

# UNILEVER

REPORT & ACCOUNTS

1961

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# UNILEVER

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REPORT & ACCOUNTS

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# UNILEVER N.V.

## DIRECTORS

F. J. TEMPEL - CHAIRMAN

SIDNEY J. VAN DEN BERGH - VICE-CHAIRMAN

GEORGE COLE - VICE-CHAIRMAN

COLIN BAXTER	J. F. KNIGHT
J. P. VAN DEN BERGH	ANDREW M. KNOX
A. F. H. BLAAUW	P. KUIN
A. D. BONHAM CARTER	D. J. MANN
A. W. J. CARON	J. F. VAN MOORSEL
HAROLD HARTOG	F. J. PEDLER
M. M. VAN HENGEL	R. H. SIDDONS
A. J. C. HOSKYNS-ABRAHALL	A. H. SMITH
RUDOLF G. JURGENS	J. P. STUBBS
G. D. A. KLIJNSTRA	S. G. SWEETMAN
E. G. WOODROOFE	

## ADVISORY DIRECTORS

J. M. HONIG

K. P. VAN DER MANDELE

A. E. J. NYSINGH

PAUL RIJKENS

JHR. J. A. G. SANDBERG

## SECRETARY

E. A. HOFMAN

## AUDITORS

PRICE WATERHOUSE & Co.      COOPER BROTHERS & Co.

*This is a translation of the original Dutch report.*

## S A L I E N T P O I N T S

*All figures relate to the N.V. and LIMITED Groups combined*

1960		1961
Fl. 19,650,000,000	TURNOVER . . . . .	Fl. 19,321,000,000
14,757,000,000	OF WHICH THIRD PARTY SALES. . .	14,763,000,000
1,113,000,000	TRADING PROFIT . . . . .	1,020,000,000
571,000,000	TAXATION FOR THE YEAR . . . . .	528,000,000
20,000,000	EXCEPTIONAL PROFITS. . . . .	40,000,000
553,000,000	CONSOLIDATED NET PROFIT. . . . .	537,000,000
155,000,000	ORDINARY DIVIDENDS . . . . .	153,000,000
4.20 (21%)	N.V. (PER FL. 20 OF CAPITAL) . . . . .	4.20 (21%)
1s. 2.725d. (24.54%)	LIMITED (PER 5/- OF CAPITAL) . . . . .	1s. 2.87d. (24.79%)
358,000,000	PROFIT RETAINED IN THE BUSINESS . . . . .	344,000,000
6,473,000,000	CAPITAL EMPLOYED. . . . .	6,508,000,000
538,000,000	EXPENDITURE ON FIXED ASSETS (NET). . .	553,000,000
290,000,000	DEPRECIATION . . . . .	309,000,000

*In comparing the figures for 1961 with those for 1960 regard should be had to the effects of the revaluation of the guilder on 6th March, 1961, described on page 7.*

UNILEVER N.V. and UNILEVER LIMITED are linked by a series of agreements of which the principal is the Equalisation Agreement. This, inter alia, in effect equalises the rights of the ordinary capitals of the two companies as to dividends and, on liquidation, as to capital value, on the basis of Fl. 12 nominal of N.V.'s ordinary capital being equivalent to £ 1 nominal of LIMITED's ordinary capital.

# REPORT OF THE DIRECTORS FOR THE YEAR 1961

*to be submitted at the General Meeting of Shareholders  
to be held at Rotterdam on 2nd May, 1962*

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The Directors submit their Report and Accounts for the year 1961. These, as usual, combine the results and operations of the two Groups, UNILEVER N.V. ("N.V.") and UNILEVER LIMITED ("LIMITED"), with the guilder equivalents of all LIMITED figures calculated at the official parity at 31st December, i.e. £ 1 = Fl. 10.136 (31st December, 1960, £ 1 = Fl. 10.64).

The effect of the revaluation of the guilder on 6th March, 1961, is that the guilder value of figures in all other currencies apart from the German mark which was also revalued, is approximately 5% lower than it would have been without the revaluation. Regard should be had to this in comparing the figures for 1961 with those for 1960.

