

REPORT OF THE DIRECTORS

The Directors submit their Report and the Accounts for the year 1943, together with a Review by the Chairman.

The Balance Sheet, Profit and Loss Account and Statement of Consolidated Profits are in the form adopted last year and they are supplemented this year by a Consolidated Balance Sheet.

The results of Lever Brothers & Unilever N.V. (for convenience referred to as "N.V.") being again unavailable, this Report, for the fifth consecutive year, deals only with the accounts and results as such as to justify the Directors in recommending the payment of a dividend of 5%, the same as last year, on the Ordinary Stock and the appropriation of £700,000 to Special Contingencies Reserve. This Reserve, now raised to £3,600,000, is established to provide a corresponding dividend of equal value for the shareholders of N.V., should that company not have paid such a dividend. The provision is subject to certain conditions. Payments out of it can only be made when legally permissible and when normal relations have been resumed between the two companies after the war. It is an over-riding consideration that unless and until the authority of H.M. Treasury is given no holder of ordinary shares in N.V. can acquire any right or benefit under the arrangements.

Since the last Annual General Meeting the results of N.V. for 1942 have been published. No ordinary dividend was declared, but the profits available were sufficient to cover the preference dividends, and the Directors of LIMITED see no necessity for making any provision for the possibility of N.V. having failed to earn its preference dividends for 1943.

In the following comments on the Accounts, figures printed in italics represent the corresponding amounts for 1942, which, where necessary, have been adjusted to a comparative basis.

(A) PROFIT AND LOSS ACCOUNT AND APPROPRIATION OF PROFITS

	1943	1942
The Consolidated Net Profit for the year after providing for taxation is...	£ 8,079,742	£ 6,913,003
The Company's proportion of the profits, less losses, retained by subsidiary and allied companies in the form of an aggregate increase to their undistributed profits is	1,486,503	884,169
Leaving a Profit as shown by the Profit and Loss Account which includes the profits of subsidiary and allied companies only to the extent to which they have been declared as dividends of	<u>6,593,239</u>	<u>6,028,834</u>

The increase in the Consolidated Net Profit is due mainly to the incidence of taxation as the building up of the amount required to cover both the legal liability for income tax and the future net liability on profits to the date of the Balance Sheet was completed in 1942.

The larger amount retained by subsidiary and allied companies is due to further financial requirements of companies overseas.

The Directors propose that the profit shall be appropriated as set out in the Profit and Loss Account. These appropriations have been included in the Balance Sheet and, so far as the dividends on the Ordinary Stock and Preferential Certificates are concerned, are subject to confirmation by the members at the Annual General Meeting. All dividends are shown before deduction of income tax which is included in the figure of £3,073,812 (£3,066,764) shown as recoveries from dividends in the Statement of Consolidated Profits. Taxation provided by LIMITED itself is not shown separately in the Profit and Loss Account because the amount is only arbitrary, depending as it does upon the extent to which LIMITED exercises its right of recovering excess profits tax from other companies in the Group.

(B) BALANCE SHEET

The increase of £399,643 in the issued Ordinary Stock reflects the acquisition of the whole of the Ordinary Capital of Batchelor's Peas Limited referred to below. £9,989 of this Ordinary Stock was in fact issued early in 1944 but, as noted on the Balance Sheet, this is included in the amount shown as issued at 31st December, 1943, as the terms of the acquisition provided that the whole of such Stock should carry dividend rights as from 1st January, 1943.

Reserves

The General Reserve and the General Contingencies Reserve have now been combined as, both being free, their separation has no significance. The increase of £1,000,878 represents a surplus of £247,613 realised on the liquidation of a subsidiary company (The Aberdeen Steam Trawling & Fishing Company Limited), a net loss of £4,038 arising on the disposal of holdings in some partly owned companies, £7,303 statute barred dividends and £750,000 appropriated out of the profits of 1943.

