

Registered Number 04918638

UNILEVER VENTURES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2011

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Unilever Ventures Limited**Directors' Report for the year ended 31 December 2011**

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2011

Directors

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

Mr J D F Coombs

Mr R C Hazell

Mr A Lane

Mr M P Muth

Mr M R Grieve

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 profit on ordinary activities before tax of £786k (2010 £416k) and turnover of £8,629k (2010 £4,550k). Turnover and cost of sales have increased versus previous year as a result of fees and costs associated with advisory services provided to the Unilever Group on a business disposal.

2011 has seen similar conditions in the private equity and venture capital markets to those experienced in 2010. The company continued to advise Unilever companies on investment opportunities in this sector which align to overall Group strategic objectives.

The priority for 2012 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**Directors Report for Year Ended 31 December 2011 (Continued)****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 physical risks, legislative, fiscal and regulatory conditions.

The Company's operations expose it to a variety of financial risks that include investment and money laundering and liquidity risk. The company has specific policies for the management of these risks.

Investment and Money Laundering Risk

The Company has implemented policies that require appropriate investment and money laundering checks on potential counter parties before investment and divestment recommendations are made to other Unilever companies.

Liquidity risk

The company actively maintains a mixture of long-term and short-term finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

The Unilever Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Further discussion of these risks and uncertainties in the context of the Unilever group as a whole, is provided in the published Unilever Group Annual Report.

Dividends

The Directors do not recommend payment of a dividend (2010 £nil).

Unilever Ventures Limited

Directors Report for Year Ended 31 December 2011 (Continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. Under that law 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) Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period In preparing those financial statements, the Directors are required to.

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

The Directors are responsible for the maintenance and integrity of the Company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

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 418 of the Companies Act 2006

Unilever Ventures Limited**Going Concern**

The Directors, having made appropriate enquiries, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and that it is therefore appropriate to prepare the financial statements on a going concern basis

Independent Auditors

The auditors PricewaterhouseCoopers LLP have indicated their willingness to continue in office and will remain in office as auditors of the Company in accordance with the provisions of Section 487(2) of the Companies Act 2006

By Order of the Board

Duly Authorised for and on behalf of
Unilever Ventures Limited
John Coombs

A handwritten signature in black ink, appearing to read 'J Coombs', is written over the printed name 'John Coombs'.

Date: 14 August 2012

Unilever Ventures Limited

Independent Auditors' Report to the Members of Unilever Ventures Limited

We have audited the financial statements of Unilever Ventures Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Principal Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Directors and auditors

As explained more fully in the Statement of Directors' responsibilities set out on page 3 the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Unilever Ventures Limited**Independent Auditors' Report to the Members of Unilever Ventures Limited****Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Alex Hookway (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 August 2012

Unilever Ventures Limited**Registered Number 04918638****Profit and Loss Account for the year ended 31 December 2011**

	<u>Notes</u>	2011 £000	2010 £000
Turnover		8,629	4,550
Cost of sales		<u>(7,122)</u>	<u>(3,459)</u>
Gross profit		1,507	1,091
Administrative expenses		<u>(726)</u>	<u>(678)</u>
Operating profit	(1)	<u>781</u>	<u>413</u>
Profit on ordinary activities before interest		781	413
Net interest receivable and similar income	(4)	<u>5</u>	<u>3</u>
Profit on ordinary activities before taxation		786	416
Taxation on profit on ordinary activities	(5)	<u>(210)</u>	<u>(134)</u>
Profit for the financial year	(12)	<u>576</u>	<u>282</u>

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

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

Statement of Total Recognised Gains and Losses for the year ended 31 December 2011

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 as at 31 December 2011

	<u>Notes</u>	2011 £000	2010 £000
Fixed assets			
Tangible assets	(6)	98	112
		98	112
Current assets			
Debtors	(7)	7,210	2,897
Cash at bank and in hand		90	49
		7,300	2,946
Creditors: amounts falling due within one year	(8)	(5,498)	(1,727)
Net current assets		1,802	1,219
Total assets less current liabilities		1,900	1,331
Provision for liabilities and charges	(9)	(6)	(13)
Net assets		1,894	1,318
Capital and reserves			
Called up share capital	(10)	25	25
Profit and loss account		1,869	1,293
Total shareholders' funds	(12)	1,894	1,318

The financial statements on pages 7 to 17 were approved by the Board of Directors on 14 August 2012 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 2006 and the applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, 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 1 'Cashflow statements' (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. 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.

