Registered Number 56350

LIPTON LIMITED

REPORT AND ACCOUNTS 2006

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Lipton 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

The Directors of the Company during the year and up to the date of signing the financial statements were as follows:-

Mr B K MacAuley
Mr I R Neathercoat
Mr M A Precious
Mr D F Smyth
Mr H M E R Synhaeve

Principal activities, review of business and future developments

The principal activities of the Company consisted of the purchase of tea for resale in bulk and the sale of blended tea for export These activities were carried on by this Company and its branches in Kenya and Malawi, and office in Indonesia In all cases the profits and losses arising therefrom have been recorded in the books of this Company

The results of the Company show a pre-tax profit of £764,000 (2005 £299,000) and sales of £140,598,000 (2005 £123,950,000) Turnover increased by 13.4% from 2005 mainly due to the increased tea prices in the East African regions which were driven up as a result of low crop availability following the drought conditions. The tea prices are expected to generally ease throughout 2007, but are likely to remain above 2005 levels The Directors do not expect the re-organisation of the European Supply Chain Network to have any effect in the next trading year.

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 competitive pricing, raw material pricing, consumption levels, physical risks, legislative, fiscal and regulatory conditions 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.

Lipton Limited

Dividend

No dividend has been declared (2005 - £Nil).

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 80 days (2005 95 days)

Political and Charitable Donations

The Company made charitable donations amounting to £8,000 (2005 - £7,000). 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 and that the accounts have been prepared on the going concern basis

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

Lipton Limited

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

T A Bigmore
Secretary

Date 3rd August 2007

Lipton Limited

Independent Auditors' Report to the Members of Lipton Limited

We have audited the financial statements of Lipton Limited for the year ended 31 December 2006, which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the principal accounting policies 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 other 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

Lipton Limited

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: 6 August 2007

Lipton Limited

Profit and Loss Account – Year ended 31 December 2006

	Notes	2006 £000	2005 £000 As restated
Turnover	(1)	140,598	123,950
Cost of sales		(131,308)	(115,303)
Gross profit		9,290	8,647
Distribution costs		(3,475)	(3,505)
Administrative expenses		(5,170)	(4,902)
Operating profit	(2)	645	240
Interest and similar income	(5)	119	59
Profit on ordinary activities before taxation		764	299
Taxation on profit on ordinary activities	(6)	(468)	(429)
Retained profit/(loss) for the financial year		296	(130)
Accumulated losses 1 January		(1,001)	(1,066)
Currency retranslation		(161)	195
Accumulated losses 31 December	(15)	(866)	(1,001)

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

There are no material differences between the profit 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 As restated
Profit/(loss) for the financial year	296	(130)
Currency retranslation	(161)	195
Total recognised gains relating to the year	135	65
Prior year adjustment relating to adoption of FRS 20	(2)	
Total recognised gains since 2005 report and accounts	133	

Lipton Limited

Balance Sheet – 31 December 2006

	Notes	2006 £000	2005 £000 As restated
Fixed assets			
Tangible assets	(7)	232	410
Investments	(8)	-	24
		232	434
Current assets			
Stocks	(9)	15,279	10,044
Debtors	(10)	25,797	28,568
Cash at bank and in hand		883	892
		41,959	39,504
Creditors: amounts falling due within one year	(11)	(37,295)	(34,722)
Net current assets		4,664	4,782
Total assets less current liabilities		4,896	5,216
Creditors: amounts falling due after more than one year	(11)	(36)	(41)
Provision for liabilities and charges	(12)	(1,115)	(1,565)
Net assets		3,745	3,610
Capital and reserves			
Called up share capital	(13)	4,250	4,250
Share premium account	(15)	361	361
Profit and loss account	(15)	(866)	(1,001)
Shareholders' funds		3,745	3,610
Attributable to			
Equity shareholders' funds		(505)	(640)
Non-equity shareholders' funds		4,250	4,250
		3,745	3,610

The financial statements on pages 6 to 20 were approved by the Board of Directors on
3rd August 2007 and were signed on its behalf by

M A Precious
Director

Lipton 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 the 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 Company is a 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 No 1 (revised 1996) from publishing a cash flow statement.