Current Liabilities and Provisions

The provision for taxation is mainly the estimate of undischarged liability for excess profits tax for all companies for 1943 which come within the LIMITED Group for the purpose of this tax. Pending settlement of a claim now before the Court and information regarding certain businesses and assets in countries occupied by the enemy, excess profits tax has not been agreed with the taxation authorities for any part of the period during which it has been in force so that the provision for both excess profits tax and income tax is subject to adjustment when a settlement is reached. In the opinion of the Board, the amount provided to date is sufficient to cover any anticipated liability. No credit has been taken for any refund of excess profits tax under the provisions of Sec. 37 of the Finance Act, 1942.

Shares in Subsidiary and Allied Companies

The increase of £1,068,749 is due mainly to the acquisition of a controlling interest in Frosted Foods Limited and of the whole of the Ordinary Share Capital of Batchelor's Peas Limited. Some of the companies have interests in territories which, at the date of the Balance Sheet, were occupied by the enemy. Apart from providing against losses on current assets where information is available, no special provision has been made to meet any possible loss on the amounts invested in these territories as the free reserves of the LIMITED Group are amply sufficient for the purpose.

Lever Brothers & Unilever N.V. and its allied companies

A summary of the position of LIMITED and N.V. and the interests of each at 10th May, 1940, when Holland was invaded, was set out in the Directors' Report on the Accounts for the year 1939, and the position has not altered materially since. The amount of £2,827,546 (£2,827,546) shown as owing by N.V. is more than covered by amounts owing by subsidiaries of LIMITED to subsidiaries of N.V. As explained in previous Reports, balances on loan and current account between N.V. and its allied companies overseas, were transferred to LIMITED when the invasion of Holland took place. These balances at the rates of exchange of 31st December, 1943 (where available), had a net sterling value of £2,563,679 (£2,475,842) and are blocked for the duration of the war against a similar amount owing to N.V. in respect of such transfers.

(C) STATEMENT OF CONSOLIDATED PROFITS

The Aggregate Profit of £17,590,598 (£18,876,183) does not include any material profits or losses of an exceptional nature or any profits or losses of companies in enemy occupied territories. In cases where final settlements with the Ministry of Food for processing margins and supplies of goods have not yet been agreed, estimates have been included.

The profit on exchange of £1,000,113 (£1,947), shown separately, arises mainly from the revaluation of net outstanding balances in the liberated French Colonies and in Metropolitan France following the stabilisation of the rate of exchange. Except for approximately £200,000, all this amount is absorbed by excess profits tax; in view of the nature of this book profit, this £200,000 has been retained as a provision for future differences on exchange.

Compared with the provision of £1,977,633 (£2,055,680) for depreciation, the net capital expenditure amounted to £586,597 (£441,484) apart from expenditure on replacing assets lost by enemy action. The reduction of £132,834 in the charge for Debenture interest is due mainly to the redemption in the latter part of 1942 of the 5% Debenture Stock of LIMITED and the 4½% Debenture Stock of The British Oil & Cake Mills Limited.

In addition to £260,714 (£419,865) provided for deferred repairs, revenue has been charged with £1,910,489 (£1,821,246) for repairs and renewals.

The provision of £142,326 (£145,069) against losses on assets in enemy occupied territories represents mainly a further amount set aside against net outstanding claims in Metropolitan France. The increase in their sterling value consequent upon the adjustment of the exchange rate is included in the profit on exchange referred to above.

The amount of £6,676,796 (£6,873,686) shown under the heading of British taxation represents the provision in respect of the profits of the year for national defence contribution, excess profits tax and income tax after deducting recoveries from dividends. As previously mentioned, excess profits tax and income tax are subject to adjustment.