## RESULTS

The guilder value of the turnover, particulars of which are shown on page 12, went down from Fl. 19,650,367,000 to Fl. 19,321,268,000. Had all amounts in foreign currency been converted as if the guilder had not been revalued, however, the 1961 turnover would have been Fl. 19,924,401,000.

The guilder value of the trading profits fell by Fl. 92,740,000, from Fl. 1,113,190,000 in 1960 to Fl. 1,020,450,000 in 1961. Without revaluation it would have been Fl. 1,056,539,000.

Apart from the effects of revaluation on trading profits, a great part of the fall occurred in Africa, where the profits of both the United Africa Group and our plantations fell sharply. Profits also fell in the United Kingdom and some overseas countries. There was a marked improvement in the continent of Europe.

After charging taxation of Fl. 527,631,000 (1960: Fl. 570,635,000), the guilder value of the consolidated net profit in 1961 was Fl. 536,655,000—without



reevaluation it would have been Fl. 554,695,000—compared with Fl. 553,087,000 in 1960. \*)

Profit for the year after taxation, but before deducting loan interest, was equivalent in 1961 to 8.1% on the capital employed as compared with 8.7% in 1960. The returns on capital employed and on turnover for the last ten years are set out on page 28 and we show on page 29 a geographical analysis of capital employed and profit.

## DIVIDENDS

The proposed appropriations of the profits of the Parent Companies are shown in the consolidated profit and loss account (statement A). Interim dividends in respect of 1961 were paid on 7th December last on the ordinary capitals, of Fl. 1.60, or 8%, per Fl. 20 nominal amount of capital for N.V. and of 5.68d., or 9.47%, per 5/- ordinary share before deducting income tax for LIMITED. The Directors now recommend the payment of final ordinary dividends of Fl. 2.60, or 13%, per Fl. 20 nominal amount of ordinary capital for N.V. and of 9.19d., or 15.32%, per 5/- ordinary share before deducting income tax for LIMITED. This will make total dividends for 1961 of Fl. 4.20, or 21%, (unchanged) per Fl. 20 nominal amount of capital for N.V. and of 1s. 2.87d., or 24.79%, (1960: 1s. 2.725d., or 24.54%) per 5/- ordinary share before deducting income tax for LIMITED. The dividends for 1961 are equivalent in value under the terms of the equalisation agreement. The N.V. dividend is unchanged; the LIMITED dividend shows a slight increase as a result of the revaluation of the guilder.

It is proposed to make the final dividends on the ordinary shares of both companies payable as from 15th May, 1962, except that the dividends on the New York shares of N.V. and the American Depositary Receipts representing ordinary capital of LIMITED will be payable as from 5th June, 1962.

After payment of the recommended dividends for 1961 an amount of Fl. 343,569,000 remains to be added to the profits retained in the business which, on taking into account the adjustments set out in statement C, will then amount to Fl. 3,594,065,000.

## CONGO REPUBLIC

Last year we described the interests of the Unilever Group in the Congo and expressed confidence that, if order could be restored, our businesses would

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\*) In the LIMITED Report all figures are stated in sterling, and amounts in guilders and German marks, when converted into sterling, are higher than under the previous rate of exchange. In LIMITED the difference does not materially affect the comparison of the 1961 figures with those for 1960.

have a satisfactory future. The events of 1961 are too well known to need recapitulation here, but it is encouraging to note that there is at last some promise of improvement.

Within the limits allowed by events and the shortage of foreign exchange, our trading and manufacturing businesses have done well and continue to serve the community by making use of available local supplies to supplement reduced imports.

On the other hand, our plantations operations have been hampered by the disturbed conditions in a number of areas and we have not been able to harvest and ship all the produce available. As a result of substantial wage increases, lower production and exchange difficulties we have incurred losses.

We owe a great deal to our staff, both European and African, whose behaviour has continued to be magnificent. They have made light of frustration and discomfort and shown admirable steadiness in the face of danger.

Full provision has been made in the accounts for all known losses.

## TRADE INVESTMENTS

Our trade investments, which are mostly non-consolidated companies in which we own 50% or less of the ordinary share capital and other investments not held for sale, have more than doubled in the past decade. We propose to make a brief survey of these investments from time to time.