Assets in the course of construction are transferred into the appropriate category when they are ready for their intended use. At this point, depreciation commences on the same basis as on other tangible fixed assets.

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

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.

Turnover

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

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.

Unilever Ventures Limited

Principal Accounting Policies (continued)

Current Taxation

The charge for current income tax is based on the results for the year as adjusted for items which are not taxed or which are disallowed. It is calculated using tax rates in legislation that has been enacted or substantively enacted by the balance sheet date

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 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

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 U.K. 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 for the year ended 31 December 2011****(1) Operating Profit**

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

	2011 £000	2010 £000
Depreciation		
- on owned tangible fixed assets	17	22
Auditors' remuneration		
- audit services	17	17
Operating Lease Expenditure		
- land and buildings	113	100

(2) Directors' Emoluments

The Directors who served during the year ended 31 December 2011, (with the exception of Mr Coombs, Mr Muth and Mr Lane), are employed as managers by Unilever PLC or another group company 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 Coombs, Mr Muth and Mr Lane are remunerated by the Company and details of their emoluments are provided below

	2011 £000	2010 £000
Aggregate emoluments	4,143	1,668
Aggregate pension scheme contributions	32	59
	<u>4,175</u>	<u>1,727</u>

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

Highest Paid Director	2011 £000	2010 £000
Aggregate Emoluments	1,402	552
Accrued pension to end of year	-	36
	<u>1,402</u>	<u>588</u>

Unilever Ventures Limited**Notes to the Accounts for the year ended 31 December 2011 (continued)****(3) Employee Information**

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

	2011 Number	2010 Number
Management	13	12
Total	13	12

	2011 £000	2010 £000
Staff Costs		
Wages and salaries	6,158	2,948
Social security costs	835	360
Pension costs	159	151
Total	7,152	3,459

(4) Interest receivable/(payable) and similar items

	2011 £000	2010 £000
Other interest receivable and similar income	5	3
Total interest receivable and similar income	5	3

Unilever Ventures Limited

Notes to the Accounts for the year ended 31 December 2011 (continued)

(5) Taxation on Profit on Ordinary Activities

The taxation charge is made up as follows

	2011		2010	
	£000	£000	£000	£000
On profit for the year				
Current tax:				
UK corporation tax	(218)		(127)	
Adjustments for prior years	<u>1</u>		<u>(7)</u>	
Total UK taxation		(217)		(134)
Total current taxation		(217)		(134)
Deferred tax:				
Deferred taxation	5		2	
Adjustments for prior years	<u>2</u>		<u>(2)</u>	
Total deferred taxation		7		-
Total taxation charge		<u>(210)</u>		<u>(134)</u>

The current UK tax rate has been used for the year is a hybrid rate of 26.5%. This is on the basis that the tax rate changed from 28% to 26% as of 1 April 2011. A tax rate change to 25% which has effect from 1 April 2012 was substantially enacted on 5 July 2011 and has therefore been factored into the UK deferred tax calculations.

In addition, further reductions to the main rate are proposed to reduce the rate to 22% by 1 April 2014. These further changes have not been substantially enacted at the balance sheet date and therefore have not been included in these financial statements. Such changes are not expected to have a significant effect on the deferred tax balance.