(D) CONSOLIDATED BALANCE SHEET

The Consolidated Balance Sheet must be read with certain qualifications in mind. The first of these is that, as the Directors have stated on previous occasions, they consider the submission of a statement which consolidates the balance sheets of a group of companies comprised in a world-wide undertaking, involving the conversion of various currencies into one common currency, may tend to be misleading and the Consolidated Balance Sheet now presented must serve as a general guide and no more to the position of the LIMITED Group as a whole so as to show the main trends in the employment of the Company's resources. With this in view, preparations were made a year ago to have comparative figures available. The statement is submitted subject to the comments set out below and to the fact that, as figures of the N.V. Group cannot be incorporated, no consolidation confined to the LIMITED Group can be regarded as presenting a complete picture.

An important group of companies, The United Africa Company Limited and its subsidiaries, make up their accounts to 31st August each year, and their figures and those of some other companies whose financial year does not coincide with that of LIMITED have been based on estimated balance sheets at 31st December, 1943. The figures shown separately for Stocks, Debtors and Creditors are therefore approximate; the Aggregate Working Capital, however, is substantially correct.

Liabilities and assets in foreign currencies have been converted into sterling at the rates ruling on 31st December, 1943, except Fixed Assets, which, so far as it was practicable have been converted at the average rate ruling in the year of acquisition.

The process of consolidation cannot be applied to the companies in enemy occupied territories, and the net book value of those interests is shown separately. The liberation of French Africa is reflected in the figures.

Other items calling for comment and not dealt with elsewhere in the Report are:—

(I) Issued Share Capital

The increase of £142,829 in the issued Preference and Preferred Ordinary Capital of subsidiary and allied companies is due to the inclusion at 31st December, 1943, of the £224,910 6% Redeemable Preference Capital of Batchelor's Peas Limited which is partly offset by a reduction of the outside holdings of other companies during the year.

(II) Capital Reserve

The amount shown is the premium on capital issued by the Parent Company as appearing in its Balance Sheet. The amount of £1,669,161 appearing in that same Balance Sheet as a capital reserve resulting from the valuation of shares in subsidiary and allied companies in 1937, together with the capital reserves in the balance sheets of those companies, has been deducted from Fixed Assets (see Item (VII)).

(III) Revenue Reserves

The amount of £199,062 shown at 31st December, 1942, as surplus on the liquidation of a subsidiary company represented the provisional amount arising on the disposal of the trawling fleet of The Aberdeen Steam Trawling & Fishing Company Limited referred to last year in the Review by the Chairman. The surplus realised was £247,613 and, as previously mentioned, this has been transferred to the General Reserve of the Parent Company.

The reason why "Reserves and undistributed profits (less losses) of subsidiary and allied companies" refer only to amounts retained since 1937 is that the amounts accumulated prior to that date were taken into consideration when valuing LIMITED'S holdings in that year and the Capital Reserve arising from this valuation has, as mentioned above, been deducted from Item (VII).

The amount of £4,473,770 (£4,064,281) shown as "Future net liability for British income tax" represents the liability on profits up to 31st December, 1943, falling to be assessed in subsequent fiscal periods, after allowing for the recovery of income tax from the fixed preferential dividends in respect of 1944.

(V) Long Term Liabilities

The amount of £1,384,229 shown under the heading of N.V. Group is the net balance of indebtedness of the LIMITED Group to companies of the N.V. Group in countries which were occupied by the enemy at the end of 1943.

(VII) Fixed Assets

In giving an indication of the amount invested in Fixed Assets, no attempt has been made to distinguish between premiums on shares of subsidiary and allied companies, goodwill and the so-called tangible assets such as land, buildings and plant. To separate the book values would have no significance as in the case of businesses acquired the allocation between them is only arbitrary and in the main all these depend for their value on their earning capacity.

The aggregate provision for depreciation and obsolescence does not represent the amounts set aside since the various interests were acquired. It represents a consolidation of the figures shown in the various balance sheets; thus it includes the provision set aside before the acquisition of interests in these companies.

In some cases past records are not available to show original costs and depreciation. The gross book value and the provision for depreciation are, therefore, somewhat understated.

(IX) Interests not consolidated

Under this heading is included the book value of shares in all companies in which less than 50% of the Ordinary Capital is held.

