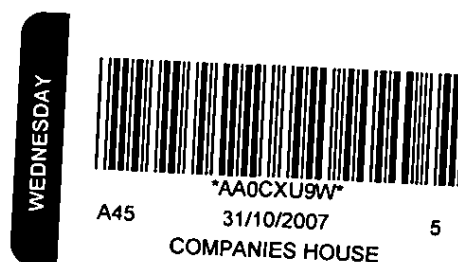


Registered Number: 29140

UNILEVER U.K. CENTRAL RESOURCES LIMITED
REPORT AND ACCOUNTS 2006

<u>CONTENTS</u>	<u>PAGE NUMBER</u>
Directors' Report	1
Independent Auditors' Report to the Shareholders	5
Profit and Loss Account	7
Balance Sheet	8
Accounting Policies	9
Notes to the Accounts	12



Registered Number: 29140

Unilever U.K. Central Resources Limited**Directors' Report for the Year ended 31 December 2006**

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2006

Directors

Mr C G Broe	(appointed on 9 October 2006)
Mr S J Carter	(appointed on 9 October 2006)
Mr G B Crouch	
Mr A A McKinnon	
Mr C V Natraj	
Mr G E Neath	
Mr P J Zegger	(resigned on 28 April 2006)

Principal activities, review of business and future developments

There was no significant change in the principal activities of the Company, which consisted of providing services and undertaking research in the United Kingdom

The results of the Company show a pre-tax profit of £143,183,000 (2005 loss £33,614,000)

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 2007 which is significantly different from its present activities

Key Performance Indicators

The Unilever group operations are managed on a regional and category basis and the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate as the performance and position of the Company is included in the performance indicators for Europe and the category information in the Unilever Group Annual Report which does not form part of this report.

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 be those that affect Unilever Group companies such as competitive pricing, commodity, raw and packaging material pricing, consumption levels, physical risks, legislative, fiscal and regulatory conditions as well as the pension funding and valuation risks specific to this Company. Further discussion of these risks and uncertainties in the context of the Unilever group as a whole is provided in the Unilever published Annual Report

Unilever U.K. Central Resources Limited

Directors' Report for the Year ended 31 December 2006

Research and Development

A large proportion of the central research and engineering resources of Unilever are based in the UK and operated by the Company. The two largest units are the research laboratories at Port Sunlight, on Merseyside, and Colworth, Bedfordshire, each having around 1,000 scientific staff. These units work closely with associated research laboratories in the Netherlands, India and the United States and with individual company development departments throughout the world to provide a firm technical base for the improvement, innovation and safety assurance of Unilever products and processes.

Dividend

The Directors do not recommend the payment of a dividend in the current year (2005 – nil).

Tangible Fixed Assets

The Company's land and buildings are used for providing services and research in the UK. The North Wing of Unilever House will be sold in 2007 for £ 10,655,128 (including VAT £ 1,586,934). The Company's remaining assets are not held for resale. The Directors consider that the difference between their market value and the value at which they are included in the balance sheet is not significant enough to be drawn to the attention of the shareholders.

Employee Involvement

The Company has continued and extended its support of consultation during the year. Staff are located principally in the Head Office buildings in London, at the Port Sunlight and Colworth laboratories and at Unilever Europe IT (UEIT).

In all these locations the Company has developed and encouraged consultative systems over a long period. These comprise local or departmental committees, with Head Office and Laboratory Councils, to which employees elect or appoint representatives.

These groups meet regularly and there are rules to ensure that specific information relating to the interests of employees, including safety at work and services available to staff, is published periodically, both to employees as individuals, and to their representatives within the consultative systems.

Eligible employees of the Company were again invited to participate in the Unilever Sharesave Scheme under which further share options were granted.

Employment of Disabled Persons

The following policy has been applied in respect of the employment of disabled persons. The Company recognises its responsibility to employ disabled persons in suitable employment, and gives full and fair consideration to applications for employment made by such persons, having regard to their particular aptitudes and abilities. Any employee who becomes disabled is encouraged to remain in the Company's employment, in the same job if it is practicable. If a change of job is necessary, such an employee is considered for any suitable alternative work which is available, and any necessary training is arranged.

Unilever U.K. Central Resources Limited**Directors' Report for the Year ended 31 December 2006****Creditor Payment Policy**

The Company complies with the Better Payment Practice Code of the Better Payment Practice Group, a successor code to the Prompt Payment Code of the Confederation of British Industry. It continues to be the Company's policy to follow the Code in respect of all suppliers. Copies of the Code may be obtained from the Department of Trade and Industry.

