	-
Amortisation			
At 1 January 2002	37,511	288	37,799
Transfer to group companies	(39,862)	(288)	(40,150)
Charged to profit and loss	2,351	-	2,351
At 31 December 2002	-	-	-
Net Book Value			
At 31 December 2002	-	-	-
At 31 December 2001	150,633	712	151,345

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(8) Tangible Fixed Assets

	<u>Land and Buildings</u>	<u>Plant and Machinery</u>	<u>Motor Vehicles</u>	<u>Assets in Course of Construction</u>	<u>Total</u>
	£000	£000	£000	£000	£000
Gross Book Value					
At 1 January 2002	22,941	79,226	133	1,596	103,896
Additions at cost	-	-	-	1,944	1,944
Transfers between categories	112	246	-	(358)	-
Transfer to group companies	(23,053)	(79,472)	(133)	(3,182)	(105,840)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2002	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Depreciation					
1 January 2002	12,300	51,027	125	-	63,452
Depreciation charge	356	2,451	-	-	2,807
Transfer to group companies	(12,656)	(53,478)	(125)	-	(66,259)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2002	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Net book value					
At 31 December 2002	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
At 31 December 2001	<u><u>10,641</u></u>	<u><u>28,199</u></u>	<u><u>8</u></u>	<u><u>1,596</u></u>	<u><u>40,444</u></u>

The net book amount of land and buildings comprises:

	2002 £000	2001 £000
Buildings	-	8,499
Freehold Land	-	2,142
	<u>-</u>	<u>10,641</u>

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(9) Fixed Assets – Investments

	<u>Total</u> £000
Cost	
At 1 January 2002	119,147
Additions	4,518,978
At 31 December 2002	<u>4,638,125</u>
Provision	
At 1 January 2002 and 31 December 2002	(10,913)
Net Book Value	
At 31 December 2002	<u>4,627,212</u>
At 31 December 2001	<u>108,234</u>

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(9) Fixed Assets - Investments (continued)

Investment in Group Undertakings

The investment is in subsidiary undertakings of the company. These are listed below. All companies are incorporated in Great Britain and registered in England with the exception of Napolina Italia srl which is incorporated in Italy and Unilever Canada Inc and Bestfoods Holdings Inc which are registered in Canada. A description of the shares and the proportion held is also shown below :

<u>Name of Company</u>	<u>Description of Shares Held</u>	<u>Proportion of Nominal Value of Shares held and of Voting Rights</u>		<u>Principal Activity</u>
		<u>Direct</u> %	<u>Indirect</u> %	
CPC UK (Finance) Ltd	£1 Ord. Shares	100		Finance co.
CPC Surrey	Non-cum Irred Pref Shares			
	£1 Ord. Shares		100	Finance co.
CPC Nominees Ltd	£1 Ord. Shares		100	Finance co.
CPC Food Ingredients Ltd	£1 Ord. Shares	100		Dormant
Bestfoods Esher Ltd	25p Ord. Shares	100		Dormant
Bestfoods Sandown Ltd	£1 Ord. Shares	100		Dormant
	£1 Pref Shares	100		
Napolina Italia srl	1000 Italian Lira	98	2	Foods
Thomas Morel Foods Ltd	£1 Ord Shares	100		Foods
Unilever Bestfoods UK Ltd	25p shares (unissued)			
	£1 ord stock	100		Foods
Colman's of Norwich Ltd	£1 ord shares	100		Foods
Go Organic Ltd	£1 ord shares	90		Foods
Unilever Bestfoods UK Services Ltd	£1 ord shares	100		Service co.
Bird's Eye Walls Ltd	£1 ord shares	100		Foods
Total Refrigeration Ltd			100	Service co.
Unilever Canada Inc*		100		Holding co.
Bestfoods Holdings Inc	\$100 common stock	100		Holding co.
Ben & Jerry's Homemade Ltd	£1 ord shares	100		Foods

* Unilever UK & CN Holdings Limited acquired 740,302 unlimited common shares of Can\$ 105,522,000 nominal value, 122,138 class A shares of Can\$12,214,000 nominal value and 91,177 class B shares of Can\$ 3,100,000 nominal value in UL Canada Inc on 27 June 2002.

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(9) Fixed Assets – Investments (continued)

The company was amalgamated with two other Canadian companies to form Unilever Canada Inc on 1 January 2003.

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.