This year we have grouped with trade investments, after making appropriate provisions, the interests in Eastern Europe and China which were shown separately in previous consolidated balance sheets as "interests not consolidated".

The following table gives the geographical distribution of our holdings and shows our share of the net underlying assets at book value, as well as our share of the net profits, for the latest year for which information is available. \*)

	Book value 31st December 1961	Unilever share of	
		Net assets	Net profits after tax
Europe. . . . .	Fl. 115,158,000	Fl. 213,809,000	Fl. 24,560,000
Africa . . . . .	Fl. 31,797,000	Fl. 72,401,000	Fl. 10,653,000
Rest of the world .	Fl. 12,295,000	Fl. 13,329,000	Fl. 2,574,000
Total	Fl. 159,250,000	Fl. 299,539,000	Fl. 37,787,000

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\*) Our interest in the Leverhulme Trust, carried at a book value of Fl. 3,041,000, is excluded from this analysis, but short particulars of the Trust are given on pages 22 and 23.

An amount of Fl. 28,893,000, before deduction of tax, for dividends or interest on these investments is included in income from trade investments in the consolidated profit and loss account for 1961.

Nearly half the holding in Europe is LIMITED's 50% interest in Thames Board Mills Limited, which manufactures packaging materials. Another important investment in the United Kingdom is that in Allied Suppliers Limited which controls a group of companies engaged principally in the production and the wholesale and retail distribution of groceries and provisions. LIMITED's stake here consists of 12.4% of the ordinary capital carrying 33.2% of the votes.

## CAPITAL

During 1961 n.v. issued a nominal amount of Fl. 9,070,000 6% cumulative preference capital pending final settlement of the purchase price upon the acquisition of the share capital of N.V. Exportslachterij Udem, Gieten.

LIMITED issued a nominal amount of £ 270,225 ordinary capital as part of the consideration for the acquisition of the share capitals of two English companies—E. R. Holloway Limited, engaged in the production of plastic products, and Pinoya Holdings Limited, which produces detergents and bleaches.

In December, 1961 n.v.'s ordinary shares of Fl. 1,000, held by the public, were split into shares of Fl. 20, LIMITED's ordinary capital having been converted from £ 1 stock units into 5/- shares in October, 1961.

In 1961 we secured the official quotation of the Certificates issued by N.V. Nederlandsch Administratie- en Trustkantoor for ordinary shares of n.v. on stock exchanges in Switzerland and of registered ordinary shares of n.v., in a form specially created for this purpose, and American depositary receipts representing ordinary capital of LIMITED on the New York Stock Exchange. Thus today the ordinary shares or Certificates for such shares in n.v. are officially quoted in the Netherlands, the United Kingdom, the Irish Republic, France, Luxembourg, Germany, Switzerland and the United States and LIMITED's ordinary capital is officially quoted in the United Kingdom, the Irish Republic and the United States.

## THE BACKGROUND

The year was one of mixed trends. The United States economy began a strong recovery from recession in the spring but expansion was then checked in Europe. In the United Kingdom and some Continental countries production

actually fell during part of the year. Prices of most primary products were depressed. A number of countries, notably in Africa, had recourse to more stringent import and exchange controls.

There were a number of developments in the foreign exchange markets. The guilder and the German mark were revalued in March and sterling suffered from speculative pressure until the United Kingdom took stern measures to relieve it last July. The Canadian dollar moved to a significant discount against the United States dollar in June. The Brazilian cruzeiro depreciated very rapidly.

The United Kingdom profits tax rate was increased by a further  $2\frac{1}{2}\%$  to  $15\%$ , but tax rates on the Continent and in North America were generally unchanged. There were increases in some other overseas territories where we operate.

In Ghana a system of compulsory contribution to National Bonds was established and the tax laws were radically revised. The interpretation of this revision is still under discussion; it could have a serious effect upon our business.

## EUROPEAN ECONOMIC COMMUNITY

Important progress towards wider co-operation in Europe was made when negotiations were opened for full United Kingdom membership of the European Economic Community. If, as we hope, these negotiations and those for the linking of other countries lead to success, the European Common Market will account for more than half our third party sales. The extension of the European Economic Community will also make itself felt in other parts of the world. It is likely that some African Commonwealth countries will associate themselves with the Community on an equal footing with the former French colonies, and this would widen the duty-free area from which our businesses in the European Economic Community could draw supplies. The United States, another important supplier, is already taking steps to ensure freer trade with Europe.