The ratio, expressed in days, between the amounts invoiced to the Company by its suppliers in the year and the amounts owed to its trade creditors at the end of the year was 18 days (2005: 18 days).

Political and Charitable Donations

The Company made charitable donations amounting to £1,302,352 (2005: £996,064). No political contributions were made.

Statement of Directors' responsibilities in respect of the Directors' Report and financial statements

The Directors are responsible for preparing the Annual 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 the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently, with the exception of the changes arising on the adoption of new accounting standards in the year, as explained in principal accounting policies;
- make judgements and estimates that are reasonable and prudent.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Unilever U.K. Central Resources Limited**Statement of Directors' responsibilities in respect of the Directors' Report and financial statements (continued)**

The Directors are responsible for keeping proper records that 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 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of 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 234ZA of the Companies Act 1985

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



B S Macaulay
Secretary

Date: 30 October 2007

Unilever U.K. Central Resources Limited

Independent Auditors' Report to the Members of Unilever U.K. Central Resources Limited

We have audited the financial statements of Unilever U.K. Central Resources Limited for the year ended 31 December 2006, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). 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 information given in the Directors' Report is not consistent with the financial statements. In addition we report to you if, in our opinion, 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

Unilever U.K. Central Resources Limited**Independent Auditors' Report to the Members (continued)****Opinion**

In our opinion.

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended;

the financial statements have been properly prepared in accordance with the Companies Act 1985, and

the information given in the Directors' Report is consistent with the financial statements

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London

Date: *30 October 2007*

Unilever U.K. Central Resources Limited
Profit and Loss Account – Year ended 31 December 2006

	<u>Notes</u>	2006 £000	2005 £000 (Restated)
Turnover		470,664	399,994
Administrative expenses		<u>(449,361)</u>	<u>(386,285)</u>
Operating profit	(1)	21,303	13,709
Gain on disposal of fixed assets		499	1,085
Interest and similar charges	(2)	(52,378)	(62,123)
Other finance income	(11)	48,759	13,715
Gains on settlement	(11)	<u>125,000</u>	<u>-</u>
Profit/(loss) on ordinary activities before taxation		143,183	(33,614)
Taxation on profit/(loss) on ordinary activities	(3)	<u>(77,013)</u>	<u>9,357</u>
Retained profit/(loss) for the financial year	(15)	<u>66,170</u>	<u>(24,257)</u>

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

There is no difference between the retained profit/(loss) on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

Statement of total recognised gains and losses

		2006 £000	2005 £000 (Restated)
Profit/(Loss) for the year		66,170	(24,257)
Pensions and similar obligations			
Net actuarial gain/(loss) recognised	(11)	134,780	(182,714)
Deferred tax thereon		<u>(40,661)</u>	<u>53,940</u>
Total recognised gains/(losses) for the year		<u>160,289</u>	<u>(153,031)</u>

Unilever U.K. Central Resources Limited
Balance Sheet – 31 December 2006

	<u>Notes</u>	2006 £000	2005 £000 (Restated)
Fixed Assets			
Tangible assets	(6)	163,987	134,803
Investments	(7)	32,737	32,737
		<u>196,724</u>	<u>167,540</u>
Current assets			
Debtors due within one year	(8)	576,294	199,274
Debtors due after more than one year	(8)	1,527,499	1,912,574
Cash at bank and in hand		3,612	123
		<u>2,107,405</u>	<u>2,111,971</u>
Creditors: amounts falling due within one year	(9)	<u>(498,002)</u>	<u>(211,187)</u>
Net current assets		<u>1,609,403</u>	<u>1,900,784</u>
Total assets less current liabilities		1,806,127	2,068,324
Creditors: amounts falling due after more than one year	(9)	(1,860,783)	(1,907,493)
Provision for liabilities and charges	(10)	(31,056)	(27,600)
Net liabilities/assets excluding net pension asset and liability		<u>(85,712)</u>	<u>133,231</u>
Net pension asset for funded schemes in surplus	(11)	550	1,142
Net pension liability for funded schemes in deficit	(11)	(330,764)	(662,305)
Net pension liability for unfunded schemes	(11)	<u>(181,811)</u>	<u>(230,094)</u>
Net liabilities		<u>(597,737)</u>	<u>(758,026)</u>
Capital and Reserves			
Called up share capital	(12)	100,000	100,000
Profit and loss account	(14)	<u>(697,737)</u>	<u>(858,026)</u>
Total Equity shareholders' deficit		<u>(597,737)</u>	<u>(758,026)</u>

The financial statements on pages 9 to 27 were approved by the Board of Directors on 30 October 2007 and were signed on its behalf by

G E Neath
G E Neath
Director

Registered Number: 29140

Unilever U.K. Central Resources Limited**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 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, except for any changes arising on adoption of the new accounting standards as described below, are set out below.