(X) Long Term Claims—N.V. Group Secured Loans

As stated in the Report on the 1939 Accounts, these loans are owing by a South African subsidiary of N.V. They are secured by a charge upon interests outside the British Empire and although certain of these interests are in countries temporarily occupied by the enemy, in the opinion of the Directors the present value of the remainder exceeds the amount of the loans by a considerable margin.

(XII) Current Liabilities and Provisions

The provision for replacement of ships lost by enemy action amounting to £839,554 represents compensation received in excess of their previous net book value. Where these ships have been replaced, the appropriate amount has been transferred to provision for depreciation in order to reduce the net book value of the new ships to approximate pre-war cost.

(E) BOARD OF DIRECTORS

Since the last Annual General Meeting, the Directors have appointed Mr. H. H. Bagnall to the Board.

In accordance with Article 83 of the Articles of Association, all Directors retire and, being eligible, offer themselves for re-election.

(F) AUDITORS

Messrs. Cooper Brothers & Co., and Messrs. Price, Waterhouse & Co., the joint auditors, retire and offer themselves for re-appointment.

By order of the Board,

L. V. FILDES

Secretary

REVIEW BY THE CHAIRMAN

(It will be proposed at the Annual General Meeting that this Review be taken as read, and there will be no speech from the Chair)

Much of the Company's activities are still bound up with Governmental war requirements, and for that reason the information given in this Review, to enliven the bare figures of the published Accounts, can only be on general lines.

Trading—Home

Soap Trade.—Rationing of domestic and toilet soaps has continued in Great Britain and Northern Ireland, raw materials being limited to 80% of pre-war consumption. Supplies of packing materials continued to be scarce, necessitating considerable effort in collecting empty containers for re-use.

Margarine Trade.—The Margarine Industry of the country continues to be carried on under the control of the Ministry of Food and there have been no material changes during the year. The Company continues to play an important part in the provision of vitamins for this product.

Seed Crushing.—This industry also continues under the control of the Ministry of Food. The total crushing in the country was somewhat less than in 1942; our companies maintained their share of it. The same has been the case with oils refined and hardened. Deliveries of animal feeding compounds were greater than in the previous year.

Other Foods.—The most important event was the purchase of Batchelor's Peas, Ltd., with the object of broadening the Company's interest in the Canning industry.

The operations of the food companies generally continued to be governed by the various controls. The volume was less than in the previous year. Dehydration of vegetables was undertaken for Government account.

Trading—Overseas

The contribution of Overseas Interests to the combined trading profits was 44% (37%).

Availability of supplies and restrictions on output were the main determinants of the volume of our overseas manufacturing businesses, which are located in eleven different Empire countries. Each presented new problems of its own, which were solved satisfactorily by the management on the spot. In total, soap sales were slightly less and edible sales slightly more than in 1942.

An interest in a soap and edible business has been acquired in Rhodesia which will permit the supply of specialties to this market on more favourable terms.

The United Africa Company by its activities in common with other traders on the West Coast has ensured the supply of West African products essential for war purposes, with results which have earned the commendation of the Governments concerned. Subsidiary companies in East Africa, Iraq and Syria have played a correspondingly important role. The United Africa Company and its subsidiaries look forward to taking part in any industrialisation of the Colonies which may receive the approval of the Government and appear to be economically sound; amongst the projects under consideration is the establishment of a ply-wood industry in Nigeria. In British West Africa the Company's pension arrangements have been extended to the permanent African staff at an annual cost of £40,000.

Capital Expenditure

This has been virtually at a standstill except for essential renewals. An urgent programme of renewals, modernisation and extensions involving very large capital outlay at home and overseas is accumulating for attention after the war.

