

**UNILEVER AUSTRALIA INVESTMENTS LIMITED**

**REPORT AND ACCOUNTS 2004**

**CONTENTS**

**PAGE NUMBER**

<b>Directors' Report</b>	<b>1</b>
<b>Statement of Directors' Responsibilities</b>	<b>4</b>
<b>Independent Auditors' Report to the members</b>	<b>5</b>
<b>Profit and Loss Account</b>	<b>7</b>
<b>Balance Sheet</b>	<b>8</b>
<b>Accounting Policies</b>	<b>9</b>
<b>Notes to the Accounts</b>	<b>10</b>



**Unilever Australia Investments Limited****Directors' Report for the Year ended 31 December 2004**

The Directors of the Company during the year were as follows:

Mr G B St L Anderson	(appointed on 18 May 2004)
Mr J C Bird	
Mr R M Tomlinson	
Mr T J Voak	
Blackfriars Nominees Limited	(resigned on 18 May 2004)
The New Hovema Limited	(resigned on 18 May 2004)

Mr R M Tomlinson resigned as a director on 18 February 2005 and Mrs B S Macaulay was appointed as a director on the same day.

Mr J C Bird resigned as a director on 13 May 2005 and Mr J C Watts was appointed as a director on the same day.

**Review of Activities**

The principal activity of the Company is to act as a holding company.

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 2005 which is significantly different from its present activities.

Following the purchase of the investment in Unilever Australia Group Partnership, the Company's earnings stream is primarily Australian dollars. The Company's principal functional currency is now the Australian dollar. The Company has also adopted the Australian dollar as its reporting currency with effect from 19 June 2003.

**Results and Dividend**

The loss for the year is A\$ 12,804,000 (2003: A\$ 62,000). The Directors do not recommend the payment of a dividend in the current year (2003: A\$ nil).

## Unilever Australia Investments Limited

### Directors' Interests

According to the Register of Directors' Interests, the notifiable interests of the Directors in office at 31 December 2004, in the share capital of the Company's ultimate holding company, Unilever PLC, were as follows:

	<u>Unilever PLC</u>	<u>At 1.1.2004</u> (1.4p shares)	<u>At 31.12.2004</u> (1.4p shares)
Mr G B St L Anderson	Ordinary shares	6,947 (On appointment)	6,947
Mr J C Bird	Ordinary shares	29,879	35,743
Mr R M Tomlinson	Ordinary shares	34,569	35,864
Mr T J Voak	Ordinary shares	3,886	4,882

Options to acquire the number of Unilever PLC Ordinary shares listed below were granted, exercised and held as follows:

		<u>At 1.1.2004</u>	<u>Granted</u>	<u>Exercised</u>	<u>At 31.12.2004</u>
Mr G B St L Anderson	(b)	3,479 (On appointment)	Nil	Nil	3,479
Mr J C Bird	(a)	177,254	28,750	Nil	206,004
	(b)	6,352	Nil	Nil	6,352
Mr R M Tomlinson	(a)	101,953	7,975	Nil	109,928
	(b)	3,479	Nil	Nil	3,479
Mr T J Voak	(a)	24,750	5,500	Nil	30,250
	(b)	2,744	Nil	Nil	2,744

(a) under the Unilever 1985 and 1997 Executive Share Option Schemes and subject to the Rules of those Schemes.

(b) under the Unilever PLC 1985 Sharesave Scheme and subject to the Rules of that Scheme.

The Directors, in common with all employees of Unilever PLC and its UK subsidiaries, have a beneficial interest in the undermentioned Unilever PLC ordinary shares acquired by the Unilever Employee Share Trust (Jersey) for the purpose of satisfying share options granted to employees.

**Unilever Australia Investments Limited****Director's Interest (continued)**

	<u>At 1.1.2004</u>	<u>At 31.12.2004</u>
Mr G B St L Anderson	49,723,561 (On appointment)	48,888,961
The other Directors	47,080,138	48,888,961

**Directors' Conditional Share Awards under Total Shareholder Return – Long-Term Incentive Plan**

Conditional Share Awards under Total Shareholder Return – Long-Term Incentive Plan of ordinary shares in Unilever PLC were outstanding, granted or vested in 2004 as shown in the table below:


	<u>At 1.1.2004</u>	<u>Granted</u> <sup>1</sup>	<u>Vested</u>	<u>At 31.12.2004</u>
Mr J C Bird	Nil	6,397	Nil	6,397

- 1) The end date of the final performance period in respect of the conditional award made in 2004 is 31 December 2006.

**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

  
G B St L Anderson  
Secretary

Date: 23 January 2006

**Unilever Australia Investments Limited****Statement of Directors' Responsibilities for preparing the Accounts**

The Directors are required by UK company law to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss and total recognised gains or losses of the Company for that year.

The Directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the accounts for the year ended 31 December 2004. The Directors also confirm that applicable accounting standards have been followed and that the accounts have been prepared on the going concern basis.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act 1985. They also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**Unilever Australia Investments Limited****Independent Auditors' Report to the Members of Unilever Australia Investments Limited**

We have audited the financial statements for the year ended 31 December 2004 on pages 7 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

**Respective responsibilities of directors and auditors**

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the Statement of Directors' Responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions is not disclosed.

We read the other information contained in the accounts and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises the Directors' Report and the Statement of Directors' Responsibilities.

**Basis of audit opinion**

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

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

**Unilever Australia Investments Limited****Opinion**

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London

Date: *23 January 2006*

**Unilever Australia Investments Limited**
**Profit and Loss Account – Year ended 31 December 2004**

	<u>Notes</u>	<b>2004</b> A\$000	<b>2003</b> A\$000
Interest and similar income	(1)	-	6,717
Interest expense and other charges	(1)	<u>(18,287)</u>	<u>(9,588)</u>
Loss on ordinary activities before taxation		(18,287)	(2,871)
Taxation on loss on ordinary activities	(2)	<u>5,483</u>	<u>2,809</u>
Loss for the financial year	(9)	(12,804)	(62)
Loss retained 1 January		<u>(62)</u>	-
Accumulated losses at 31 December		<u>(12,866)</u>	<u>(62)</u>

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

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

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




## Unilever Australia Investments Limited

## Balance Sheet - 31 December 2004

	<u>Notes</u>	<b>2004</b> A\$000	<b>2003</b> A\$000
<b>Fixed assets</b>			
Investments	(4)	547,250	547,250
<b>Current assets</b>			
Debtors due within one year	(5)	25,603	3,100
Debtors due after more than one year	(5)	-	11
Cash at bank and in hand		3	3
		<u>25,606</u>	<u>3,114</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	(6)	(381,938)	(351,124)
Provision for liabilities and charges	(7)	<u>(4,118)</u>	<u>-</u>
<b>Net current liabilities</b>		<u>(360,450)</u>	<u>(348,010)</u>
<b>Net assets</b>		<u>186,800</u>	<u>199,240</u>
<b>Capital and reserves</b>			
Called up share capital	(8)	199,666	199,302
Profit and loss account		<u>(12,866)</u>	<u>(62)</u>
<b>Equity shareholders' funds</b>	(9)	<u>186,800</u>	<u>199,240</u>

The financial statements on pages 7 to 14 were approved by the Board of Directors on 23/01/06 and were signed on its behalf by:

  
G B St L Anderson  
Director

**Unilever Australia Investments 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 Company is a wholly owned subsidiary of Unilever PLC and its cash flows are included in the consolidated cash flow statement of Unilever PLC. Consequently the Company is exempt under the terms of Financial Reporting Standard No 1 (revised 1996) from publishing a cash flow statement.

Following the purchase of the investment in Unilever Australia Group Partnership, the Company's earnings stream is primarily Australian dollars. The Company's functional currency is now the Australian dollar. The Company has also adopted the Australian dollar as its reporting currency with effect from 19 June 2003.

**Foreign Currencies:** The Company's functional currency is now the Australian dollar. The reporting currency of the Company is also the Australian dollar. The ordinary share capital of £3,500,000 is translated at the rate of exchange, which is 2.476 for 2004 and 2.372 for 2003. Both exchange rates are the Unilever closing rates for these years.

**Joint Arrangement:** The Company has a contractual agreement with other participants to engage in joint activities that do not create an entity carrying on a trade or business of its own. The Company includes its share of assets and liabilities in the joint arrangement, measured in accordance with the terms of the agreement, which is pro-rata to the Company's interest in the joint arrangement.

**Dividends:** Dividends due from participating interests are credited to the profit and loss account when declared. In cases where dividend remittances from participating interests are not expected with reasonable certainty within one year, dividends are accounted for on a cash received basis.

**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.

**Deferred Taxation:** Full provision is made for deferred taxation on all significant timing differences arising from the recognition of items for taxation purposes in different periods from those in which are included in the Company accounts. Full provision is made at the rates of tax prevailing at the year-end unless future rates have been enacted or substantively enacted. Deferred tax assets and liabilities have not been discounted.

**Unilever Australia Investments Limited****Notes to the Accounts – 31 December 2004****(1) Interest Income and Expense**

	2004 A\$000	2003 A\$000
Income from associated companies	-	6,716
Other interest receivable and similar income	-	1
Total interest receivable and similar income	-	6,717
Interest payable on loans from group undertakings	(18,287)	(9,318)
Other charges	-	(270)
Total	(18,287)	(2,871)

The auditors' remuneration is borne by the parent company's central services subsidiary.