Cash Flow Statement

The financial statements contain information about Unilever U.K. Central Resources Limited as an individual Company and do not contain consolidated financial information as the parent of a group. 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 a subsidiary of Unilever PLC and its cash flows are included in the consolidated cash flow statement of Unilever PLC, which are publicly available. Consequently the Company is exempt under the terms of Financial Reporting Standard No. 1 (revised 1996) from publishing a cash flow statement.

Tangible Fixed Assets and depreciation The cost of tangible fixed assets is their historic purchase cost, together with any incidental costs of acquisition. Fixed assets transferred from group undertakings are stated at their original cost to the transferor company.

Depreciation is calculated so as to write off the cost, or in the case of assets transferred from group undertakings, at percentages of original cost to the transferor company, of tangible fixed assets, less their estimated residual values, on a straight line basis over the useful economic lives of the assets concerned.

Freehold buildings	40 years
Computers	5 years
Plant and machinery	10-15 years
Motor vehicles	4-6 years

Freehold land is not depreciated.

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.

Tangible fixed assets held under finance leases (i.e. leases which transfer to the Company substantially all the benefits and risks of ownership) are treated as if they had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profits in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful economic lives of the equivalent owned assets.

Unilever U.K. Central Resources Limited – 2006 accounts

Principal Accounting Policies (continued)

Turnover: Turnover excludes value added tax and comprises service fees to Unilever PLC. Unilever UK Central Resources Ltd recognises turnover based on the criteria of a full performance of a contract or delivery of services.

Provisions: Provisions are recognised when either a legal or constructive obligation, as a result of a past event, exists at the balance sheet date and where the obligation can be reasonably estimated.

Research and Development Expenditure on research and development of new products is charged against profits of the year in which it is incurred.

Fixed Asset Investments: Fixed Asset Investments are generally carried at cost. Where the value of an investment is considered to have been permanently impaired, a carrying value below cost is employed. An impairment review is undertaken by management prior to signing the financial statements.

Pensions and other post-retirement benefits: The operating and financing costs of the defined benefit plans are recognised separately in the profit and loss account; service costs are systematically spread over the service lives of employees, and financing costs are recognised in the periods in which they arise. Variations from expected costs, arising from the experience of the plans or changes in the actuarial assumptions, are recognised immediately in the statement of total recognised gains and losses. The costs of individual events such as past service benefit enhancements, settlements and curtailments are recognised immediately in the profit and loss account. The liabilities and the assets of defined benefit plans are recognised at fair value in the balance sheet.

Employee Share Option Scheme: Unilever PLC grants options over its shares to eligible employees under an Employee Share Save Scheme. In order to meet these commitments shares are purchased with finance provided by Unilever PLC and are held by the 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 cost of holding the shares. The right to receive dividends on shares held by the Trust has been waived.

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 average 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.

Unilever U.K. Central Resources Limited – 2006 accounts**Principal Accounting Policies (continued)**

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 covered rates of exchange and at rates current at the year end, and profits/losses are taken through the Profit and Loss Account of the year.

Change in Accounting Policy: Financial Reporting Standard (FRS) 20 on share-based payment was applied for the first time in 2006. Under the Global Performance Share Plan, the employees of the company are granted an award of the parent's shares by the company itself. Therefore, these options are accounted for as cash settled based payments under FRS 20 "share-based payment". For these cash settled share based payments, the fair value of the liability is determined at each balance sheet date and the charge recognised through the profit and loss account over the period in which the related services are provided by the employees. The 2005 comparative figures have been restated for this change in policy. The charge to the profit and loss account as a result of this change amounts to £2,900,971 (2005 £1,043,936).

