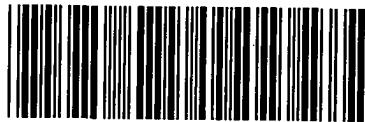


Registered Number: 8002675

UNILEVER UK GROUP LIMITED
REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER
2013

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Unilever UK Group Limited

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**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2013**

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Ms A J K Elphick
Mr R C Hazell
Mrs A L King (appointed 28 July 2014)
Mr J Thurston
Ms P A Finney (resigned on 3 September 2013)

SECRETARY

The New Hovema Limited in liquidation (resigned on 14 November 2013)
Ms A K Conway (appointed on 21 January 2014)
Mr R C Hazell (appointed on 21 January 2014)
Mr J Thurston (appointed on 21 January 2014))

REGISTERED OFFICE

100 Victoria Embankment
London EC4Y 0DY
United Kingdom

REGISTERED OFFICE OF ULTIMATE PARENT COMPANY

Unilever PLC
Port Sunlight
Wirral
Merseyside CH62 4ZD
United Kingdom

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London WC2N 6RH
United Kingdom

Unilever UK Group Limited**Directors' Report for the year ended 31 December 2013**

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2013.

Directors

The Directors of the Company who served during the year and up to the date of signing the financial statements are shown on page 1.

Principal activities, review of business and future developments

The principal activity of the Company is to act as a holding company. All expenses, including the remuneration of auditors, were borne by the ultimate parent undertaking or a fellow subsidiary.

The results of the Company show a loss on ordinary activities before taxation of £1,499,998,000 (2012: £2,648,000), which includes an impairment charge of £1,500,000,000 (2012: £Nil).

The Directors consider that, in the conditions prevailing during the period, the development of the Company's business and its financial position at the end of the period 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 the deterioration of the underlying businesses that support the investments held. Additional risks that this Company and the Unilever Group are subject to, and how they are managed, in the context of the Unilever Group as a whole is provided in the Unilever Group published annual report.

Dividends

The directors did not recommend the payment of a dividend (2012: £Nil).

Unilever UK Group Limited**Directors' Report for the year ended 31 December 2013 (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 prepared 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 these 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.

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 UK Group Limited**Directors' Report for the year ended 31 December 2013 (continued)****Going Concern**

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the financial support of the intermediate parent company Unilever UK & CN Holdings Limited. This support is expected to continue for the foreseeable future. The Directors confirm that they have complied with the above requirements in preparing the financial statements.

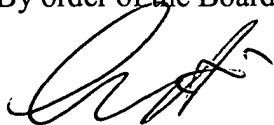
Independent Auditors

Next year, KPMG LLP will be in office as auditors of the Company in accordance with the provisions of Section 487(2) of the Companies Act 2006.

Strategic Report

The Company has taken advantage of disclosure exemptions available to small companies under Section 414B of Companies Act 2006, and not prepared a Strategic Report.

By order of the Board



Ms A K Conway

Company Secretary

Duly Authorised for and on behalf of the Board of Directors

Date: *15 September 2014*

Unilever UK Group Limited

Independent Auditors' Report to the Members of Unilever UK Group Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- Give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its loss 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Unilever UK Group Limited, comprise:

- The Balance Sheet as at 31 December 2013;
- The Profit and Loss Account for the year then ended;
- The accounting policies; and
- The notes to the financial statements, which include other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 report and accounts for the year ended 31 December 2013 (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Unilever UK Group Limited**Independent Auditors' Report to the Members of Unilever UK Group Limited
(continued)****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.

Other matters on which we are required to report by exception**Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration


Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit**Our responsibilities and those of the directors**

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 ISAs (UK & 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.



Nicholas Campbell-Lambert (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

Date: 15 September 2014

Unilever UK Group Limited
Profit and Loss Account for the year ended 31 December 2013

	<u>Notes</u>	2013 £000	22 March 2012 – 31 December 2012 £000
Impairment of investments	(1)	(1,500,000)	-
Administrative expenses	(2)	-	(2,648)
Operating loss		(1,500,000)	(2,648)
Interest receivable and similar income		2	-
Loss on ordinary activities before taxation		(1,499,998)	(2,648)
Taxation on loss on ordinary activities	(6)	-	-
Loss for the financial period	(11)	(1,499,998)	(2,648)

The notes on pages 10 to 15 are an integral part of these statements.

