

**Registered Number: 77912**

**UNILEVER UK & CN HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**COMPANY INFORMATION**

**DIRECTORS**

Mr N S Fletcher	(resigned on 20 January 2014)
Ms A J K Elphick	
Mrs A L King	(appointed on 3 October 2014)
Mr J W Barnes	(appointed on 17 March 2014)

**SECRETARIES**

Mrs A K Conway	
Mr R C Hazell	
Mr J Thurston	
Mr J O Earley	(appointed on 3 October 2014)

**REGISTERED OFFICE**

Unilever House  
100 Victoria Embankment  
London  
EC4Y 0DY  
United Kingdom

**REGISTERED OFFICE OF ULTIMATE PARENT COMPANY**

Unilever PLC  
Port Sunlight  
Wirral  
Merseyside  
CH62 4ZD  
United Kingdom

**INDEPENDENT AUDITORS**

KPMG LLP  
15 Canada Square  
London  
E14 5GL  
United Kingdom

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

The Directors submit their report and the audited financial statements of the Company for the year ended 31 December 2014.

### **Directors**

The Directors of the Company who served during the year and up to the date of signing the financial statements are shown on page 1.

### **Principal activities and future developments**

The principal activity of the Company is to act as a holding company. All of its out of pocket expenses, including the remuneration of the auditors, were borne by the ultimate parent undertaking or a fellow subsidiary.

The results of the Company show a loss on ordinary activities before taxation of £215,600,000. (2013 loss of £1,452,804,000) which includes an impairment charge of £215,000,000 (2013: £1,455,000,000).

The Directors consider that, in the conditions prevailing during the year, the development of the Company's business and its financial position at the end of the year were satisfactory. The Directors do not expect any development in the Company's business in the coming year which is significantly different from its present activities.

### **Key Performance Indicators**

Given the straightforward nature 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.

### **Principal Risks and Uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to the deterioration of the underlying businesses that support the investments held. Additional risks that this Company and the Unilever Group are subject to, and how they are managed, in the context of the Unilever Group as a whole is provided in the Unilever Group published annual report for the year ended 31 December 2014.

### **Dividends**

The Directors did not recommend the payment of a dividend in the current year (2013: £ nil).

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing 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) and from 2015: 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; and

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 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.

**Statement of Provision of Information to Auditors**

Each of the persons who is a Director at the date of approval of this report confirms that:

1. So far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
2. The Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

**Going Concern**

Unilever UK & CN Holdings Limited has net current liabilities. These financial statements have been prepared on a going concern basis because Unilever PLC has formally indicated that it will continue to provide financial and other support to the company to enable it to trade and meet its liabilities as and when they become due, for a least the next twelve months.

**Strategic Report**

The Company has taken advantage of disclosure exemptions available to small companies under Section 414B of the Companies Act 2006, and not prepared a strategic report.

**Independent Auditors**

As a result of the audit tender carried out by the Unilever Group in 2013, PricewaterhouseCoopers' appointment as external auditor of the Company expired on 1 October 2014 following their conclusion of the audit of the Company's accounts for the year ended 31 December 2013. KPMG LLP have been appointed as the auditors of the Company by way of ordinary resolution of members in accordance with Section 485 of the Companies Act 2006.

By Order of the Board



Mrs A K Conway

**Company Secretary**

Date:

22 July 2015

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNILEVER UK & CN HOLDINGS LIMITED**

We have audited the financial statements of Unilever UK & CN Holdings Limited for the year ended 31 December 2014 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), and from 2015: including FRS 101 Reduced Disclosure Framework.