Unilever Ventures Limited

Notes to the Accounts for the year ended 31 December 2011 (continued)

(5) Taxation on Profit on Ordinary Activities (continued)

The current tax assessed for the year is higher (2010 higher) than the standard rate of corporation tax in the UK (26.5%) (2010 28%). The differences are explained below

	2011 £000	2010 £000
Profit on ordinary activities before tax	(786)	(416)
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 26.5% (2010, 28%)	(208)	(116)
Effects of:		
Permanent differences	(5)	(11)
Capital allowances lower than depreciation	(5)	-
Adjustments for prior years	1	(7)
Current tax charge for the year	(217)	(134)

There are no reconciling items relating to intra group transfer pricing adjustments in the tax reconciliation for 2011 as no intra group payment will be made for losses claimed or surrendered relating to such amounts

Unilever Ventures Limited

Notes to the Accounts for the year ended 31 December 2011 (continued)

(6) Tangible Fixed Assets

	<u>Furniture and Fittings</u> £000	<u>Leasehold Improvements</u> £000	<u>Computer Equipment</u> £000	<u>Total</u> £000
Cost				
At 1 January 2011	31	150	22	203
Additions	-	-	3	3
At 31 December 2011	31	150	25	206
Accumulated depreciation				
1 January 2011	11	58	22	91
Depreciation charge for the year	2	14	1	17
At 31 December 2011	13	72	23	108
Net Book Value				
At 31 December 2011	18	78	2	98
At 31 December 2010	20	92	-	112

(7) Debtors

	2011 £000	2010 £000
Amounts due within one year		
Trade debtors	5	13
Amounts due from group undertakings	7,180	2,811
Other debtors	4	4
Prepayments and accrued income	21	69
Total	7,210	2,897

Amounts due from group undertakings include balances with Unilever UK Central Resources which are interest bearing at monthly LIBOR and are unsecured

Unilever Ventures Limited**Notes to the Accounts for the year ended 31 December 2011 (continued)****(8) Creditors**

	2011 £000	2010 £000
Amounts falling due within one year		
Trade creditors	(61)	(70)
Current corporation tax	(217)	(129)
Amounts owed to group undertakings	(687)	-
Taxation and social security	(81)	(208)
Accruals and deferred income	(4,452)	(1,320)
Total	(5,498)	(1,727)

Amounts owed to group undertakings include balances with Unilever Central Resources Limited, which are interest bearing at monthly LIBOR and are unsecured. Also included, are balances with Unilever plc, which are interest bearing at 3.96%

(9) Provisions for Liabilities

	2011 £000	2010 £000
Deferred taxation	(13)	(13)
Charged to Profit and Loss	7	-
At 31 December 2011	(6)	(13)

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

	2011 £000	2010 £000
Accelerated capital allowances	6	13

(10) Called up Share Capital

	2011 £000	2010 £000
Authorised		
25,000 ordinary shares of £1 each (2010 25,000)	25	25
Allotted and fully paid		
25,000 ordinary shares of £1 each	25	25

Unilever Ventures Limited

Notes to the Accounts for the year ended 31 December 2011 (continued)

(11) Share Based Payments

As at 31 December 2011, the Company had the following share-based compensation plans

- (1) **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 Unilever Employee Share Trust (Jersey) is not subject to Financial Reporting Standard 20 'share-based payment' and relevant disclosures are made in Unilever PLC as the sponsoring company.

(12) Reconciliation of movements in Total Shareholders' Funds

	2011 £000	2010 £000
Retained profit for the financial year	576	282
Opening shareholders' funds	1,318	1,036
Closing shareholders' funds	1,894	1,318

(13) Related Party Transactions and Ultimate Parent Company

The ultimate parent Company and controlling party is Unilever PLC and the immediate holding Company is Unilever U K Holdings Limited. The Company has not disclosed transactions with fellow, wholly owned subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard 8 as the ultimate parent company produces publicly available consolidated accounts. These accounts are both the smallest and largest group to consolidate these financial statements. Copies of Unilever group accounts can be publicly obtained from Unilever PLC, Corporate Relations Department, 100 Victoria Embankment, London EC4Y 0DY.