Unilever U.K. Central Resources Limited**Notes to the Accounts – 31 December 2006****(1) Operating Profit**

	2006 £000	2006 £000	2005 £000	2005 £000
Exchange adjustments		(732)		(364)
Depreciation on owned tangible fixed assets		25,084		22,583
Auditors' remuneration for audit services		106		105
Research & development expenditure		147,398		136,488
Operating lease expenditure				
-plant and machinery		79		745
-cars		299		237
-land and buildings	13,394		12,440	
Less sublease receipts	(92)		(171)	
	<u>13,302</u>		<u>12,269</u>	
 -Operating exceptional item - restructuring costs		 14,155		 7,959

(2) Interest and Similar Income/(Charges)

	2006 £000	2005 £000
Other interest receivable and similar income	2,611	6,089
Interest payable on bank loans, overdrafts and other loans that are not repayable by instalments and are due wholly within 5 years	<u>(54,989)</u>	<u>(68,212)</u>
	<u>(52,378)</u>	<u>(62,123)</u>

Unilever U.K. Central Resources Limited
(3) Taxation on Profit/(Loss) on Ordinary Activities

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

	2006 £000	2005 £000 (Restated)
On profit/(loss) for the year		
Current tax:		
UK corporation tax	50,273	81,906
Adjustments for prior years	<u>(16,231)</u>	<u>(10,998)</u>
Total UK taxation	34,041	70,908
Foreign taxation	(15)	(57)
Adjustments for prior years	<u>(19)</u>	<u>-</u>
Total foreign taxation	<u>(34)</u>	<u>(57)</u>
Total current taxation	34,007	70,851
Deferred taxation	(112,844)	(62,656)
Adjustments for prior years	<u>1,823</u>	<u>1,162</u>
Total deferred taxation	(111,021)	(61,494)
Total taxation (charge)/credit on ordinary activities	<u>(77,013)</u>	<u>9,357</u>

The current tax for the period is lower (2005 – lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below

	2006 £000	2005 £000 (Restated)
Profit/(loss) on ordinary activities before tax	143,183	(33,614)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005 30%)	(42,955)	10,084
Effects of		
Permanent difference	(23,845)	4,784
Capital allowances higher than depreciation	3,003	2,852
R&D tax credit	4,231	4,346
Short term timing differences	109,838	59,840
Foreign tax	(15)	(57)
Prior year adjustments	(16,250)	(10,998)
Current tax credit for the year	<u>34,007</u>	<u>70,851</u>

Unilever U.K. Central Resources Limited

(4) Directors' Emoluments

The Directors who served during the year ended 31 December 2006 (with the exception of Mr C G Broe, Mr S J Carter, Mr G B Crouch and Mr A A McKinnon) are employed as managers by Unilever PLC and they are remunerated by that company in respect of their services to the group as a whole. Their emoluments are dealt with in the group accounts and they receive no emoluments from the Company.

Mr C G Broe, Mr S J Carter, Mr G B Crouch and Mr A A McKinnon are remunerated by Unilever U.K. Central Resources Limited and details of their emoluments from the date of their appointment on 9 October 2006 (Mr C G Broe and Mr S J Carter) are provided below.

	2006	2005
	£000	£000
Aggregate emoluments	457	26
Aggregate pension scheme contributions	108	6

Retirement benefits are accruing to these Directors in respect of their qualifying services in one of the holding Company pension schemes detailed in Principal Accounting Policies.

Highest Paid Director	2006	2005
	£000	£000
Aggregate Emoluments	196	14
Accrued pension to end of year	112	82

(5) Employee Information

The average number of persons employed by the Company, including Directors, during the year and the total staff costs are analysed below.

	2006	2005
Research	1,536	1,648
Administration	1,339	1,204
	<u>2,875</u>	<u>2,852</u>
	2006	2005
	£000	£000
Wages and salaries	153,866	160,269
Social security costs	17,376	14,473
Pension costs	32,310	30,230
Share based payments	2,901	1,044
	<u>206,453</u>	<u>206,016</u>
Total staff costs		

Unilever U.K. Central Resources Limited

(6) Tangible Fixed Assets

	<u>Assets Held for Resale</u>	<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	£000
Cost						
At 1 January 2006	6,748	59,833	224,587	5,532	7,554	304,254
Additions at cost, less grants	-	-	827	932	53,734	55,493
Disposals	-	(235)	(9,192)	(1,415)	-	(10,842)
Transfers between categories	-	140	35,856	-	(35,978)	18
At 31 December 2006	6,748	59,738	252,078	5,049	25,310	348,923
Depreciation						
At 1 January 2006	3,936	16,465	146,631	2,419	-	169,451
Depreciation charge for the year	-	1,796	22,315	973	-	25,084
Impairment of assets	-	-	58	-	-	58
Disposals	-	(38)	(8,570)	(1,049)	-	(9,657)
At 31 December 2006	3,936	18,223	160,434	2,343	-	184,936
Net book value						
At 31 December 2006	2,812	41,515	91,644	2,706	25,310	163,987
At 31 December 2005	2,812	43,368	77,956	3,113	7,554	134,803

The net book value of land and buildings comprises

	2006 £000	2005 £000
Land	1,526	1,526
Freehold Buildings	42,801	44,654
	<u>44,327</u>	<u>46,180</u>

The Company held assets of £4,386,700 under finance leases (2005 £ nil) Further detail can be found in Note 16.