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

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

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

Unilever UK Group Limited

Balance Sheet as at 31 December 2013

	<u>Notes</u>	2013	2012
		£000	£000
Fixed assets			
Investments	(7)	1,573,500	3,073,500
Current assets			
Debtors: amounts falling due after more than one year	(8)	101	100
Creditors: amounts falling due within one year	(9)	<u>(2,547)</u>	<u>(2,548)</u>
Net current liabilities		<u>(2,446)</u>	<u>(2,448)</u>
Total assets less current liabilities		<u>1,571,054</u>	<u>3,071,052</u>
Capital and reserves			
Called up share capital	(10)	3,073,600	3,073,600
Capital reserve	(11)	100	100
Profit and loss account	(11)	<u>(1,502,646)</u>	<u>(2,648)</u>
Total shareholders' funds	(11)	<u>1,571,054</u>	<u>3,071,052</u>

The notes on pages 10 to 15 are an integral part of these statements.

The financial statements on pages 7 to 15 were approved by the Board of Directors on

15 September 2014 and were signed on its behalf by:



Ms A J K Elphick
Director

Unilever UK Group 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 period, are set out below.

Basis of preparation

The financial statements contain information about Unilever UK Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Unilever PLC, a company incorporated in England and Wales.

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.

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 rates current at the period end, and profits/ (losses) are taken through the Profit and Loss Account of the period.

Fixed Asset Investments

Investments in Group undertakings are entities controlled by the Company, where control is the power directly or indirectly to govern the financial and operating policies of the entity so as to obtain benefit from its activities. Associated company investments are entities in which the Group has a long-term interest and over which the Group has directly or indirectly significant influence, where significant influence is the ability to influence the financial and operating policies of the entity.

Fixed asset investments are carried at cost. A review is performed annually to assess for triggering events that indicate impairment and if required the net realisable value is assessed using a discounted cash flow (DCF) method.

Where the value of an investment is considered to have been permanently impaired, a carrying value below cost is employed and any impairment charge is taken to the Profit and Loss Account. The reversal of past impairment losses is recognised when the recoverable amount of a investment in a subsidiary has increased because a change in economic conditions.

Current Taxation

The charge for current income tax is based on the results for the period 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.

Unilever UK Group Limited

Notes to the Accounts for the year ended 31 December 2013

(1) Impairment of investments

	2013 £000	2012 £000
Impairment of investments	<u>(1,500,000)</u>	<u>-</u>

From 1 July 2013 Unilever adopted a new organisational structure in Europe. In this new centralised structure, all Marketing, Supply Chain, and other strategic business functions are carried out or procured for Unilever's European subsidiaries by Unilever Supply Chain Company A.G. ("USCC"). The goal of this new structure is to improve the competitiveness and performance of the Group's European business. As a consequence, Unilever's European subsidiaries (including the Company), who buy products from USCC to be distributed in their countries, operate with only limited risk. The remuneration they will receive in line with their functions, risks, and responsibilities will normally be less than the profits they made prior to the implementation of this structure. As a result of this change a total impairment loss of £1,500,000,000 was recognised for the investment held in Unilever UK Limited, writing it down to the recoverable amount.

(2) Administrative expenses

The operating loss is arrived at after crediting the following amounts:

	2013 £000	22 March 2012 – 31 December 2012 £000
Merger & Acquisition costs	<u>-</u>	<u>2,648</u>

(3) Auditors Remuneration

The fees for PricewaterhouseCoopers LLP in respect of the statutory audit for the current and prior year are borne by a fellow Unilever Group company, Unilever U.K. Central Resources Limited and amounts to £4,500 (£4,500 in 2012).

(4) Directors' Emoluments

No remuneration was received by the Directors from the Company. They are employed as managers by Unilever U.K. Central Resources Limited and are remunerated by that company in respect of their services to the Unilever Group as a whole.

(5) Employee Information

No employees were employed by the Company during 2013 (2012: £nil), therefore no employee costs were incurred by the Company (2012: £nil).

Unilever UK Group Limited

Notes to the Accounts for the year ended 31 December 2013 (continued)

(6) Taxation on Profit (or loss) on ordinary activities

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

	2013		22 March 2012 – 31 December 2012	
	£000	£000	£000	£000
On profit/(loss) for the period				
Current tax:				
UK corporation tax	-	-	-	-
Less: Double tax relief	-	-	-	-
Total UK taxation		-		-
Foreign taxation		-		-
Total taxation (charge)/credit on ordinary activities		-		-

The current UK corporate tax rate that has been used for the period is a hybrid rate of 23.25% (2012: 24.5%). This is on the basis that the rate changed from 24% to 23% as of 1 April 2013. A tax rate change to 20% (which has effect from 1 April 2015) has been factored into the UK deferred tax calculations. There is no effect of these rate changes as the Company has no deferred tax balance at the balance sheet date.

In addition, further reductions to the main rate are proposed to reduce the rate to 21% by 1 April 2014 (20% by 1 April 2015). These further changes were substantively enacted on 2 July 2013, before the balance sheet date, and therefore have been included in these financial statements. Such changes are not expected to have a significant effect on the deferred tax balance as the Company has no deferred tax balance at the balance sheet date.

