

Registered Number 04918638

UNILEVER VENTURES LIMITED

REPORT AND ACCOUNTS 2006

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Unilever Ventures 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 N G Allen
Mrs C Appleby
Mr J D F Coombs
Mr R C Hazell
Mr A Lane
Mr M P Muth
Mr M J Samuel

Principal Activities, Review of Business and Future Developments

The principal activity of the Company during the year consisted of acting as investment advisors to the various companies within Unilever. The results of the Company show a pre-tax profit of £298,619 (2005 £304,000) and sales of £3,015,000 (2005 £3,322,000)

2006 has seen similar conditions in the private equity and venture capital markets to those experienced in 2005. The company has continued to advise Unilever companies on investment opportunities in this sector which align to overall Group strategic objectives

The priority for 2007 is to advise Unilever on its management of its existing investment portfolio in this sector such that Group returns are maximised

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

Unilever Ventures Limited

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 investment and money laundering risks, 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.

Dividend

The directors do not recommend payment of a dividend (2005 - £nil)

Political and Charitable Donations

The Company made charitable donations amounting to £nil (2005 - £1,000). 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.

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.

Unilever Ventures 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



B S Macaulay
Secretary

Date 23 April 2007

Unilever Ventures Limited**Independent Auditor's Report to the Members of Unilever Ventures Limited**

We have audited the financial statements of Unilever Ventures Limited for the year ended 31 December 2006, which comprise the Profit and Loss Account, the Balance Sheet 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.

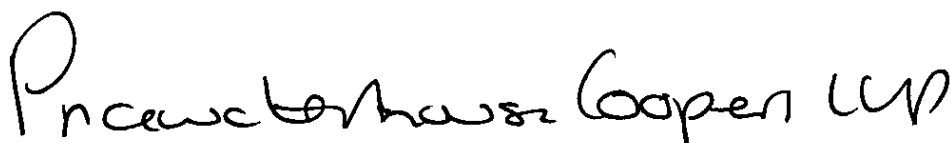
Basis of audit opinion

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.

Unilever Ventures 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

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London

Date 26/4/07

Unilever Ventures Limited
Profit and Loss Account – Year ended 31 December 2006

	<u>Notes</u>	2006 £000	2005 £000
Turnover		3,015	3,322
Cost of sales		(2,056)	(2,350)
Gross profit		959	972
Administrative expenses		(685)	(669)
Operating profit	(1)	274	303
Profit on ordinary activities before interest		274	303
Interest and similar income	(4)	25	1
Profit on ordinary activities before taxation		299	304
Taxation on profit on ordinary activities	(5)	(88)	(120)
Profit for the financial year		211	184
Dividends paid or proposed		-	-
Retained profit for the financial year		211	184
Profit retained 1 January		181	(3)
Profit retained 31 December	(11)	392	181

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

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

Unilever Ventures Limited

Balance Sheet – 31 December 2006

	<u>Notes</u>	2006 £000	2005 £000
Fixed assets			
Tangible assets	(6)	127	135
		<hr/> 127	<hr/> 135
Current assets			
Debtors	(7)	1,400	431
Cash at bank and in hand		36	26
		<hr/> 1,436	<hr/> 457
Creditors: amounts falling due within one year	(8)	(1,146)	(386)
		<hr/>	<hr/>
Net current assets		<hr/> 290	<hr/> 71
Total assets less current liabilities		<hr/> 417	<hr/> 206
		<hr/>	<hr/>
Net assets		<hr/> 417	<hr/> 206
Capital and reserves			
Called up share capital	(9)	25	25
Profit and loss account		392	181
		<hr/>	<hr/>
Equity shareholders' funds	(11)	<hr/> 417	<hr/> 206

The financial statements on pages 6 to 15 were approved by the Board of Directors on 23 April 2007
and were signed on its behalf by



J D F Coombs
Director

Unilever Ventures 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.

Leasehold Improvements	Length of lease
Furniture & Fittings	14 years
Computer Equipment	5 years

Unilever Ventures Limited

Principal Accounting Policies (continued)

Turnover: Turnover comprises the provision of investment advisory services after deduction of discounts and sales taxes. Turnover is recognised in the period to which the services provided are rendered.