The governments of the Six have decided to embark upon the second phase of the transition towards a full economic community as from 1st January 1962; the passage to the third and last phase can only be stopped by a unanimous vote. Thus the advent of the European Economic Community is virtually certain and this is a considerable factor in the planning of our business. We see fiercer competition and greater opportunities ahead; both are a challenge to our management.

## TURNOVER

Turnover outside the Netherlands for the first two months of the year has been converted at the rates of exchange ruling before revaluation of the guilder and for the last ten months at the rates ruling after revaluation. Without revaluation the turnover would have been Fl. 19,924,401,000, as stated on page 7.

The spread of turnover over the different commodity groups and other sections of Unilever operations is given in the following table, from which it will be seen that there was some increase in the guilder value of sales to third parties notwithstanding the revaluation of the guilder.

1960			1961			
%	Fl.	Tons		Tons	Fl.	%
16	3,149,089,000	1,751,000	Margarine, edible oils and fats . . .	1,703,000	3,016,338,000	16
16	3,238,890,000	1,788,000	Detergents . . . . .	1,846,000	3,268,164,000	17
22	4,379,679,000	3,846,000	Oils and fats mainly for use within the organisation . . . . .	3,805,000	4,146,429,000	22
13	2,462,660,000		Fresh, quick-frozen, canned and other processed foods, including ice cream		2,765,631,000	14
2	438,145,000		Toilet preparations . . . . .		434,089,000	2
9	1,679,460,000	4,959,000	Animal feeding stuffs . . . . .	5,085,000	1,617,362,000	8
			Miscellaneous manufactures (includ- ing printing, packaging, chemicals and glycerine) . . . . .		997,868,000	5
5	938,118,000		Produce (mainly tropical produce handled by the United Africa Group), including timber products		574,537,000	3
4	733,756,000		Merchandise (mainly handled by the United Africa Group) . . . . .		2,204,166,000	11
12	2,353,887,000		Services (including ocean, river and road transport) . . . . .		296,684,000	2
1	276,683,000				19,321,268,000	100
100	<u>19,650,367,000</u>		Total value . . . . .		<u>19,321,268,000</u>	100
	Fl.		Represented by:		Fl.	
	14,757,339,000		Sales to third parties . . . . .		14,762,507,000	
	4,570,412,000		Supplies of marketable products and services within the organisation . .		4,312,884,000	
	322,616,000		Value of produce purchased for the Commonwealth West African Mar- keting Boards . . . . .		245,877,000	
	<u>19,650,367,000</u>				<u>19,321,268,000</u>	

Supplies of marketable products—for use as raw materials—and services by one industry to other industries within the organisation are included to provide a proper ratio of turnover to capital employed and profits earned.  
Produce purchased for the Commonwealth West African Marketing Boards is included on the basis of prices controlled by statutory bodies.

The geographical pattern of the turnover was as follows:—

	1959		1960		1961	
	Fl.	%	Fl.	%	Fl.	%
Europe . . . . .	11,689,934,000	61	12,031,020,000	61	11,831,824,000	61
Africa . . . . .	3,239,869,000	17	3,437,358,000	17	3,097,607,000	16
North and South America . .	2,481,929,000	13	2,474,428,000	13	2,646,691,000	14
Rest of the World . . . . .	1,604,044,000	9	1,707,561,000	9	1,745,146,000	9
Total . . . . .	<u>19,015,776,000</u>	<u>100</u>	<u>19,650,367,000</u>	<u>100</u>	<u>19,321,268,000</u>	<u>100</u>

## MARGARINE AND OTHER EDIBLE FATS

Sales for the last three years (in tons) were:—

1959	1960	1961
1,653,000	1,751,000	1,703,000

Butter was nearly everywhere cheaper and more plentiful. Sales and profits of our best quality margarines suffered as a result, but the effect on total edible fat sales and profits was not important.