The current tax assessed for the period is lower (2012: lower) than the standard rate of corporation tax in the UK (23.25%) (2012: 24.5%). The differences are explained below:

Unilever UK Group Limited

Notes to the Accounts for the year ended 31 December 2013 (continued)

(6) Taxation on loss on ordinary activities (continued)

	2013	22 March 2012 – 31 December 2012
	£000	£000
Loss on ordinary activities before taxation	(1,499,998)	(2,648)
Loss on ordinary activities multiplied by standard rate of corporation tax in UK of 23.25% (2012: 24.5%).	348,750	636
Effects of:		
Expenses not deductible for tax purposes	-	(636)
Impairment of investments not deductible for tax purposes	(348,750)	-
Current tax (charge)/credit for the period	-	-

There are no reconciling items relating to intra group transfer pricing adjustments in the tax reconciliation for 2013 as no intra group payment will be made for losses claimed or surrendered relating to such amounts.

The corporation tax creditor includes amounts payable to other group companies in respect of losses claimed by way of group relief. As noted above, no payment is made for losses claimed where taxable income arises as a result of transfer pricing adjustments.

Unilever UK Group Limited

Notes to the Accounts for the year ended 31 December 2013 (continued)

(7) Investments

	Shares in Group Undertakings £000
<u>Cost 1 January 2013</u>	3,073,500
31 December 2013	3,073,500
<u>Provision for impairment</u>	
<u>1 January 2013</u>	-
Impairment charge (note 1)	(1,500,000)
December 2013	(1,500,000)
<u>Net Book Value at</u>	
31 December 2013	1,573,500
31 December 2012	3,073,500

Investments in Group undertakings

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

Name of Company and Country of Incorporation/Registration	Descripti on of Shares Held	Proportion of Nominal Value of Shares held and of Voting Rights Direct %	Principal activity
United Kingdom			
Simple Health & Beauty Group Ltd	Ordinary	100%	Holding company
Unilever UK Ltd	Ordinary	100%	Foods and Home & Personal Care

In the opinion of the Directors, the value of the investments in the subsidiary undertakings, is not less than the aggregate amount at which they are shown in the Company's balance sheet.

Unilever UK Group Limited

Notes to the Accounts for the year ended 31 December 2013 (continued)

(8) Debtors

	2013 £000	2012 £000
Amounts falling due after more than one year		
Amounts owed by Group undertakings	101	100
Total	<u>101</u>	<u>100</u>

Amounts owed by Group undertakings relates to an interest bearing borrowing due from Unilever Finance International AG. The loan is rolled over each time at maturity including the interest due.

(9) Creditors

	2013 £000	2012 £000
Amounts falling due within one year		
Amounts owed to Group undertakings	2,547	2,548
Total	<u>2,547</u>	<u>2,548</u>

Amounts owed to Group undertakings include balances with Unilever U.K. Resources Ltd which are non-interest bearing, are unsecured and repayable on demand.

(10) Called up Share Capital

	2013 £000	2012 £000
Allotted and fully paid		
252,000,000 (2012: 252,000,000) ordinary A-shares of £ 1 each	252,000	252,000
2,821,500,000 (2012: 2,821,500,000) ordinary B-shares of £ 1 each	2,821,500	2,821,500
100,000 (2012: 100,000) ordinary C-shares of £ 1 each	100	100
	<u>3,073,600</u>	<u>3,073,600</u>

Unilever UK Group Limited

Notes to the Accounts for the year ended 31 December 2013 (continued)

(11) Reconciliation of movements in Total Shareholders' Funds

	2013 £000	2012 £000
Loss for the financial year	(1,499,998)	(2,648)
Capital contribution	-	100
Issue of share capital	-	3,073,600
Net addition to shareholders' funds	(1,499,998)	3,071,052
Opening shareholders' funds	3,071,052	-
Closing shareholders' funds	1,571,054	3,071,052

Reserves

	Capital reserve (distributable) £000	Profit and loss account £000	Total £000
As at 1 January 2013	100	(2,648)	(2,548)
Loss for the financial year	-	(1,499,998)	(1,499,998)
At 31 December 2013	100	(1,502,646)	(1,502,546)

(12) Related Party Transactions and Ultimate Parent Company

The ultimate parent company and controlling party is Unilever PLC and the immediate holding companies are Unilever UK & CN Holdings Limited and Alberto Culver UK Holdings Ltd, all companies are incorporated in the United Kingdom. The Company has not disclosed transactions with fellow, wholly owned subsidiaries in accordance with the exemption under the terms of Financial Reporting Standard 8 "Related parties disclosures" 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 and www.unilever.com.

(13) Parent company support

The intermediate parent undertaking Unilever UK & CN Holdings Limited has indicated its willingness to provide support to allow the Company to continue at its current level of operations for the foreseeable future.