Staff

Although the flow of staff to the Armed and Civil Defence Forces lessened during the year, it averaged none-the-less 180 a month. Of our regular peace-time employees in the United Kingdom, 11,600 were in the Forces or full-time National Service on the 30th June, 1944, as were 5,400 of the war-time staff. 327 had been killed or had died on Service; 230 were prisoners of war; 80 had earned Decorations apart from Mentions in Despatches. The scheme which was instituted at the beginning of the war of paying allowances to staff on National Service has been continued.

The total personnel employed by the Company and its subsidiary and allied companies in Great Britain and Northern Ireland at the end of the year was over 43,000, exclusive of those on National Service, and about the same number were employed overseas.

The capital accumulated in the Pension and Provident Funds increased during the year to £13,485,000. Except for £797,000, this capital is invested outside the business.

In view of the importance which the Board attaches to all matters affecting the well-being of the employees in both works and offices, they have appointed a Director, Mr. H. H. Bagnall, to be in charge of a new Personnel Department.

Members

The number of Stockholders at 31st December, 1943, was 196,438 and of Debenture holders 5,044.

Post-War Problems

Progress has been made in determining the general lines of the Company's organisation for ensuring expeditious handling of post-war problems at home and overseas.

Discussions with Lever Brothers & Unilever N.V. will be necessary before final decisions can be reached, but the time may be fast approaching when these will be possible. The more detailed study and planning that is required cannot be adequately tackled by the senior personnel remaining with the business; it is therefore hoped that the release of key personnel at present on National Service will soon be feasible.

The Current Year

Sufficient is known of the trend of earnings during the current year to show that they will not differ materially from those of 1943.

LEVER BROTHERS & UNILEVER LIMITED

BALANCE SHEET 31st DECEMBER 1943

1942 £		£	£	1942 £		£	£
	CAPITAL—		<i>Authorized</i>		SHARES IN SUBSIDIARY AND ALLIED COMPANIES—		
35,984,690	7% Cumulative Preference } <i>Ranking pari passu</i>	35,984,690	35,984,690		At Directors' valuation as at 31st December 1937 with		
2,360,000	5% Cumulative Preference }	4,015,310	2,360,000		additions at cost—		
15,655,173	8% Cumulative A Preference	40,000,000	15,655,173	66,977,048	Subsidiary companies	68,061,586	
2,287,312	20% Cumulative Preferred Ordinary	2,287,312	2,287,312	5,767,632	Allied companies	5,751,843	
13,210,707	Ordinary (including £9,989 issued in 1944)	59,031,438	13,610,350	72,744,680			73,813,429
100,000	Deferred	100,000	100,000				
69,597,882		141,418,750	69,997,525	3,008,844	FREEHOLD LAND, BUILDINGS, PLANT, OFFICE EQUIPMENT		
				903,745	AND LEASEHOLD PROPERTIES as at	3,618,088	
5,286,673	CAPITAL RESERVES—			2,705,099	Less : Provision for depreciation	979,862	
	Premiums on issues of capital	5,286,673		75,449,779			2,638,226
1,669,161	Surplus arising on the valuation of shares in subsidiary	1,669,161					76,451,655
6,955,834	and allied companies 31st December 1937		6,955,834				
					LOANS AND CURRENT ACCOUNTS (including dividends		
					receivable)—		
	REVENUE RESERVES—			8,683,910	Subsidiary companies	8,072,632	
	General	7,358,133		2,789,983	Sub-sub-sidiary companies	4,122,798	
6,357,255	Profit and Loss Account	1,819,510		11,115,468	Allied companies	11,104,557	
1,756,164			9,177,643	22,586,361			23,299,987
8,713,419					LEVER BROTHERS & UNILEVER N.V. AND ITS ALLIED		
2,900,000	SPECIAL CONTINGENCIES RESERVE		3,600,000		COMPANIES—		
87,567,135			89,731,002		Balances outstanding as referred to in paragraph (B)		
					of the Directors' Report :		
	DEBENTURE STOCK—				Claims on allied companies	2,675,729	
	Charged on the undertaking and property of the				Less : Owing to allied companies	112,050	
	company—						2,563,679
	4% Consolidated Debenture Stock—				<i>Deduct : Owing to Lever Brothers & Unilever N.V.</i>		
	Redeemable in full between 1st April 1943 and 1948 :				in respect of such balances	2,363,679	
7,922,042	Outstanding at 31st December 1942	1,876,279					
45,763	Redeemed and cancelled during the year	45,763					
1,876,279			1,830,516		Loan and current accounts owing by Lever Brothers		
					& Unilever N.V.	2,827,546	
	DEPOSITS AND CURRENT ACCOUNTS (less dividends receivable)—			2,827,546			2,827,546
	Subsidiary companies	6,633,577			CURRENT ASSETS—		
6,234,702	Sub-sub-sidiary companies	7,178,779		519,528	Debtors and payments in advance	541,237	
7,930,561	Allied companies	1,751,328	15,563,684	7,050,000	Tax Reserve Certificates	6,550,000	
1,434,557				500,936	Short term advances	50,181	
15,599,220				1,019,600	Balance at bankers and cash in hand	2,180,553	
				9,090,064			9,321,971
	CURRENT LIABILITIES AND PROVISIONS—						
	Debenture Stock called for redemption	3,040					
33,462	Interest on Debenture Stock (less income tax)	9,398					
9,826	Trade creditors, deposits and accrued liabilities	1,037,576					
1,090,054	Provision for taxation	2,241,536					
2,303,347	Provision for net dividends on Preferential Stock, and						
	on Ordinary Stock and Preferential Certificates subject						
1,477,427	to confirmation by the members	1,484,407					
4,914,116			4,775,957				
	NOTE.— There are contingent liabilities under guarantees and						
	agreements on account of subsidiary and allied						
	companies. Indemnities have also been given to subsidiary						
	and allied companies in respect of assets held by these						
	companies in enemy occupied territories.						
£109,956,750		£111,901,159		£109,956,750		£111,901,159	