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.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in [the Strategic Report and] the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNILEVER UK & CN HOLDINGS LIMITED (continued)**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

*Sarah Rolls*

Sarah Rolls (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

Date: *22 July 2015*

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014**

	<u>Notes</u>	<b>2014</b> <b>£000</b>	<b>2013</b> <b>£000</b>
Impairment of investments	(2)	<b>(215,000)</b>	(1,455,000)
Administrative expenses		<b>(3)</b>	-
<b>Operating loss</b>		<b>(215,003)</b>	<b>(1,455,000)</b>
Income from investments in subsidiaries	(5)	<b>12,592</b>	17,358
Interest payable and similar charges	(6)	<b>(13,189)</b>	(15,162)
<b>Loss on ordinary activities before taxation</b>		<b>(215,600)</b>	<b>(1,452,804)</b>
Taxation on loss on ordinary activities	(7)	-	458
<b>Loss for the financial year</b>		<b>(215,600)</b>	<b>(1,452,346)</b>

The notes on pages 10 to 17 are an integral part of these financial statements.

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

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

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



## BALANCE SHEET AS AT 31 DECEMBER 2014

	<u>Notes</u>	<b>2014</b> £000	<b>2013</b> £000
<b>Fixed assets</b>			
Investments	(8)	<u>1,416,708</u>	<u>1,631,708</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	(9)	-	458
<b>Creditors: amounts falling due within one year</b>	(10)	<u>(292,085)</u>	<u>(291,943)</u>
<b>Net current liabilities</b>		<u>(292,085)</u>	<u>(291,485)</u>
<b>Total assets less current liabilities</b>		<b>1,124,623</b>	<b>1,340,223</b>
<b>Creditors: amounts falling due after more than one year</b>	(10)	<u>(259,846)</u>	<u>(259,846)</u>
<b>Net assets</b>		<u><b>864,777</b></u>	<u><b>1,080,377</b></u>
<b>Capital and reserves</b>			
Called up share capital	(11)	<b>474,898</b>	<b>474,898</b>
Merger reserve	(12)	<b>247,424</b>	<b>383,280</b>
Other reserves	(12)	<b>33,129</b>	<b>33,129</b>
Profit and loss account	(12)	<u><b>109,326</b></u>	<u><b>189,070</b></u>
<b>Total shareholders' funds</b>	(12)	<u><b>864,777</b></u>	<u><b>1,080,377</b></u>

The notes on pages 10 to 17 are an integral part of these financial statements.

The financial statements on pages 6 to 17 were approved by the Board of Directors on  
*22 July 2015* and were signed on its behalf by:



Ms A J K Elphick  
**Director**

## **PRINCIPAL ACCOUNTING POLICIES**

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and the applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

### **Basis of preparation**

The financial statements contain information about Unilever UK & CN Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 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.

### **Cash Flow statement**

The Company is a wholly-owned subsidiary of Unilever PLC and its cash flows are included in the consolidated financial statements of Unilever PLC, which are publicly available. Consequently the Company is exempt under the terms of Financial Reporting Standard 1 'Cashflow statements' (revised 1996) from publishing a cash flow statement.

### **Fixed Asset Investments**

Investments in Group undertakings investments 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. Associated company investments are entities in which the Group has a long-term interest and over which the Group has directly or indirectly significant influence, where significant influence is the ability to influence the financial and operating policies of the entity. Other investments include investment in companies in which the entity's influence is less than significant.

Fixed asset investments are carried at cost. A review is performed annually to assess for triggering events that indicate impairment and if required the net realisable value is assessed using a discounted cash flow (DCF) method. A DCF has been performed to assess the investment in Unilever Malaysia Holdings Sdn.Bhd, Unilever Singapore Pte Ltd and Unilever Malaysia Foods Sdn.Bhd with a discount rate of 7.4%.

Where the value of an investment is considered to have been permanently impaired, a carrying value below cost is employed and any impairment charge is taken to the Profit and Loss Account. The reversal of past impairment losses is recognised when the recoverable amount of a investment in a subsidiary, an associate or a joint venture has increased because of a change in economic conditions.

### **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 monthly average rates. Monetary assets and liabilities denominated in foreign currencies have been translated into sterling at the rates current at the year end, and profits/(losses) are taken through the Profit and Loss Account of the year.

**PRINCIPAL ACCOUNTING POLICIES (continued)**

**Dividends**

Final dividends are only recognised when they have been approved by the shareholders and interim dividends are only recognised when paid.

