

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019



Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

COMPANY INFORMATION

DIRECTORS

Ms. A J K Elphick
Mr. R C Hazell
Ms. A L King

COMPANY SECRETARIES

Mr. R C Hazell
Mr. J O Earley

REGISTERED NUMBER

0137659

REGISTERED OFFICE

Unilever House
100 Victoria Embankment
London
EC4Y 0DY
United Kingdom

INDEPENDENT AUDITOR

KPMG LLP Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL
United Kingdom

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

	PAGE
DIRECTORS' REPORT	1
INDEPENDENT AUDITOR'S REPORT	4
PROFIT & LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME	7
BALANCE SHEET	8
STATEMENT OF CHANGES IN EQUITY	9
NOTES TO THE FINANCIAL STATEMENTS	10

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors present their report and the financial statements on Unilever Australia Investments Limited (also referred to as the "Company") for the year ended 31 December 2019.

The Directors' report and audited financial statements of the Company have been prepared in accordance with Companies Act 2006.

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as a holding company. All expenses, including the remuneration of the auditor, were borne by the ultimate parent undertaking or a fellow subsidiary. There was no significant change in the principal activities of the Company during the year.

RESULTS AND DIVIDENDS

The profit for the year after taxation, amounted to £3,119,271 (2018: loss of £10,180,131). The profit in 2019 is mainly due to reversal of impairment on trade receivables recorded in prior years.

No dividend was paid during the year (2018: £Nil).

FUTURE OUTLOOK

No significant change in the business of the Company has taken place during the year or is expected in the immediately foreseeable future. The Directors do not expect any development in the Company's business in the coming year which is significantly different from its present activities. and there are no immediate plans to liquidate the Company. The Directors believe that the balances held will be realised at their reported carrying value in the normal course of business and so the financial statements continue to be prepared on a going concern basis.

DIRECTORS

The Directors who held office during the year, and to the date of this report were as follows:

Ms. A J K Elphick
Mr. R C Hazell
Ms. A L King

EVENTS AFTER THE END OF THE REPORTING PERIOD

On 11 March 2020, the World Health Organisation declared the Coronavirus (Sars-CoV-2) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 150 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

For the Company's 31 December 2019 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

measurement of assets and liabilities at the year end. Whilst there is uncertainty as to the outcome of the current events, on the Company's financial position, results of operations and cash flows in the future, there is no impact on the going concern status of the Company. This is set out in the Going Concern note on page 12.

POLITICAL AND CHARITABLE DONATIONS

The Company made no donations or incurred any political and charitable expenditure during the year (2018: 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 United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 accounting estimates that are reasonable and prudent;
- 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.

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

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

- 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.

STRATEGIC REPORT

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

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.

03 August 2020

This report was approved by the Board on _____ and signed on its behalf by Mr. R C Hazell on 03 August 2020

DocuSigned by:
R.C. Hazell
FF303F8E537D42F..

Mr. R C Hazell
Director

Registered Office: Unilever House, 100 Victoria Embankment, London, EC4Y 0DY, United Kingdom

Company Registration Number: 0137659

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

Opinion

We have audited the financial statements of Unilever Australia Investments Limited ("the Company") for the year ended 31 December 2019 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 2019 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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model, including the impact of Brexit, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

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.

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

Directors' report

The Directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read 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 the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, 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.

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

A fuller description of our responsibilities is provided on the FRC's website at 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.



**Rebecca Pett (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL
United Kingdom
Date:
7th August 2020

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**PROFIT & LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Operating profit/(loss)		-	-
Interest receivable and similar income	6	2,845,302	3,885,015
Reversal of impairment / (Impairment loss) on trade and other receivables (net)	8	5,691,852	(7,799,764)
Unrealised exchange loss		(6,020,667)	(6,823,740)
Other expenses		(660)	-
Result from ordinary activities before taxation		2,515,827	(10,738,489)
Taxation on result from ordinary activities	7	603,444	558,358
Profit /(loss) and total comprehensive income for the financial year		3,119,271	(10,180,131)

There were no recognised gains or losses for 2019 other than those included in the profit and loss account.

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Current assets			
Trade and other current receivables (including £179,712,942 (2018: £177,538,730) due after more than one year)	8	180,874,746	177,755,475
		<u>180,874,746</u>	<u>177,755,475</u>
Net current assets		<u>180,874,746</u>	<u>177,755,475</u>
Total assets less current liabilities		<u>180,874,746</u>	<u>177,755,475</u>
Net assets		<u>180,874,746</u>	<u>177,755,475</u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		180,874,745	177,755,474
Shareholders' funds		<u>180,874,746</u>	<u>177,755,475</u>

03 August 2020

This financial statement was approved by the Board on _____ and signed on its behalf by Mr. R C Hazell on 03 August 2020.