REPORT OF THE AUDITORS TO THE MEMBERS

We report to the Members that we have examined the above Balance Sheet and have obtained all the information and explanations we have required. In our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st December, 1943, according to the best of our information and the explanations given to us and as shown by the books of the Company.

LONDON, E.C.

21st September, 1944.

COOPER BROTHERS & CO. }
PRICE, WATERHOUSE & CO. } *Chartered Accountants*

PROFIT AND LOSS ACCOUNT YEAR ENDED 31st DECEMBER 1943

1942 £		£	£	1942 £		£
	DIVIDENDS declared, subject to income tax, on—				NET PROFIT FOR THE YEAR 1943—	
	7% Preference Stock	2,518,904		6,028,834	As shown by the Statement of Consolidated Profits	6,593,239
	5% Preference Stock	118,000		1,737,312	BALANCE brought forward from 1942	1,756,164
	8% A Preference Stock	1,252,414				
4,346,779	20% Preferred Ordinary Stock	457,462	4,346,780			
	DIVIDENDS proposed on—					
	Ordinary Stock of 5% (subject to income tax)	680,518				
660,535	Preferential Certificates of the Co-Partnership Trust not					
52,668	yet commuted	52,595				
5,059,982			5,079,893			
700,000	SPECIAL CONTINGENCIES RESERVE		700,000			
250,000	GENERAL RESERVE		750,000			
1,756,164	BALANCE carried forward to 1944		1,819,510			
£7,766,146		£8,349,403		£7,766,146		£8,349,403

The profits of subsidiary companies are included in the above account only to the extent to which they have been declared as dividends; the balances of the profits not so declared are carried forward in the accounts of such companies and exceed the aggregate losses for the year of other subsidiary companies, which have been carried forward in their own accounts.