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

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

Plant and machinery	10-15 years
Motor vehicles	4-6 years

Finance costs are not capitalised

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

Lipton Limited

Principal Accounting Policies (continued)

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

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

Stocks: Stocks are consistently stated at the lower of cost and net realisable value Cost is determined on a specific basis and includes direct expenditure. Provisions are made for slow moving and obsolete stocks as appropriate

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.

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.

Assets and liabilities of branches in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year and the results of foreign branches are translated at the average rate of exchange for the year

Differences on exchange arising from retranslation of the opening net investment in branches, and from the translation of the results of those branches at average rate, are taken to reserves and are reported in the statement of total recognised gains and losses All other foreign exchange differences are taken to the profit and loss account in the year in which they arise

Turnover: Turnover comprises the sales of goods and services after deduction of discounts and sales taxes Revenue is recognised when the risks and rewards of the underlying products have been substantially transferred to the customer

Lipton Limited

Principal Accounting Policies (continued)

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.

Pensions: The Company's eligible employees are members of the Unilever Pension Fund, a group defined benefit scheme which is funded by Company and employee contributions. The defined pension fund contributions are paid by the Company as if it were a defined contribution scheme as the Company is unable to identify its share of the underlying assets and liabilities in the scheme. Company contributions, which normally represent the charge for the year, are determined on an actuarial basis so that the annual charge is a substantially level percentage of current and expected future pensionable payroll.

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

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

Employee Share Option Scheme: Unilever PLC grants options over its shares to eligible employees under an Employee Share Save Scheme In order to meet this commitment 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

Dividends: Final dividends are only recognised in the profit and loss account when they have been approved by the shareholders and interim dividends are only recognised when paid

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 £7,525 (2005 £ 2,341)

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Notes to the Accounts – 31 December 2006

(1) Turnover

The turnover includes group sales of £138,951,000, (2005 - £122,849,000) and represents sales at invoice value, excluding value added tax

The geographical analysis of turnover is as follows:-

	2006 £000	2005 £000
United Kingdom	42,604	36,940
Asia Pacific	34,640	32,631
Africa	20,598	11,936
Rest of World	42,756	42,443
	140,598	123,950

The Company is engaged in the purchase and sale of raw tea, and in the opinion of the Directors, does not carry on classes of business substantially different from each other Consequently, no segmental analysis of the business is included in these accounts.

(2) Operating Profit

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

	2006 £000	2005 £000
Depreciation		
- on owned tangible fixed assets	75	77
Impairment		
- on owned tangible fixed assets	82	-
Operating lease expenditure	43	41
Auditors' remuneration		
- audit Services	29	19
- non audit services	9	1

£82,000 impairment relates to assets that will no longer be used by Lipton Limited following the planned UK office relocation in 2008.

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Notes to the Accounts – 31 December 2006 (continued)

(3) Directors' Emoluments

The Directors, including the Chairman, are employed as managers by Unilever UK Central Resources Limited or another group company and they are remunerated by those companies in respect of their services to the group as a whole

(4) Employee Information

The average number of persons employed by the Company, including Directors, during the year is analysed below

	2006	2005
United Kingdom	31	36
Africa	42	41
Total	73	77

	2006 £000	2005 £000
Staff Costs		
Wages and salaries	1,419	1,576
Social security costs	91	105
Pension costs	350	336
Share based payments	8	2
Total	1,868	2,019

(5) Interest and Similar Income

	2006 £000	2005 £000
Interest receivable on loans to group undertakings	138	107
Other interest receivable and similar income	37	23
Total interest receivable	175	130
Other interest payable	(56)	(71)
Total interest and similar income	119	59

Lipton Limited

Notes to the Accounts – 31 December 2006 (continued)