(10) Stocks

	2002 £000	2001 £000
Raw Materials and consumables	-	5,070
Work in progress	-	2,886
Finished Goods and Other Stocks	-	21,360
	<u>-</u>	<u>29,316</u>

(11) Debtors

	2002 £000	2001 £000
Amounts due within one year		
Trade debtors	-	43,160
Amounts owed by group undertakings	2,053	28,476
Other debtors	-	1,742
Prepayments and accrued income	320	1,745
	<u>2,373</u>	<u>75,123</u>
Amounts due after more than one year		
Prepayments and accrued income	-	1,484
	<u>-</u>	<u>1,484</u>
Total debtors	<u>2,373</u>	<u>76,607</u>

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(12) Creditors

	2002 £000	2001 £000
Amounts due within one year		
Bank loans and overdrafts	-	979
Trade creditors	-	17,616
Amounts owed to group undertakings	193,059	76,285
Taxation on profits	4,597	9,502
Social security and sundry taxes	-	1,801
Other creditors	-	13,968
	<u>197,656</u>	<u>120,151</u>
Amounts due after more than one year		
Amounts owed to group undertakings	-	185,893

(13) Provisions for Liabilities and Charges

	Deferred Taxation £000	Restructuring £000	Total £000
At 1 January 2002	(1,411)	8,064	6,653
Charged to Profit and Loss	4,097	-	4,097
Utilisation	-	(4,482)	(4,482)
Transferred to group company	(2,686)	(3,582)	(6,268)
At 31 December 2002	<u>-</u>	<u>-</u>	<u>-</u>

The provision for deferred tax represents the full potential liability and is made up as follows :-

	2002 £000	2001 £000
Accelerated capital allowances	-	2,721
Short term timing differences	-	(4,132)
	<u>-</u>	<u>(1,411)</u>

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(14) Called Up Share Capital

	2002 £000	2001 £000
Authorised		
300,000,000 A ordinary shares of £1 each	300,000	-
100,000,000 B ordinary shares (previously ordinary shares) of £1 each	100,000	45,000
30,000,000 Redeemable preference shares of £1 each	30,000	15,000
12,000,000 redeemable preference shares of £10 each	120,000	-
	<u>520,000</u>	<u>60,000</u>
Alloted, called up and fully paid		
245,422,515 A ordinary shares of £1 each	245,423	-
67,000,000 B ordinary shares (previously ordinary shares) of £1 each	67,000	45,000
Redeemable preference shares of £1 each	-	15,000
9,121,700 redeemable preference shares of £10 each	91,217	-
	<u>403,640</u>	<u>60,000</u>

Redeemable Preference Shares

The Redeemable Preference Shares shall be redeemed on 30 June 2023. The amount payable upon redemption shall be £10 per redeemable preference share, together with any arrears of preferential dividends. These shares may be redeemed at the company's option after notice of 28 days has been given to the shareholders.

The Redeemable preference Shares confer the right to receive a fixed cumulative preferential dividend of 5.53% per annum. On a return of capital on liquidation (other than a redemption or purchase of shares) the Preference Shares rank in priority for the repayment of amounts paid or credited as paid up but carry no rights to further participation in the assets of the company. The shares carry the right to vote except in cases where there is a resolution on a poll when these rights are restricted.

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(15) Reconciliation of Movements in Shareholders' Funds

	2002	2001
	£000	£000
Profit for the financial year	25,162	20,592
Dividends	(19,522)	(20,000)
Shares issued at a premium in consideration for shares in subsidiary undertakings	4,332,814	-
Net addition/(reduction)	4,338,454	592
Opening shareholders' funds	93,475	92,883
Closing shareholders' funds	4,431,929	93,475

Reserves

	Other Reserve	Merger Reserve	Revaluation Reserve	Profit and Loss Account	Total
	£000	£000	£000	£000	£000
At 1.1.2002	20,000	-	1,459	12,016	33,475
Profit for the period	-	-	-	5,640	5,640
Transfer to profit and loss	-	-	(1,459)	1,459	-
Profit on transfer of assets arising from transfer of trade to Group Company	13,129	-	-	(13,129)	-
Premium on investment in subsidiary companies	-	3,989,174	-	-	3,989,174
At 31.12.2002	33,129	3,989,174	-	5,986	4,028,289

Unilever UK & CN Holdings Limited (formerly Bestfoods UK Limited)

(16) Lease Commitments

At 31 December the company had annual commitments under non-cancellable operating leases expiring as follows:

	2002 £000	2001 £000
in respect of land and buildings, on leases expiring :-		
After 5 years	-	1,070
	<u>-</u>	<u>1,070</u>
in respect of other assets, on leases expiring :-		
Within 1 year	-	58
After 1 and within 5 years	-	8,631
	<u>-</u>	<u>8,689</u>

(17) Capital Commitments

	2002 £000	2001 £000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	-	20
	<u>-</u>	<u>20</u>

(18) Related Party Transactions

The Ultimate parent company is Unilever PLC and the immediate holding company is Unilever UK 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 Unilever group accounts can be obtained from Unilever PLC, Corporate Relations Department, P O Box 68, Blackfriars, London EC4P 4BQ.