DocuSigned by:

R. C. Hazell

FE303F8E537D42E

Mr. R C Hazell

Director

Registered Office: Unilever House, 100 Victoria Embankment, London, EC4Y 0DY, United Kingdom

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2019	1	177,755,474	177,755,475
Total comprehensive income for the year			
Profit for the year	-	3,119,271	3,119,271
Total comprehensive income for the year	1	180,874,745	180,874,746
At 31 December 2019	1	180,874,745	180,874,746

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2018	137,110,639	50,824,967	187,935,606
Total comprehensive income for the year			
Loss for the year	-	(10,180,131)	(10,180,131)
Reduction in share capital	(137,110,638)	137,110,638	-
Total comprehensive income for the year	(137,110,638)	126,930,507	(10,180,131)
At 31 December 2018	1	177,755,474	177,755,475

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Company is a Private Company incorporated, domiciled and registered in the United Kingdom. The registered number is 0137659 and the registered address is Unilever House, 100 Victoria Embankment, London, EC4Y 0DY, United Kingdom.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). The amendments of FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Accounting Standards as adopted by the EU ("Adopted IFRSs"), 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 has been taken.

The Company's ultimate parent undertaking, Unilever PLC, includes the Company in its consolidated financial statements. The consolidated financial statements of Unilever Group are prepared in accordance with International Financial Reporting Standards and provided in the published Unilever Group Annual Report, available at 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:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined);
- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1 'Presentation of financial statements';
 - (ii) paragraph 73(e) of IAS 16 'Property, plant and equipment';
 - (iii) paragraph 118(e) of IAS 38 'Intangible assets' (reconciliation between the carrying amount at the beginning and end of the period);
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - (i) 10(d) (statement of cash flows);

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. Accounting Policies (continued)

- (ii) 10(f) (a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
- (iii) 16 (statement of compliance with all IFRS);
- (iv) 38A (requirement to present a minimum of two statements for each of the primary financial statements, including cash flow statements and related notes);
- (v) 38B-D (additional comparative information);
- (vi) 40A-D (requirements for a third balance sheet);
- (vii) 111 (cash flow statement information); and
- (viii) 134-136 (capital management disclosures);
- IAS 7, 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 and 18A of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned members of a group.

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

- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company; and

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

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

1.2 CONSOLIDATION

The Company is a wholly owned subsidiary of Brooke Bond Group Limited. It is included in the consolidated financial statements of Unilever Group which are publicly available. Therefore, the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. Accounting Policies (continued)**1.3 MEASUREMENT CONVENTION**

The financial statements are prepared on the historical cost basis except that financial assets are stated at their fair value.

1.4 GOING CONCERN

When preparing financial statements, Management makes an assessment of the Company's ability to continue as a going concern. The Company shall prepare financial statements on a going concern basis unless Management either intends to liquidate the Company or to cease trading, or has no realistic alternative but to do so. When Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, the Company shall disclose those uncertainties. When the Company does not prepare financial statements on a going concern basis, it shall disclose that fact, together with the basis on which it prepared the financial statements and the reason why the Company is not regarded as a going concern.

Having made appropriate inquiries of management considering the factors likely to impact the future of the Company (including the impact of COVID 19) and based on the financial position of the Company at the year end the Directors are satisfied that the use of the going concern assumption is appropriate.

In respect of COVID 19 given the entity is a non-trading intermediate holding company the impact is not considered to affect the going concern status of the entity. Given the financial interdependency with other Group companies the Directors have also considered the work carried out by Group management as to the impact of COVID 19 which included updating the Group's going concern assessment from the year end focusing on cash flow and the ability of the Group to meet known and potential liabilities and concluded that having applied certain downside scenarios such as reduction in underlying sales growth, the impact of currency and raw material prices, the impact of Brexit and a deterioration of working capital the Group has sufficient headroom and will remain a going concern.

1.5 FINANCIAL INSTRUMENTS

On 1 January 2018, the Company adopted IFRS 9 'Financial Instruments', which replaced IAS 39 'Financial Instruments – Recognition and Measurement'. This standard introduces new requirements in two areas:

Financial assets are now classified based on:

1. the objective of the Company in holding the asset and
2. the contractual cash flows.

On 1 January 2018, the Company reclassified its financial assets to the new categories based on the Company's reason for holding the assets and the nature of the cash flows from the assets.

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. Accounting Policies (continued)*Non-derivative financial instruments*

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables. Trade and other receivables are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Impact of Transition

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except as described below.

- As there was no material impact from the adoption of IFRS 9, prior period balances have not been restated.
- The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.
 - The determination of the business model within which a financial asset is held.
 - The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at Fair Value Through Profit and Loss (FVTPL).
 - The designation of certain investments in equity instruments not held for trading as at Fair Value through Other Comprehensive Income (FVOCI).
- If an investment in a debt security had low credit risk at the date of initial application of IFRS 9, then the Company assumed that the credit risk on the asset had not increased significantly since its initial recognition.
- Changes to hedge accounting policies have been applied prospectively.
- All hedging relationships designated under IAS 39 at December 31, 2017 met the criteria for hedge accounting under IFRS 9 at January 1, 2018 and are therefore regarded as continuing hedging relationships.