(6) Taxation on Profit on Ordinary Activities

The charge for taxation is made up as follows

	2006		2005	
	£000	£000	£000	£000
On profit for the year				
Current tax				
UK corporation tax	(105)		125	
Less: Double tax relief	105		-	
	-		125	
Adjustments for prior years	(49)		(63)	
Total UK taxation		(49)		62
Foreign taxation	(422)		(443)	
Total foreign taxation		(422)		(443)
Total current taxation		(471)		(381)
Deferred taxation	7		(19)	
Adjustments for prior years	(4)		(29)	
Total deferred taxation		3		(48)
Total taxation charge		(468)		(429)

The current tax for the year is higher (2005 higher) than the standard rate of corporation tax in the UK (30%) The differences are explained below

	2006	2005
	£000	£000
Profit on ordinary activities before tax	764	299
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 30% (2005 – 30%)	(229)	(90)
Effects of		
Permanent differences	119	139
Higher tax rates on overseas earnings	(317)	(443)
Capital allowances higher /(lower) than depreciation	(33)	20
Short term timing differences	38	56
Adjustments to tax in respect of prior periods	(49)	(63)
Current tax charge for the year	(471)	(381)

Lipton Limited

Notes to the Accounts – 31 December 2006 (continued)

(7) Tangible Fixed Assets

	Plant and Machinery £000	Motor Vehicles £000	Total £000
Gross Book Value			
At 1 January 2006	1,076	44	1,120
Additions at cost	34	20	54
Disposals	(334)	(1)	(335)
Exchange adjustments	(22)	(7)	(29)
At 31 December 2006	754	56	810
Accumulated Depreciation			
1 January 2006	669	41	710
Depreciation charge for the year	70	5	75
Impairment of assets	82	-	82
Disposals	(267)	(1)	(268)
Exchange adjustments	(15)	(6)	(21)
At 31 December 2006	539	39	578
Net Book Value			
At 31 December 2006	215	17	232
At 31 December 2005	407	3	410

(8) Fixed Assets – Investments

	Shares in Group Undertakings £000	Total £000
Cost 1 January 2006	24	24
Disposals	(24)	(24)
Cost 31 December 2006	-	-

There are no investments in listed shares

These shares were liquidated in 2006.

Lipton Limited

Notes to the Accounts – 31 December 2006 (continued)

(9) **Stocks**

	2006 £000	2005 £000
Raw materials and consumables	15,279	10,044

(10) **Debtors**

	2006 £000	2005 £000
Amounts due within one year		
Trade debtors	536	625
Amounts owed by group undertakings	24,775	27,227
Corporation Tax recoverable	17	64
Prepayments and accrued income	58	236
Deferred taxation (see below)	411	416
Total debtors	25,797	28,568

Amounts owed by group undertakings include balances with Unilever UK Central Resources Ltd and Unilever NV which are interest bearing at monthly libor and are unsecured and are repayable on demand

The Directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these statements

The movement in deferred taxation is as follows:

	Deferred Taxation
At 1 January 2006	416
Charged to Profit and Loss	3
Currency retranslation	(8)
Total	411

The deferred tax asset is made up as follows:-

	2006 £000	2005 £000
Accelerated capital allowances	139	105
Short term timing differences	272	311
	411	416

Lipton Limited

Notes to the Accounts – 31 December 2006 (continued)

(11) **Creditors**

	2006	2005
	£000	£000
Amounts due within one year		As restated
Bank loans and overdrafts	-	10
Trade creditors	30,616	32,120
Amounts owed to group undertakings	4,715	383
Accruals and deferred income	1,964	2,209
Total	37,295	34,722
Amounts due after more than one year		
Accruals and deferred income	36	41
Total	36	41

Amounts owed to group undertakings include balances with Unilever UK Central Resources Ltd and Unilever NV which are interest bearing at monthly libor and are unsecured and are repayable on demand

(12) **Provisions for Liabilities and Charges**

	Restructuring	**Total**
	£000	£000
At 1 January 2006	1,565	1,565
Utilisation	(450)	(450)
At 31 December 2006	1,115	1,115