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.

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.

Unilever Ventures Limited**Notes to the Accounts – 31 December 2006****(1) Operating Profit**

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

	2006 £000	2005 £000
Depreciation		
- on owned tangible fixed assets	15	-
Auditors' remuneration		
- audit services	16	10
- non audit services	-	27
Operating lease expenditure		
- land and buildings	94	-
	<hr/>	<hr/>

(2) Directors' Emoluments

All but four of the Directors 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. Unilever UK Central Resources Limited charges the Company for management and other services. The remuneration of the three Directors employed by Unilever Ventures is as follows

	2006 £000	2005 £000
Aggregate emoluments	938	1,147
Accrued pension at end of year	84	-
	<hr/>	<hr/>
	1,022	1,147
	<hr/>	<hr/>
Highest Paid Director	2006 £000	2005 £000
Aggregate emoluments	321	411
Accrued pension at end of year	54	-
	<hr/>	<hr/>
	375	411
	<hr/>	<hr/>

Retirement benefits are accruing to 4 directors under a defined benefit scheme

Unilever Ventures Limited**(3) Employee Information**

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

	2006	2005
Management	8	9
Total	<u>8</u>	<u>9</u>

	2006 £000	2005 £000
Staff Costs		
Wages and salaries	1,725	1,927
Social security costs	200	239
Pension costs	126	98
Total	<u>2,051</u>	<u>2,264</u>

(4) Interest and Similar Income/(Charges)

	2006 £000	2005 £000
Other interest receivable and similar income	25	1
Total interest receivable and investment income	<u>25</u>	<u>1</u>

Unilever Ventures Limited**(5) Taxation on Profit on Ordinary Activities**

The charge for taxation is made up as follows

	2006		2005	
	£000	£000	£000	£000
On profit (loss) for the year				
Current tax				
UK corporation tax	(90)		(120)	
Adjustments for prior years	<u>2</u>		<u>-</u>	
UK taxation		(88)		(120)
Total taxation charge		<u>(88)</u>		<u>(120)</u>

The current tax for the year is lower (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	<u>299</u>	<u>304</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 30% (2005 – 30%)	(90)	(91)
Effects of		
Permanent differences		(29)
Adjustments to tax in respect of prior periods	2	
Current tax charge for the year	<u>(88)</u>	<u>(120)</u>

Unilever Ventures Limited**(6) Tangible Fixed Assets**

	<u>Furniture and Fittings</u> £000	<u>Leasehold Improvements</u> £000	<u>Computer Equipment</u> £000	<u>Total</u> £000
Gross Book Value				
At 1 January 2006	28	89	18	135
Additions at cost	3	-	4	7
At 31 December 2006	31	89	22	142
Accumulated Depreciation				
1 January 2006	-	-	-	-
Depreciation charge for the year	2	9	4	15
At 31 December 2006	2	9	4	15
Net Book Value				
At 31 December 2006	29	80	18	127
At 31 December 2005	28	89	18	135

(7) Debtors

	2006 £000	2005 £000
Amounts due within one year		
Trade debtors	1	1
Amounts owed by group undertakings	539	15
Other debtors	-	7
Prepayments and accrued income	860	408
Total debtors	1,400	431

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

Unilever Ventures Limited**(8) Creditors**

	2006 £000	2005 £000
Amounts due within one year		
Corporation Tax	91	120
Other taxation and social security	55	34
Accruals and deferred income	1,000	232
Total	1,146	386

(9) Called up Share Capital

	2006 £000	2005 £000
Authorised		
25,000 ordinary shares of £1 each	25	25
Allotted and fully paid		
25,000 ordinary shares of £1 each	25	25

(10) 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.

Unilever Ventures Limited**(11) Reconciliation of movements in Equity Shareholders' Funds**

	2006 £000	2005 £000
Retained profit for the financial year	211	184
Opening equity shareholders' funds	206	22
Closing equity shareholders' funds	<hr/> 417	<hr/> 206

(12) 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, PO Box 68, Blackfriars, London EC4P 4BQ.