Unilever U.K. Central Resources Limited**(7) Fixed Assets – Investments**

	Shares in Group Undertakings		Works of Art		Total	
	2006 £000	2005 £000	2006 £000	2005 £000	2006 £000	2005 £000
Cost or valuation 1 January	32,008	32,008	729	732		
Disposals	-	-	-	(3)		
Cost or valuation 31 December	32,008	32,008	729	729	32,737	32,737

Investment in Group Undertakings

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

Name of Company and Country of Incorporation/Registration	Description of Shares Held	Proportion of Nominal Value of Shares Held and voting rights		Principal Activity
		Direct%	Indirect%	
<u>England and Wales</u>				
Unilever General Partner (Colworth Park) Ordinary Ltd.		100%		Dormant
Unilever LP (Colworth Park) Limited		100%		Active

In the opinion of the Directors, the value of the investment in each subsidiary undertaking, consisting of shares and amounts owing, is not less than the amount at which that investment is stated in the balance sheet

Unilever U.K. Central Resources Limited**(8) Debtors**

	2006 £000	2005 £000
Amounts due within one year		
Amounts owed by group undertakings	345,421	26,942
Corporation Tax	155,009	132,750
Trade debtors	6,234	537
Other debtors	41,421	25,810
Prepayments and accrued income	28,209	13,235
	<u>576,294</u>	<u>199,274</u>
Amounts due after more than one year		
Amounts owed by group undertakings	945,485	977,801
Other debtors	-	17,200
Prepayments and accrued income	19,149	-
Indebtedness with Parent company	562,865	917,573
	<u>1,527,499</u>	<u>1,912,574</u>
Total debtors	<u>2,103,793</u>	<u>2,111,848</u>

Amounts owed by group undertakings include balances with Unilever NV which are interest bearing at monthly libor and are unsecured.

(9) Creditors

	2006 £000	2005 £000 (Restated)
Amounts due within one year		
Obligations under finance leases (Note 16)	918	-
Bank loans and overdrafts	13,400	30,871
Trade creditors	6,403	3,769
Amounts owed to group undertakings	333,280	45,049
Other taxation and social security	22,843	9,332
Other creditors	14,423	18,529
Accruals and deferred income	106,735	103,637
	<u>498,002</u>	<u>211,187</u>
Amounts due after more than one year		
Obligations under finance leases (Note 16)	3,840	-
Amounts owed to group undertakings	1,808,483	1,868,414
Other creditors	7	-
Accruals and deferred income	48,453	39,079
	<u>1,860,783</u>	<u>1,907,493</u>

Amounts owed to group undertakings include balances with Unilever NV which are interest bearing at monthly libor and are unsecured

Unilever U.K. Central Resources Limited**(9) Creditors (continued)**

The overdraft is repayable on demand and it is secured by way of the Unilever PLC joint and several agreements

The above inter-company loan is repayable otherwise than by instalments after more than five years and is unsecured

The rate of interest on the loan is at LIBOR

(10) Provisions for Liabilities and Charges

Deferred tax balances in respect of pensions are reported as a separate component of the pensions balances (see note 11)

	<u>Deferred taxation</u> £000 (Restated)	<u>Restructuring / Other</u> £000	<u>Total</u> £000
At 1 January 2006	10,350	17,250	27,600
Transfers from pension liabilities	-	(1,761)	(1,761)
Charged to profit and loss account (a)	(326)	13,629	13,303
Utilisation of provision	-	(8,086)	(8,086)
At 31 December 2006	<u>10,024</u>	<u>21,032</u>	<u>31,056</u>

(a) In 2006, restructuring continued at the research laboratories at Port Sunlight and at Colworth

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

	2006 £000	2005 £000 Restated
Accelerated capital allowances	21,020	19,377
Short term timing differences	<u>(10,996)</u>	<u>(9,027)</u>
	<u>10,024</u>	<u>10,350</u>

(11) Pensions and similar obligations**(a) UUKPF:**

The Company is a member of a group pension scheme providing benefits based on final pensionable pay for employees of Unilever PLC and its subsidiary companies in the UK. The assets of the scheme are held separately from those of the Group in an independently administered fund known as the Unilever Pension Fund (UPF). Actuarial advice is provided by a firm of Consulting Actuaries and valuation reports are produced annually. The latest report is for 2006.