Further to the announced plans made on 20 November 2002 advising of the plans to undertake a major re-organisation of their global tea sourcing operation at a cost of £3,140,000, the plans have been refined following the announcement made by Unilever covering the re-organisation of the European Supply Chain Network As a result, the project will continue through into 2008 As at 31 December 2006 the current restructuring provision in relation to the major re-organisation is £1,115,430. The current provision will be utilised by 2008

Lipton Limited

Notes to the Accounts – 31 December 2006 (continued)

(13) **Called up Share Capital**

	2006 £000	2005 £000
Authorised, allotted, called up and fully paid		
Equity 4,250 ordinary shares of 10p each	-	-
Non Equity 4,250,000 deferred ordinary shares of £1 each	4,250	4,250
	4,250	4,250

The rights of the non-equity deferred shares are as follows

(1) the profits which the Company may determine to distribute in respect of any financial year shall be applied first in paying to the holders of the Ordinary and Deferred Shares pari passu a dividend of up to 5 per cent per annum and the balance of the said profits shall be paid to the holders of Ordinary Shares.

(2) on a winding up the assets available for distribution among the members shall be applied first in repaying to the holders of the Ordinary Shares the sum of 10p for each Ordinary Share held by them, second in repaying the holders of the Deferred Shares the sum of £1 each Deferred Share held by them, and any balance of such assets then remaining shall belong to the holders of Ordinary Shares

(3) save as provided above the holders of the Deferred Shares shall not be entitled to any participation in the profits or assets of the Company

(4) the holders of the Deferred Shares shall not be entitled to attend or vote at any general meeting of the Company by virtue of or in respect of their holdings of Deferred Shares.

Lipton Limited

Notes to the Accounts – 31 December 2006 (continued)

(14) **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.

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

	2006 Unilever PLC shares	2006 Unilever NV shares	2005 Unilever PLC shares	2005 Unilever NV shares
At 1 January 2006	788	-	-	-
Awarded	1,012	-	788	-
At 31 December 2006	1,800	-	788	-

The charge to the profit and loss account for GPSP amounted to £7,525 (2005 £ 2,341). 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 £9,866 (2005 £2,341)

Lipton Limited

Notes to the Accounts – 31 December 2006 (continued)

(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

(15) **Reconciliation of movements in Shareholders' Funds**

	2006 £000	2005 £000 As restated
Retained profit/(loss) for the financial year	296	(130)
Other recognised (losses)/gains, net	(161)	195
Net addition	135	65
Opening shareholders' funds (as reported)	3,612	3,545
Prior year adjustment relating to adoption of FRS 20	(2)	-
Opening shareholders' funds (as restated)	3,610	-
Closing shareholders' funds	3,745	3,610

Reserves

	Share Premium Account £000	Profit and Loss Account £000	Total £000
At 1 January 2006 (as reported)	361	(999)	(638)
Prior year adjustment	-	(2)	(2)
At 1 January 2006 (as restated)	361	(1,001)	(640)
Retained profit for the year	-	296	296
Currency retranslation	-	(161)	(161)
At 31 December 2006	361	(866)	(505)

Lipton Limited

Notes to the Accounts – 31 December 2006 (continued)

(16) Lease Commitments

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

	2006 £000	2005 £000
In respect of land and buildings, on leases expiring.-		
Within 2-5 years	19	19
	19	19
In respect of other assets, on leases expiring:-		
Within 1 year	4	3
Within 2 to 5 years	13	15
	17	18

(17) Related Party Transactions and Ultimate Parent Company

The ultimate parent Company is Unilever PLC and the immediate holding Company is Unilever UK Holdings Limited The Company has not disclosed transactions with fellow subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard No.8 as the ultimate parent company produces publicly available accounts Copies of Unilever group accounts can be publicly obtained from Unilever PLC, Corporate Relations Department, Unilever House, 100 Victoria Embankment, Blackfriars, London EC4Y 0DY