### EUROPE

In the Netherlands butter prices were lower as a result of restricted opportunities for export, and home sales increased. Our share of the margarine market in this country showed a good recovery thanks to improved sales of Blue Band and the introduction of Zeeuws Meisje. Turnover of Planta also increased.

In the United Kingdom, in addition to heavy imports, the home production of butter was the highest since the war and the cold stores were heavily stocked almost the year through. The glut kept prices down and as a result Summer County sales were lower, Blue Band's less so, even though some butter could be bought at the same price or cheaper. Stork sold well with only a slight fall in tonnage and we sold more cooking fats.

In France we sold more Astra, our standard brand, but less of the higher quality Planta. Sales of Rama, our leading German margarine, also sagged, though it kept its share of the market. Solo did well in Belgium where there was a sustained rise in sales and a reasonable profit.

Our new Spanish business, acquired in 1960, is forging ahead; sales went on rising in Turkey, and were also up in Sweden and Switzerland. They were lower in Finland where our business suffered from adverse publicity prompted by agrarian interests.

### OTHER COUNTRIES

In the United States we sold less margarine but more "shortening" (cooking fat).

In India, fluctuations in the price of local oils made it a difficult year for our edible fats business and sales and profits fell. We made more profit in South Africa; our sales went up in Indonesia, in face of raw material shortage, and in most other overseas countries.

## DETERGENTS

Sales for the last three years (in tons) were:—

1959	1960	1961
1,787,000	1,788,000	1,846,000

Turnover was up and brought better profits than last year, the increase being almost wholly in non-soapy detergents.

### EUROPE

The Netherlands achieved higher sales, with Omo and Sunil going well and Radion still standing at the head of the soap powder market. Vim, our scouring powder, did better in sales and market share here and also in Belgium, where, answering fierce competition, we climbed higher in the washing powder market with bigger sales and profits.

In the United Kingdom, Persil\*) was improved and its sales climbed yet again, reinforcing its position as the leading washing powder. Omo and Surf again lost ground, but improved formulae for both Lux Liquid and Quix caused a sharp rise in sales. The acquisition of Pinoya Holdings Limited strengthened our hand in the liquid detergent market with the addition of Szezy and Stergene. This company also brought into our orbit the well known bleach Domestos.

Omo made especially good headway in its first full year in Germany, where we also sold more Lux Liquid, so that profits were lifted to a more reasonable level. Keen competition in France put sales a little below those of 1960; but then there was a trading loss, in 1961 a small profit. We sold more in Italy, Austria, Portugal, Spain and Finland, but in the other Continental countries about the same as last year.

### OTHER COUNTRIES

New and improved products raised sales figures in the United States to a new level, bringing a full recovery from last year's set-back, and profits improved.

It was another good year for sales and profits in India. In Australia and South Africa we fought concentrated competition and as a result profits fell. In Indonesia we could not get enough raw materials.

In Brazil the first full year's operations were successful for Gessy Lever, the new company formed by merging Companhia Gessy Industrial with our existing organisation.

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\*) Persil is one of our brands in the British Commonwealth, France and elsewhere, but not in the Netherlands, Belgium, Germany and several other countries.

# FOODS

Sales for the last three years were:—

1959	1960	1961
Fl. 2,301,921,000	Fl. 2,462,660,000	Fl. 2,765,631,000

The housewife has continued to give us more of her custom in all major countries; but the spirited bidding for her favours has kept up the pressure on profit margins. Some of our newly started businesses have not yet got into their full profit-making stride.

## QUICK-FROZEN FOODS

A mild spring throughout Western Europe meant that we sold less than planned. In the Netherlands and Belgium sales were up but profits were disappointing. We experimented with a service for the supply of complete quick-frozen meals to institutions with encouraging results. In the United Kingdom, notwithstanding the mild spring, we had sold appreciably more by the year's end than in the previous year. The German business gained momentum, and in New Zealand sales and profits were up.

## SOUPS

The dried soup market was highly competitive in most countries, especially in North America and Argentina. Nevertheless, we sold more, particularly in South Africa. In Germany we entered the market in canned soup.

## ICE CREAM

A year of vigorous expansion rewarded us with higher sales. The results in Germany and Austria were particularly encouraging.