Unilever U.K. Central Resources Limited

(11) Pensions and similar obligations (continued)

(b) UNIAC:

The UNIAC Pension Fund provides benefits to certain employees who have expatriate service. The assets of the scheme are held separately from those of the Group in an independently administered fund known as the UNIAC Fund. Actuarial advice is provided by a firm of Consulting Actuaries and valuation reports are produced annually. The latest report is for 2006.

(c) Supplementary Pension Fund (SPC):

The Supplementary Pension Fund provides benefits to certain employees in respect of top up arrangements.

The assets of the scheme are held separately from those of the Group in an independently administered fund. Actuarial advice is provided by a firm of Consulting Actuaries and valuation reports are produced annually. The latest report is for 2006.

(d) Unfunded Arrangements:

In addition to the funded pension schemes described above, provisions are held in the accounts of the Company with respect to ex-gratia and top up pensions granted by Unilever PLC and its subsidiary companies in the United Kingdom and also for special contractual early retirement benefits granted to selected employees of these companies. Provisions are also held in respect of pension promises for UK employees working in countries in the European Union.

The capital costs of unfunded retirement benefits for employees of Unilever U.K. Central Resources Limited retiring before normal retirement age are charged to the Profit and Loss Account in the year in which the decision to retire an employee is made. In addition, where employees work for other subsidiary companies of Unilever in the UK, provision is also made for the ex-gratia benefits granted to these employees. Unilever U.K. Central Resources Limited receives consideration equal to the capital/service cost of these benefits for accepting responsibility for their payment. In subsequent years, interest credited to the provisions is charged in the Company's profit and loss account.

The liability and level of service/capital costs are assessed by Consulting Actuaries for the ex-gratia and early retirement schemes and valuation reports are produced annually. The latest reports are for 2006.

In addition to the above, provisions are also held for post employment healthcare for early retired Managers of the Company and for past and present Directors of Unilever PLC. The figures also include provisions for employee long service awards which are accrued over the period of their employment.

Unilever U.K. Central Resources Limited

(11) Pensions and similar obligations (continued)

Assumptions

	2006	2005	2004
Discount rate	5.1%	4.70%	5.30%
Inflation assumption	2.9%	2.70%	2.80%
Rate of increase in salaries	4.4%	4.20%	4.30%
Rate of increase in pensions	2.9%	2.70%	2.90%
Expected long term rates of return			
Equities	8.0%	7.60%	8.00%
Bonds	5.2%	4.50%	5.00%
Others	6.3%	6.40%	6.80%

Balance Sheet

The assets, liabilities and surplus/(deficit) position of the pension plans and similar obligations at the balance sheet date are

	2006 £000	2005 £000
Assets		
Equities	3,399,188	3,234,678
Bonds	885,623	853,378
Other	1,033,852	738,216
Total market value of assets	5,318,663	4,826,272
Present value of liabilities	(6,005,168)	(6,040,412)
Net deficit of plans	(686,505)	(1,214,140)
Irrecoverable surplus	(44,959)	(48,564)
Related deferred tax asset	219,439	371,447
Net pension liability	(512,025)	(891,257)
Of which in respect of		
Funded plans in surplus		
Aggregate surplus	45,745	50,196
Irrecoverable surplus	(44,959)	(48,564)
Related deferred tax liability	(236)	(490)
Net pension asset	550	1,142
Funded plans in deficit:		
Aggregate deficit	(472,520)	(946,150)
Related deferred tax asset	141,756	283,845
Net pension liability	(330,764)	(662,305)
Unfunded plans in deficit		
Aggregate deficit	(259,730)	(318,186)
Related deferred tax asset	77,919	88,092
Net pension liability	(181,811)	(230,094)

Unilever U.K. Central Resources Limited

(11) Pensions and similar obligations (continued)