**(2) Taxation on loss on ordinary activities**

The credit for taxation is made up as follows:

	2004 A\$000	2003 A\$000
UK corporation tax	5,486	108
Less: Double tax relief	-	2,687
	5,486	2,795
Foreign taxation	(3)	14
Total taxation credit	5,483	2,809

## Unilever Australia Investments Limited

### (2) Taxation on loss on ordinary activities (continued)

The current tax for the year is higher (2003: lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2004 A\$000	2003 A\$000
Loss on ordinary activities before tax	(18,287)	(2,871)
Loss on ordinary activities multiplied by standard rate of corporation tax in UK of 30% (2003: 30%)	5,486	861
Effects of:		
Gross up for underlying tax on overseas dividends	-	(672)
Permanent differences	-	(81)
Foreign tax on overseas earnings	(3)	14
Double tax relief	-	2,687
Current tax credit	5,483	2,809

### (3) Directors' Emoluments

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

### (4) Fixed Assets - Investments

#### Cost

	A\$000
1 January and 31 December 2004	547,250

There are no investments in listed shares.

#### Associated Companies and Other Investments

Included in investments are the following investments which amount to 20% or more of the nominal value of the allotted shares of the companies concerned or where significant influence is exercised over the investment:

**Unilever Australia Investments Limited****(4) Fixed Assets – Investments (continued)**

<b>Name of company and Country of Incorporation/Registration</b>	<b>Description of Shares Held</b>	<b>Proportion of Nominal Value of Shares Held Direct</b>
<u>Australia</u>		
Unilever Australia (Holdings) Proprietary Limited	Ordinary	49.75%

The aggregate value of the capital and reserves and the profit in the company is as follows:

<b>Name of company and Country of Incorporation/Registration</b>	<b>Capital &amp; Reserves 31 Dec 2004</b>	<b>Profit for year Ended 31 Dec 2004</b>
<u>Australia</u>		
Unilever Australia (Holdings) Proprietary Limited	311,652	8,334

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

**(5) Debtors**

	<b>2004 A\$000</b>	<b>2003 A\$000</b>
<b>Amounts due within one year</b>		
Indebtedness with parent company's central services subsidiary	666	302
Other receivables	24,937	2,798
	<u>25,603</u>	<u>3,100</u>
<b>Amounts due after more than one year</b>		
Other receivables	-	11
	<u>-</u>	<u>11</u>
<b>Total Debtors</b>	<u>25,603</u>	<u>3,111</u>

# Unilever Australia Investments Limited

## (6) Creditors

	2004 A\$000	2003 A\$000
Amounts due within one year		
Interest payable to group companies	20,593	741
Other creditors	-	1,698
Withholding tax payable	568	435
Amounts owed to group undertakings	12,527	-
Indebtedness with Unilever NV	348,250	348,250
	<u>381,938</u>	<u>351,124</u>

## (7) Provisions for Liabilities and Charges

	<u>Deferred Taxation</u> A\$000
At 1 January 2004	-
Group deferred tax	4,118
At 31 December 2004	<u>4,118</u>

The company has a 49.75% holding in Unilever Australia Group Partnership, which is the head of the Unilever Australia tax consolidated group. Under Australian tax law the partnership is responsible for the total tax (current and deferred) of this group. The deferred tax shown above relates to the company's share included on a basis proportional to its holding in the partnership.

## (8) Called Up Share Capital

	2004 A\$000	2003 A\$000
<b>Authorised</b>		
3,500,000 ordinary shares of £1 each	8,666	8,302
80,000,000 ordinary shares of A\$ 10 each	800,000	800,000
	<u>808,666</u>	<u>808,302</u>
<b>Allotted, called up and fully paid</b>		
3,500,000 ordinary shares of £1 each	8,666	8,302
<b>Allotted and called up</b>		
19,100,000 ordinary shares of A\$ 10 each	191,000	191,000
	<u>199,666</u>	<u>199,302</u>

**Unilever Australia Investments Limited****(9) Reconciliation of Movements in Shareholders' Funds**

	2004 A\$000	2003 A\$000
Loss for the financial year	(12,804)	(62)
Share issue	-	191,000
Currency retranslation	364	(1,684)
Net (reduction)/addition	(12,440)	189,254
Opening shareholders' funds	199,240	9,986
Closing shareholders' funds	186,800	199,240

**(10) Related Party Transactions**

The ultimate parent company is Unilever PLC and the immediate holding company is Brooke Bond Group Limited. The Company has not disclosed transactions with fellow subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard No. 8. Copies of Unilever group accounts can be obtained from Unilever PLC, Corporate Relations Department, P O Box 68, Blackfriars, London EC4P 4BQ.