Under FRS 21 'Events after the Balance Sheet Date', proposed dividends do not meet the definition of a liability until such time as they have been approved by shareholders at the Annual General Meeting. Therefore, we do not recognise a liability in any period for dividends that have been proposed but will not be approved until after the balance sheet date. This holds for external dividends as well as intra-group dividends paid to the parent company.

**Merger Reserve**

On acquisition of a subsidiary and when the Company qualifies for merger relief or group reconstruction relief, the cost of the investment in the subsidiary is recorded at fair value. The difference between the nominal value plus minimum premium amount and the fair value is credited to a merger reserve. The merger reserve is treated as part of the Company's equity and is a non distributable reserve.

On disposal or impairment of this subsidiary externally to the Group, the amount recorded in the merger reserve is transferred to in the Profit and Loss reserve.

**Preference Shares**

Presentational requirements under Financial Reporting Standard 25 'Financial Instruments Disclosure and Presentation' have been applied. Where preference shares carry the characteristics of a liability as opposed to equity, the preference shares are disclosed as a liability in the balance sheet. The associated dividends are disclosed as part of net interest costs. An option of the issuer to redeem the shares for cash does not satisfy the definition of a financial liability because the issuer does not have a present obligation to transfer financial assets to the shareholders. In these circumstances, the preference shares are accounted within equity. An obligation may arise in the future, however, when the issuer of the shares exercises its option, usually by formally notifying the shareholders of an intention to redeem the shares.

**Current Taxation**

The charge for current income tax is based on the results for the year as adjusted for items which are not taxed or which are disallowed. It is calculated using tax rates in legislation that has been enacted or substantively enacted by the balance sheet date.

**Deferred Taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable only when it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future periods has been entered into by the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

**(1) Auditors Remuneration**

The fees for KPMG LPP (and its associates, if applicable) in respect of the statutory audit for the current year are borne by a fellow Unilever Group company, Unilever U.K. Central Resources Limited and amounts to £3,750 (2013: £5,500, PricewaterhouseCoopers LLP).

The disclosure of fees payable to the auditor and its associates for other (non-audit) services has not been made because the consolidated accounts of the Company's parent are required to disclose other (non-audit) services on a consolidated basis as appropriate.

**(2) Impairment of investments**

	2014 £000	2013 £000
Impairment of investments	215,000	1,455,000

From 1 July 2013 Unilever adopted a new organisational structure in Europe. In this new centralised structure, all Marketing, Supply Chain, and other strategic business functions are carried out or procured for Unilever's European subsidiaries by Unilever Supply Chain Company A.G. ("USCC"). The goal of this new structure is to improve the competitiveness and performance of the Group's European business. As a consequence, Unilever's European subsidiaries (including the Company), who buy products from USCC to be distributed in their countries, operate with only limited risk. The remuneration they will receive in line with their functions, risks, and responsibilities will normally be less than the profits they made prior to the implementation of this structure. As a result of this change an additional impairment loss of £215,000,000 was recognised for the investment held in Unilever U.K. Group Limited, writing it down to the recoverable amount.

**(3) Employee Information**

No employees were employed by the Company during 2014 (2013: nil), no employee costs were incurred by the Company (2013: £nil).

**(4) Directors' Emoluments**

No remuneration (2013: £ nil) was received from the Company by the Directors, including the Chairman. They are employed by Unilever U.K. Central Resources Limited or Unilever PLC and are remunerated by one of these companies in respect of their services to the Unilever Group as a whole.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014  
(continued)

(5) Income from investments in subsidiaries

	2014 £000	2013 £000
Income from investments in Group undertakings	4,588	10,107
Income from other investments	8,004	7,251
Total	<u>12,592</u>	<u>17,358</u>

(6) Interest payable and similar charges

	2014 £000	2013 £000
Interest payable on loans from group undertakings	-	(1,973)
Interest payable on redeemable preference shares	(13,189)	(13,189)
Total	<u>(13,189)</u>	<u>(15,162)</u>

(7) Taxation on loss on ordinary activities

The taxation credit is made up as follows:

	2014		2013	
	£000	£000	£000	£000
On loss for the year				
Current tax:				
UK corporation tax	-		459	
Total UK taxation		-		459
Foreign taxation		-		(1)
Total taxation credit on ordinary activities		-		458

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**  
**(continued)**
**(7) Taxation on loss on ordinary activities (continued)**

The current UK corporate tax rate that has been used for the year is a blended rate of 21.5%. This is on the basis that the rate changed from 23% to 21% as of 1 April 2014.