Profit and Loss Account

The charge to the profit and loss account comprises

	2006 £000	2005 £000
Charged to operating profit		
Current service cost	(79,475)	(69,913)
Special termination benefits	(9,200)	(21,445)
Past service cost	(100)	(649)
Gains on curtailments	11,269	7,612
Total operating cost	(77,506)	(84,395)
Charged to other finance income/(costs)		
Interest on retirement benefits	(266,619)	(272,431)
Expected return on assets	315,378	286,146
Total other finance income	48,759	13,715
Gains on settlement	125,000	-
Total exceptional items	125,000	-
Net charge on profit and loss account (before tax)	96,253	(70,680)

The credit to operating cost for the Company was £ 99,436,000 (2005 charge £(23,882,000)) The balance of the charge has been taken up by other companies in the Unilever Group

Statement of Total Recognised Gains and Losses

The following amounts have been recognised in the statement of total recognised gains and losses ("STRGL")

	2006 £000	2005 £000
Actual return less expected return on assets	111,206	550,298
Experience losses on plan liabilities	(50,307)	(2,611)
Changes in assumptions	70,276	(707,194)
Actuarial gain (loss) recognised in the STRGL	131,175	(159,507)
Change in unrecognised surplus	3,605	(23,207)
Actuarial loss recognised in the STRGL (before tax)	134,780	(182,714)

Unilever U.K. Central Resources Limited**(11) Pensions and similar obligations (continued)****Reconciliation of change in deficit**

Movements in deficit during the year

	2006	2005
	£000	£000
Deficit at the beginning of the year	(1,214,140)	(1,243,689)
Current service cost	(79,421)	(69,913)
Special termination benefits	(9,200)	(21,445)
Past service cost	(100)	(649)
Settlements and curtailments	136,269	7,612
Other finance income	48,759	13,715
Actuarial gain/(loss)	131,175	(159,507)
Payments/funding	300,153	259,736
Deficit at the end of the year	<u>(686,505)</u>	<u>(1,214,140)</u>

The expected contributions to the funds in 2007 is expected to be £230m (2006. £300m).

History of experience gains and losses

	2006	2005
Actual return less expected return on plan assets (£000)	111,206	550,298
As % of plan assets at end of year	2.1%	11.4%
Experience losses on plan liabilities (£000)	(50,307)	(2,611)
As % of plan liabilities at end of year	(0.8)%	(0.04)%
Total actuarial gain/(loss) (£000)	131,175	(159,507)
As % of plan liabilities at end of year	2.2%	(2.6)%

Unilever UK Central Resources Limited acts as a sponsoring Company on behalf of other group companies in UK. The figures above relate to the total UK position as it is not possible to separate the assets and liabilities of all the member Companies

Unilever U.K. Central Resources Limited**(12) Called up Share Capital**

	2006 £000	2005 £000
Authorised		
100,000,000 ordinary shares of £1 each	100,000	100,000
Allotted and fully paid		
100,000,000 ordinary shares of £1 each	100,000	100,000

(13) Share Based Payments

As at 31 December 2006, the Company had the following share-based compensation plans

(1) Employee Option Scheme

Unilever PLC grants options over its shares to eligible employees under an Employee Share Save Scheme. In order to meet this commitment shares are purchased with finance provided by Unilever PLC and are held by the 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 cost of holding the shares. The Unilever Employee Share Trust (Jersey) is not subject to FRS 20 and relevant disclosures are made in Unilever PLC as the sponsoring company.

(2) Global Performance Share Plan

This plan was introduced in 2005 and under this plan the Company awards conditional shares to Managers which will vest three years later at a level between 0% and 150%-200% depending on Unilever's achievement of set targets for underlying sales growth and free cash flow over the three year performance period.

Under the GPSP, the employees of the company are granted an award of the parent's shares by the company itself. Therefore, these options are accounted for as cash settled based payments under FRS 20 "share-based payment". For these cash settled share based payments, the fair value of the liability is determined at each balance sheet date and the charge recognised through the profit and loss account over the period in which the related services are provided by the employees.

Unilever U.K. Central Resources Limited**(13) Share Based Payments (continued)**

A summary of the status of the GPSP as at 31 December 2006 and changes during the year are given below

	<u>2006</u> Unilever PLC shares	<u>2006</u> Unilever NV shares	<u>2005</u> Unilever PLC shares	<u>2005</u> Unilever NV shares
At 1 January 2006	287,001	67,170	-	-
Awarded	270,509	63,465	287,001	67,170
Forfeited	-	-	-	-
At 31 December 2006	<u>557,510</u>	<u>130,635</u>	<u>287,001</u>	<u>67,170</u>

The charge to the profit and loss account for GPSP amounted to £2,900,971 (2005 £1,043,936). The fair value of the award was £14.28 per PLC share and €20.70 per NV share and the total liability at 31 December 2006 was £3,944,908 (2005 £1,043,936).