LEVERHULME Governor
GEOFFREY HEYWORTH Chairman

CONSOLIDATED ACCOUNTS

of Lever Brothers & Unilever Limited and all subsidiary and allied companies in which 50% or over of the Ordinary Capital is held excluding companies in enemy occupied territories

STATEMENT OF PROFITS YEAR ENDED 31st DECEMBER 1943

BALANCE SHEET 31st DECEMBER 1943

(To be read in conjunction with paragraph (C) of the Directors' Report)

(To be read in conjunction with paragraph (D) of the Directors' Report)

1942 £		1943 £	1942 £	SHARE CAPITAL, RESERVES AND LONG TERM LIABILITIES	1943 £
18,876,183	AGGREGATE PROFIT	17,590,598	56,287,175	(I) ISSUED SHARE CAPITAL—	£
1,941	Add:	1,000,113	12,764,048	Preference and Preferred Ordinary:	
	Profit on exchange	1,000,113	69,051,223	Parent Company	56,287,175
18,878,124		18,590,711	13,210,707	Subsidiary and allied companies	12,906,877
	Deduct:	£	50,000	Ordinary: Parent Company	69,194,052
2,055,680	Depreciation	1,977,633	82,311,930	Deferred: Parent Company (held by N.V. Group)	13,610,350
305,822	Debenture interest	172,988	5,286,673		50,000
112,777	War damage premiums	86,405	8,113,419	(II) CAPITAL RESERVE—	82,854,402
419,865	Provision for deferred repairs	260,714	199,062	Premiums on shares issued by the Parent Company	5,286,673
—	Provision for exchange differences	200,000	4,097,565	(III) REVENUE RESERVES—	
145,069	Provision for loss on assets in enemy occupied territories	142,326	4,064,281	Parent Company	9,177,643
3,039,213		2,840,066	16,474,327	Surplus on liquidation of a subsidiary company	—
			3,900,000	Reserves and undistributed profits (less losses) of subsidiary and allied companies since valuation 1937	5,584,068
			106,972,930	Future net liability for British income tax	4,473,770
			4,253,762	(IV) SPECIAL CONTINGENCIES RESERVE	19,235,481
15,838,911	AGGREGATE NET PROFIT before charging British taxation	15,750,645	1,383,501		3,600,000
	Deduct:		175,616	(V) LONG TERM LIABILITIES—	
9,940,450	British taxation:		5,814,879	Debentures	4,161,699
	On the profits of the year	9,750,608	2,108,076	N.V. Group	1,384,229
	Less:		£114,895,885	War damage contributions	134,326
3,066,764	Income tax recoveries from dividends	3,073,812	80,930,228	(VI) ORDINARY CAPITAL OF SUBSIDIARY AND ALLIED COMPANIES HELD BY OUTSIDE SHAREHOLDERS AND RESERVES AND UNDISTRIBUTED PROFITS ATTRIBUTABLE THERETO	2,410,697
6,873,686		6,676,796	18,928,227	AGGREGATE SHARE CAPITAL, RESERVES AND LONG TERM LIABILITIES	£119,067,507
	Adjustments relating to previous years and additional reserve for income tax	323,735	62,002,001	FIXED ASSETS AND LONG TERM CLAIMS	
893,493		6,353,061	6,300,798	(VII) PREMIUMS (LESS DISCOUNTS AND CAPITAL RESERVES), GOODWILL, LAND, BUILDINGS, PLANTATIONS, SHIPS, PLANT, OFFICE EQUIPMENT, MOTOR VEHICLES, ETC.	82,939,273
7,767,179			1,404,046	Less: Provision for depreciation and obsolescence	21,454,372
			11,499,000	(VIII) INTERESTS IN ENEMY OCCUPIED TERRITORIES	61,484,901
8,071,732	AGGREGATE NET PROFIT	9,397,584	£81,405,845	(IX) OTHER INTERESTS NOT CONSOLIDATED	4,866,146
	Deduct:		22,292,530	(X) LONG TERM CLAIMS—	
	Proportion attributable to the interests of outside shareholders of subsidiary and allied companies:		16,608,396	N.V. Group Secured Loans	11,499,000
	Preference and Preferred		1,214,094	AGGREGATE FIXED ASSETS AND LONG TERM CLAIMS	£79,370,654
1,140,504	Ordinary	1,134,614	7,552,500	WORKING CAPITAL	
18,225	Ordinary	183,228	505,924	(XI) CURRENT ASSETS—	
1,158,729		1,317,842	9,028,263	Stocks	26,824,549
			57,201,707	Debtors and payments in advance	18,818,933
			12,586,709	Investments	1,315,203
6,913,003	CONSOLIDATED NET PROFIT	8,079,742	189,115	Tax Reserve Certificates	7,455,000
	Deduct:		1,957,569	Short term advances	50,181
	The Company's proportion of the increase to the undistributed profits, less losses, of subsidiary and allied companies	1,486,503	5,402,819	Balances at bankers and cash in hand	12,034,641
884,169			1,008,396	(XII) CURRENT LIABILITIES AND PROVISIONS—	
			833,987	Creditors and accrued liabilities	13,454,820
			1,733,072	Interest accrued on debentures and debentures redeemable within one year	110,504
			23,711,667	Bank overdrafts	1,933,565
£6,028,834	NET PROFIT as per PROFIT AND LOSS ACCOUNT which includes the results of subsidiary and allied companies only to the extent of dividends receivable therefrom	£6,593,239	£33,490,040	Provisions:	
			£114,895,885	Taxation	7,426,564
				Replacement of ships lost by enemy action	839,554
				Deferred repairs	1,094,701
				Differences in exchange	200,000
				Dividends—net	1,741,946
				AGGREGATE WORKING CAPITAL	26,801,654
				AGGREGATE OF FIXED AND OTHER ASSETS AND WORKING CAPITAL	£39,696,853
					£119,067,507