In Denmark, we have acquired two companies, Kronborg Fløde Is and Københavns Fløde Is. A majority interest in Gille Glass now gives us a foothold in the Swedish market.

In the United Kingdom, a determined invasion by mobile vendors made some inroad into the market, but our sales nevertheless turned out to be greater than in 1960.

The South African business expanded further. The Streets Ice Cream Limited business in Australia showed promising progress and by the acquisition of J. P. Sennitt & Son Proprietary Limited we extended our business to the State of Victoria.



Thomas J. Lipton Inc. bought the Good Humor Corporation of Baltimore and New York. This company is a leader in the field of "speciality" ice creams.

#### CANNED PRODUCTS AND PRESERVES

In the Netherlands, the United Kingdom and Sweden we advanced a little, more so in New Zealand, but competition is severe in the canning industry.

#### FISH

Mac Fisheries' business in the United Kingdom achieved a higher turnover. As modernisation of the shops proceeds, the trend towards larger units brings with it a reduction in the number of branches which now total 399. In Germany there were poorer catches by our trawlers, though the rest of the business improved its turnover.

#### MEAT PRODUCTS

In the Netherlands a shortage of labour at Oss and higher hog prices were adverse factors for N.V. H. Hartog's Fabrieken. Through the acquisition of N.V. Exportslachterij Udema, Gieten, we were able to alleviate the labour problem and to broaden our materials supply base.

T. Wall & Sons' meat sales in the United Kingdom were a new record and profits improved.

In Germany we bought a well-equipped factory from the firm of Emil Schafft at Ansbach.

#### TEA

In the United States, Thomas J. Lipton Inc. once more put up both turnover and profit.

#### CHEESE

We went steadily forward in Germany and Italy with processed cheese, and towards the end of the year began producing it in Belgium.

#### OTHER FOOD PRODUCTS

Gratifying gains in turnover and profit were made with salad dressings in the United States. In Australia and Sweden we now sell instant mashed potatoes. In the United Kingdom we developed a new product, Surprise Peas, based on a new dehydration process and this was tried out in test areas with encouraging results. Research and development work on dehydration of other products continues.

## TOILET PREPARATIONS

Sales for the last three years were:—

1959	1960	1961
Fl. 404,958,000	Fl. 438,145,000	Fl. 434,089,000

A sharp drop in turnover in the United States was more than offset by an increase in toilet preparations sales in most other countries, but this is not reflected in the turnover figures owing to the revaluation of the guilder. Profits were below those of 1960 chiefly owing to the drop in sales in the United States.

### EUROPE

The demand for SR toothpaste grew yet again in the United Kingdom, and Pepsodent sales were a record; but Signal, the striped toothpaste, did not attain the high figure of 1960, its introductory year. Sunsilks and Clinic shampoos were in popular demand and a new cosmetic shampoo, Two-Step, was put on the market. Continental sales were boosted by the successful launching of Signal in a number of countries. Shampoo sales went on climbing in the Netherlands, Germany, Austria, Switzerland and Denmark. In Germany we again sold more hair cream, which is also going well in Austria and Denmark and was introduced into France and Finland.

### OTHER COUNTRIES

In North America our toothpaste sales and profits gave ground before fierce competition, but new products have been introduced to restore our position.

Sales of striped toothpaste developed in South Africa, the Rhodesias and Australia, and it was well received on its first appearance in New Zealand, Thailand and Malaya. There was good progress with Pepsodent in Argentina, Venezuela and several other countries.

## ANIMAL FEEDING STUFFS

Sales for the last three years (in tons) were:—

1959	1960	1961
4,927,000	4,959,000	5,085,000

Sales and profits were higher than in 1960, and we were able to pass on to the customer the benefit of lower raw material prices in some countries.

The turnover of compound foods was greater in the Netherlands and profits improved.

In the United Kingdom sales of cattle and calf foods were a little lower but, with the rise in pig numbers and a further growth in the broiler industry, we sold more pig and poultry foods. Profits of The British Oil & Cake Mills Limited and of The British Extracting Company Limited rose, while R. Silcock & Sons Limited also had a good year.