(3) Share Matching Plans

The Company operates a Share Matching Plan which enables Managers to invest part of their annual bonus in Unilever PLC and NV shares which will be matched by the Company with the same number of shares. The Managers are required to keep all shares for an agreed period and be employed by Unilever on the vesting date. Given these conditions, the expense of awarding these shares is based on the fair value of the shares at the date that the award is made and spread over the vesting period.

(14) Reconciliation of Movements in Equity Shareholders' Deficit

	2006 £000	2005 £000 (Restated)
Retained profit/(loss) for the financial year	66,170	(24,257)
Actuarial pensions gains/(losses), net of tax	<u>94,119</u>	<u>(128,774)</u>
Net increase/(decrease) in equity shareholders' deficit	160,289	(153,031)
Opening equity shareholders' deficit	<u>(758,026)</u>	<u>(604,995)</u>
Closing equity shareholders' deficit	<u>(597,737)</u>	<u>(758,026)</u>

(15) Reconciliation of Movements in Profit and Loss Account Reserve

	2006 £000	2005 £000 (Restated)
Profit & Loss Account at 1 January	(858,026)	(704,995)
Retained profit/(loss) for the year	66,170	(24,257)
Actuarial pensions gains/(losses), net of tax	<u>94,119</u>	<u>(128,774)</u>
Profit & Loss Account at 31 December	<u>(697,737)</u>	<u>(858,026)</u>

Unilever U.K. Central Resources Limited**(16) Operating lease and other financial commitments**

At 31 December 2006 the Company had annual commitments under non-cancellable operating leases expiring as follows

	2006 £000	2005 £000
Land and buildings:		
Within 1 year	64	89
Within 2 to 5 years	6,339	6,387
After 5 years	5,960	6,000
	<u>12,363</u>	<u>12,476</u>
Plant and Machinery		
Within 1 year	93	86
Within 2 to 5 years	157	253
After 5 years	7	678
	<u>257</u>	<u>1,017</u>

Other financial commitments are in respect of charitable donations and committed sponsorships. At 31 December 2006 the company had annual commitments expiring as follows

	2006 £000	2005 £000
Other financial commitments		
Within 1 year	-	438
Within 2 to 5 years	-	-
After 5 years	-	-
	<u>-</u>	<u>438</u>

Future minimum obligations under finance leases are

	2006 £000	2005 £000
Obligations falling due		
Within 1 year	-	-
Within 2 to 5 years	624	-
After 5 years	-	-
	<u>624</u>	<u>-</u>
Less finance charges allocated to future periods	<u>227</u>	<u>-</u>
Net obligations	<u>851</u>	<u>-</u>

Obligations on finance leases due within one year and after more than one year are disclosed in Note 9 – creditors

Unilever U.K. Central Resources Limited**(16) Operating lease and other financial commitments (continued)**

The Company has entered into a lease agreement with Sloane Blackfriars Limited to lease Unilever house for 23 years. The rent till 29 September 2007 is of minimal cost until the completion of the redevelopment, then £10m in the 12 month period ending September 2008, increasing by 2.5% per annum until the end of the lease.

The Company has committed to pay a £150k licence fee to EngDiv Ltd for the period to 30/09/07. This is in essence rent for Unilever House.

Rent for Unilever Research Laboratory Colworth Park in Bedford will increase by 13% every 5 years (equivalent to 2.5% per annum).

(17) Capital Commitments

	2006 £000	2005 £000
Capital expenditure authorised but not contracted for	<u>7,185</u>	<u>11,916</u>

The Company has signed a GMP (Guaranteed Maximum Price) of £19.8m in July 2005 for the fit of Unilever House. Some additional changes have been requested by Unilever since the signing and the current estimate is now at £20m.

The Company has also agreed to fund external development works on Unilever House should they exceed the £100m agreed with Sloane Blackfriars Limited (the property developer).

(18) Related Party Transactions and Ultimate Parent Company

The ultimate parent company is Unilever PLC and the immediate holding company is Unilever UK Holdings Ltd. The Company has not disclosed transactions with fellow subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard No. 8 as the ultimate parent company produces publicly available accounts and Unilever UK Central Resources Limited is a wholly owned subsidiary. Copies of Unilever group accounts can be publicly obtained from Unilever PLC, Corporate Relations Dept., PO Box 68, Unilever House, London EC4P 4BQ.