LEVER BROTHERS & UNILEVER LIMITED

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of the above-named company will be held at Unilever House, Blackfriars, London, E.C.4, on Tuesday, the 24th day of October, 1944, at 11 a.m., for the following purposes, namely:—

- 1 To receive and consider the Annual Statement of Accounts and Balance Sheet and the Report of the Directors and Auditors thereon.
- 2 To sanction the declaration of dividends.
- 3 To elect Directors.
- 4 To appoint Auditors and fix their remuneration.
- 5 To transact any other ordinary business of the company.

The transfer books of the company so far as they relate to Ordinary Stock are closed and will remain closed up to and including 26th October, 1944.

Dated the 16th day of October, 1944.

By order of the Board,

L. V. FILDES

Secretary

If undelivered, please return to—

LEVER BROTHERS & UNILEVER LTD.,
PORT SUNLIGHT, CHESHIRE

6/11/44

LEVER BROTHERS & UNILEVER LIMITED

DIRECTORS

THE VISCOUNT LEVERHULME *Governor*
GEOFFREY HEYWORTH *Chairman*
SIR HERBERT DAVIS, C.B.E. } *Vice-Chairmen*
PAUL RYKENS }

HAROLD HALL BAGNALL
CROUDSON WILLIAM BARNISH
JAMES P. VAN DEN BERGH
SIDNEY J. VAN DEN BERGH
JOHAN WILLEM BEYEN
CHARLES HUGH CLARKE
JOHN HENRY HANSARD
ARTHUR HARTOG
JAMES LAURENCE HEYWORTH

RALPH ESTILL HUFFAM
RUDOLF G. JURGENS
ROWLAND HUNTLY MUTR
IZAK L. POLAK
FRANK SAMUEL
GEORGE SCHICHT
ARTHUR GODFREY SHORT
JAMES LOMAX SIMPSON

ADVISORY DIRECTORS

HORATIO BALLANTYNE

THE MARQUESS OF CARISBROOKE, G.C.B., G.C.V.O.

SECRETARY

LUKE V. FILDES

AUDITORS

COOPER BROTHERS & CO.

PRICE, WATERHOUSE & CO.