In addition, a further reduction to the main rate is proposed to reduce the rate to 20% from 1 April 2015. This further change was substantively enacted on 2 July 2013, before the balance sheet date, and therefore has been included in these financial statements. Such changes do not have a significant effect on the deferred tax balances.

The current tax assessed for the year is lower (2013: lower) than the standard rate of corporation tax in the UK (21.5%) (2013: 23.25%). The differences are explained below:

	2014 £000	2013 £000
Loss on ordinary activities before taxation	(215,600)	(1,452,804)
Loss on ordinary activities multiplied by standard rate of corporation tax in UK of 21.5% (2013: 23.25%)	46,354	337,777
Effects of:		
Non-deductible impairment of investments	(46,225)	(338,288)
Non taxable dividends	2,707	4,036
Foreign taxation	-	(1)
Permanent differences	-	-
Expenses not deductible for tax purposes	(2,836)	(3,066)
Current tax credit for the year	-	458

There are no reconciling items relating to intra group transfer pricing adjustments in the tax reconciliation for 2014 (none for 2013) as no intra group payment will be made for losses claimed or surrendered relating to such amounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014  
(continued)

(8) Investments

	Shares in Group undertakings £000	Other investments listed £000	Total £000
<u>Cost 1 January 2014</u>	2,958,279	130,329	3,088,608
Additions	-	-	-
Disposals	-	-	-
<b>31 December 2014</b>	<b>2,958,279</b>	<b>130,329</b>	<b>3,088,608</b>
<u>Provision for impairment 1 January 2014</u>	(1,456,900)	-	(1,456,900)
Impairment of investments	(215,000)	-	(215,000)
<b>Provision for impairment 31 December 2014</b>	<b>(1,671,900)</b>	<b>-</b>	<b>(1,671,900)</b>
<u>Net Book Value</u>			
<b>31 December 2014</b>	<b>1,286,379</b>	<b>130,329</b>	<b>1,416,708</b>
31 December 2013	1,501,379	130,329	1,631,708
<b>Market value of listed investment</b>		<b>£463,379</b>	

Listed investments include 60,086,250 shares held in Hindustan Unilever Ltd which are traded on the Bombay Stock Exchange (market price per share as at 31 December 2014 amounts to Rs 759.50). For the calculation of the market value we used the Unilever closing exchange rate at 31 December 2014 of 98.4841. All other investments are not listed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014  
(continued)

## (8) Investments (continued)

**Investments in Group undertakings**

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

Name of Company and Country of Incorporation/ Registration	Description of Shares Held	Proportion of Nominal Value of Shares held and of Voting Rights		Principal Activity
		Direct %	Indirect %	
<b><u>Malaysia</u></b>				
Unilever Foods (Malaysia) Sdn Bhd	MYR 75 Ord. shares	100		Foods Holding company
Unilever (Malaysia) Holdings Sdn Bhd	MYR 1 Ord. shares	70		
<b><u>Singapore</u></b>				
Unilever Singapore Pte Ltd	SGD 1 Ord. shares	100		Holding company
<b><u>Sri Lanka</u></b>				
Ceytea Ltd	LKR 10 Ord.shares	100		Foods
<b><u>United Kingdom</u></b>				
Unilever UK Group Ltd	as per breakdown below			Holding company.

		Shares Held	% of Class	Voting %	Capital %
- Ordinary A shares	£1 Ord. shares	25,200,000	10	1.5	0.81
- Ordinary B shares	£1 Ord. shares	2,736,855,000	97	82.45	89.13
- Ordinary C shares	£1 Ord. shares	89,867	89.87	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014  
(continued)

(8) Investments (continued)

**Other investments listed**

Other investments listed include investments in companies in which Unilever UK & CN Holdings Limited influence is less than significant.