1.6 IMPAIRMENT*Financial assets*

An expected credit loss model (ECL) is used for calculating impairment on financial assets carried at fair value through profit or loss. A loss event does not have to occur before credit losses are recognised.

For trade receivables, the calculation methodology considers expected losses based on ageing profile. The adoption of the expected loss approach has resulted in a material change in impairment provision for any financial assets.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. Accounting Policies (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1.7 FOREIGN CURRENCY TRANSLATION*Functional and presentation currency*

The Company's functional and presentation currency is GBP.

Transactions and balances

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 retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.8 INTEREST INCOME AND EXPENSE

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

1.9 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

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. Accounting Policies (continued)

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.

1.10 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS OF EXISTING STANDARDS THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN EARLY ADOPTED BY THE GROUP

All standards or amendments to standards that have been issued under FRS 101 and are effective from 1 January 2020 onwards are not applicable to the Company.

UNILEVER AUSTRALIA INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019****2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

Estimates and judgements 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 and other Current Receivables

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

3. AUDITORS' REMUNERATION

The fees for KPMG LLP (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.

	2019	2018
	£	£
Audit of these financial statements	2,582	2,769

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the group accounts of the parent Company.

4. EMPLOYEE INFORMATION

No employees were employed by the Company during 2019 (2018: no employees) and no employee costs were incurred by the Company during 2019 (2018: £Nil).

5. DIRECTORS' REMUNERATION

No remuneration (2018: £Nil) was paid by the Company to the Directors. All Directors are employed by Unilever U.K. Central Resources Limited or Unilever PLC and are remunerated by those companies respectively in respect of their services to the Unilever Group as a whole. None of these costs are charged to the Company.

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6. NET INTEREST RECEIVABLE AND SIMILAR INCOME

	2019 £	2018 £
Other interest receivable	<u>2,845,302</u>	<u>3,885,015</u>
Total interest receivable	<u>2,845,302</u>	<u>3,885,015</u>

7. TAXATION

The taxation credit is made up as follows:

Recognised in the profit and loss account	2019 £	2018 £
<i>UK corporation tax</i>		
Current tax on income for the period	603,444	558,358
Adjustments in respect of prior periods	<u>-</u>	<u>-</u>
Total current tax	603,444	558,358
Tax credit on profit from ordinary activities	<u>603,444</u>	<u>558,358</u>

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016, and deferred tax as at 31 December 2019 has been calculated based on this rate. In the 11 March 2020 Budget, it was announced that the UK tax rate will remain at the current 19% and not reduce to 17% from 1 April 2020. The change was substantively enacted shortly thereafter. This is not expected to have a material effect on the company's future tax charge.

The current tax assessed for the year is lower (2018: lower) than the standard rate of corporation taxation in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
Reconciliation of tax credit		
Profit/(loss) for the year	2,515,827	(10,738,489)
Total tax credit	<u>603,444</u>	<u>558,358</u>
Tax (charge)/credit using the UK corporation tax rate of 19% (2018: 19%)	(478,007)	2,040,313
Effects of:		
Expenses not deductible	-	(1,481,955)
Impairment loss on trade and other receivables	<u>1,081,451</u>	<u>-</u>
Total tax credit	<u>603,444</u>	<u>558,358</u>

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. TRADE AND OTHER CURRENT RECEIVABLES

	2019 £	2018 £
Due after more than one year		
Amount owed by Group undertaking	181,820,854	185,338,494
Less: Impairment loss on trade and other receivables	<u>(2,107,912)</u>	<u>(7,799,764)</u>
Total	179,712,942	177,538,730
Due within one year		
Group relief receivables	<u>1,161,804</u>	<u>216,745</u>
Total	1,161,804	216,745
Total	<u>180,874,746</u>	<u>177,755,475</u>

Amounts owed by Group undertakings include balances from Unilever U.K Central Resources Limited and Brooke Bond Group 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 2019.

Trade and other receivables are stated after provisions for impairment of £2,107,912 (2018: £7,799,764) that arose on amounts receivable from group undertakings. The impairment provision required under IFRS 9 was calculated using 12-month ECLs.

9. CALLED UP SHARE CAPITAL

	2019 £	2018 £
Allotted, called up and fully paid		
1 (2018: 1) Ordinary shares of £1 each	1	1
Total	<u>1</u>	<u>1</u>

10. CONTROLLING PARTY

The ultimate parent Company and controlling party is Unilever PLC and immediate holding Company is Brooke Bond 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 International Accounting Standard (IAS) 24 "Related party disclosures" 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 EC4Y 0DY, United Kingdom and www.unilever.com.

Registered number: 0137659

UNILEVER AUSTRALIA INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 11 March 2020, the World Health Organisation declared the Coronavirus (Sars-CoV-2) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 150 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

For the Company's 31 December 2019 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities at the year end. Whilst there is uncertainty as to the outcome of the current events, on the Company's financial position, results of operations and cash flows in the future, there is no impact on the going concern status of the Company. This is set out in the Going Concern note on page 12.