The two compound businesses in France in which we last year bought a majority interest lifted our sales to a higher figure than we had thought probable; net income from feeding stuffs also increased, but less than expected.

## CHEMICAL, PAPER AND OTHER INDUSTRIAL INTERESTS

### NETHERLANDS

Unilever-Emery N.V. and its subsidiary N.V. Koninklijke Stearine Kaarsenfabrieken "Gouda-Apollo", Gouda, increased their turnover. At the beginning of 1961 Gouda-Apollo's results were adversely affected by price fluctuations in its raw materials but later in the year the markets settled down.

### UNITED KINGDOM

In another year of lively wrestling for business, sales of Crosfield's chemicals and Price's oleochemicals were down, with profit margins pared. John Knight's tallow and glue business drew benefit from better trading conditions, and the purchase of Fixol and Stickphast Limited will be a useful addition to the business in industrial adhesives. E. R. Holloway Limited, whose main trade is in plastic bottles and similar products, progressed satisfactorily.

### GERMANY

In our paper and packaging businesses we are engaged on a substantial expansion programme. Sales were higher and profits were maintained at a satisfactory level.

### CANADA

We added waxes and polishes to our range of consumer goods by buying Success Wax Limited.

## PLANTATIONS

Our planted area in the Congo, Nigeria, the Cameroons, Gabon, Malaya, North Borneo and the Solomon Islands was 90,000 hectares at the end of 1961, 3,000 hectares more than in 1960. Arrangements were made for the sale of our small oil palm plantation in Ghana to the Government Agricultural Development Corporation.

In the Congo the political situation had its inevitable effect on output, and at the close of the year the worst floods for many years added natural difficulties to those made by man.

Production of the main crops (in tons) for the last three years has been:

	1959	1960	1961
Palm Oil . . . . .	69,500	72,700	58,600
Palm Kernels . . . . .	32,000	33,200	26,600
Rubber . . . . .	9,100	9,400	9,100
Copra . . . . .	5,100	5,200	5,400

With output reduced, and lower world prices, particularly for palm kernels and rubber, the value of what we sold, at Fl. 70 million, was down on last year. Profits fell steeply, due to low production and the heavy expense of operating in the disturbed conditions of the Congo.

No fresh major projects were begun, but the first plantings were made in our new 2,400 hectare oil palm venture in British North Borneo.

## UNITED AFRICA GROUP

In 1961 the Group pushed ahead with its activities against a chill wind of economic uncertainties. Despite the widespread disruption in the Congo, it achieved better results there than in 1960. In accordance with the wishes of the governments of certain of the countries in which it operates, the United Africa Group is steadily moving out of the produce trade. In the merchandise field, too, it is reducing its distributive trade in the more straightforward lines which can readily be handled by indigenous traders, while continuing to expand its specialised and technical operations and to establish new industries. Ministerial statements have endorsed these policies.

As a result, turnovers will tend to fall and the year's total turnover (including merchandise sold, produce handled and services supplied, but excluding the operations of companies in which the Group is a minority shareholder) fell from Fl. 3,137 million to Fl. 2,828 million. The value of produce handled was brought down from Fl. 638 million to Fl. 507 million, and merchandise sales fell from Fl. 2,330 million to Fl. 2,159 million. The Group's trading profits were much lower than in 1960 and yields on capital employed deteriorated.

The Group promoted increasing numbers of Africans to positions of management and enlarged the scope of its training scheme.

### COMMONWEALTH WEST AFRICA

Business in Commonwealth West Africa was good until in Ghana fiscal and other measures introduced by the Government to curb inflation made trading

conditions there more difficult while in Nigeria, in the second half of the year, sales were depressed and margins reduced by diminishing demand and heavier competition. We did better in Sierra Leone. Notwithstanding our policy of gradual withdrawal, profits from the restricted activities of produce buying were satisfactory. Fresh investments were made in a number of industries, including an ice cream plant in Nigeria and a plymill in Ghana; and we are examining or have already committed ourselves to other manufacturing investments, in particular a substantial one in textiles. Technical trading operations were brought under a single company, United Africa Mechanical and Electrical Company Limited (Uamec). The Apapa branch of Kingsway Stores was opened, and another store should be ready in Ibadan towards the end of 1962. The demand for commercial vehicles weakened in both Nigeria and Ghana. In spite of greater operating costs for our timber businesses in both Ghana and Nigeria, the year's work gave cause for satisfaction.