Name of Company and Country of Incorporation/Registration	Description of Shares held	Proportion of Nominal Value of Shares held
		Direct
<b><u>India</u></b>		
Hindustan Unilever Ltd.	Ordinary	2.78%

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

(9) Debtors

	2014 £000	2013 £000
Amounts falling due within one year		
Corporation tax	-	458

(10) Creditors

	2014 £000	2013 £000
Amounts due within one year		
Amounts due to Group undertakings	(292,085)	(291,943)
Amounts falling due after more than one year		
Redeemable preference shares	(259,846)	(259,846)

Amounts due to Group undertakings include balances with Unilever U.K. Central Resources Limited which are non-interest bearing, unsecured and repayable on demand.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014**  
(continued)

**(10) Creditors (continued)**

**Redeemable Preference Shares**

The Class A and Class B Redeemable Preference Shares shall be redeemed on 7 July 2023 and 30 June 2024 respectively. 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 Class A and Class B Redeemable Preference Shares confer the right to receive a fixed cumulative preferential dividend of 5.53% and 4.83% per annum respectively. 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.

In December 2014 the Class A and Class B Redeemable Preference shares were transferred by way of a dividend in-kind by Mixhold BV up to Unilever PLC (via Mixhold Investments Ltd and Unilever US Investments Ltd). Unilever PLC transferred these Class A & B Redeemable Preference shares by way of a capital contribution in-kind by PLC to Unilever UK Holdings Ltd.

**(11) Called Up Share Capital**

	2014 £000	2013 £000
<b>Allotted, called up and fully paid</b>		
407,898,152 (2013: 407,898,152) Class A ordinary shares of £1 each	407,898	407,898
67,000,000 (2013: 67,000,000) Class B ordinary shares of £1 each	67,000	67,000
	<u>474,898</u>	<u>474,898</u>

**(12) Reconciliation of movements in Total Shareholders' Funds**

	2014 £000	2013 £000
Loss for the financial year	(215,600)	(1,452,346)
Net reduction to shareholders' funds	(215,600)	(1,452,346)
Opening shareholders' funds	1,080,377	2,532,723
Closing shareholders' funds	<u>864,777</u>	<u>1,080,377</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014  
(continued)

## (12) Reconciliation of movements in Total Shareholders' Funds (continued)

## Reserves

	<u>Other reserves</u>	<u>Merger reserve</u>	<u>Profit and loss account</u>	<u>Total</u>
	£000	£000	£000	£000
At 1 January 2014	33,129	383,280	189,070	605,479
Loss for the financial year	-	-	(215,600)	(215,600)
Transfer from Merger Reserve	-	(135,856)	135,856	-
<b>At 31 December 2014</b>	<b>33,129</b>	<b>247,424</b>	<b>109,326</b>	<b>389,879</b>

There has been a transfer from the merger reserve, created on the acquisition of Unilever UK Limited, to the Profit and Loss Reserve for a part of the amount of the impairment recorded during the year.

Other reserves relate to unrealised profit on inter-group disposal of assets. Hence, these reserves are non-distributable.

## (13) Related Party Transactions and Ultimate Parent Company

The ultimate parent company and controlling party is Unilever PLC and the immediate holding company is Unilever U.K. Holdings 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 Financial Reporting Standard 8 "Related party disclosures" as the ultimate parent company produces publicly available consolidated financial statements. These financial statements are both the smallest and largest group to consolidate these financial statements. Copies of Unilever Group financial statements can be publicly obtained from Unilever PLC, Corporate Relations Department, 100 Victoria Embankment, London EC4Y 0DY and [www.unilever.com](http://www.unilever.com).

## (14) Parent company support

The intermediate parent undertaking Unilever U.K. Holdings Limited has indicated its willingness to continue to provide support to allow the Company to continue at its current level of operations for the foreseeable future.