#### FRENCH-SPEAKING TERRITORIES

Except in Guinea, and to some extent in Mali, the Group maintained its produce turnover and increased its merchandise turnover and profits. Here also the Group is weaving a fresh pattern for its business, discarding staple commodities and moving towards more specialised or technical activities.

#### EAST AFRICA

Tanganyika had a year of stability culminating in independence. In Uganda and Kenya political and economic difficulties depressed our business and the technical and motor sides were run at a loss.

#### MIDDLE EAST, MOROCCO, CANARY ISLANDS

The Iraqi company again proved profitable. Our merchandise business in Morocco suffered from the effects of a poor harvest and worsening terms of trade, but our business in the Canary Islands yielded a good profit.

#### TRANSPORT

Palm Line put three new vessels into service, bringing its fleet up to 24 ships. There was less trade about and a weightier burden of costs brought profits down to below last year's.

### EXPORTS

Our export sales from the Netherlands and the United Kingdom (including United Africa Group merchandise) were:—

	1959	1960	1961
Netherlands. . . . .	F1. 350,333,000	F1. 378,795,000	F1. 369,119,000
United Kingdom . . . . .	F1. 593,137,000	F1. 606,544,000	F1. 565,922,000

The United Africa Group exports from the Netherlands and its exports of merchandise from the United Kingdom were both slightly lower.

It was a frustrating year for our Netherlands export business. Revaluation of the guilder hindered us, and our meat products trade, especially with the United States, suffered. Some Middle East countries imposed increased tariffs to protect local industry and this hampered our exports of edible fats from the Netherlands.

We managed to keep United Kingdom exports of detergents, toilet preparations, edible fats and other foods at a high level. Profits too were good. The situation was not helped by the great difficulty in getting Congolese import licences and the imposition of heavier duties, coupled with import licence restrictions, on shipments into Ghana.

## RESEARCH AND DEVELOPMENT

The trend in the research and development departments of Unilever throughout the world in 1961 has been, as it will continue to be, towards intensifying basic studies in order to strengthen the foundations upon which new and better products will be built. This pursuit of knowledge of first importance to the future of Unilever's operations is long-term; and it is being carried out without slackening the effort put into immediate product development and protection of the worth and quality of what already exists.

The end of the year saw 4,200 people at work on research and development in Unilever, 17% more than in 1960.

In 1961 Unilever bought the British Ministry of Food's establishment at Aberdeen where extensive research—with which we have for many years been associated—has been conducted on techniques of dehydration.

At Noordwijk in the Netherlands we sponsored a symposium on the physics of surface activity which was attended by some of the world's leading scientists in this field.

## FINANCE

The guilder value of our cash resources (bank balances and investments, less short term borrowings) declined by Fl. 161 million, from Fl. 581 million to Fl. 420 million, in 1961. It should be borne in mind that because of the revaluation of the guilder all our companies' cash resources in foreign currencies, except German marks, are included in the total at the beginning of the year at higher rates of exchange than at the end. After the necessary adjustment of Fl. 17 million, the decline in cash resources is Fl. 144 million and is explained by the following summary of the movements in 1961 (in Fl. millions):

#### SOURCE OF FUNDS:

Profits retained provided . . . . .	344
Depreciation charged against profits amounted to . . . . .	309
Other sources contributed (balance) . . . . .	4
	<hr/>
So that available funds were . . . . .	657

#### USE OF FUNDS:

Expenditure on fixed assets (net) was . . . . .	553
Acquisitions paid for in cash cost. . . . .	104
Working capital other than cash increased by . . . . .	144
	<hr/>
Thus, total funds absorbed were . . . . .	801
and cash decreased by . . . . .	144
	<hr/> <hr/>

Some subsidiaries of N.V. made use of the favourable conditions on the capital market of the Netherlands and took up from various institutional investors a number of long term loans totalling Fl. 130 million. Interest is at  $4\frac{1}{2}\%$  and the period of the loans varies from 20 to 25 years. Of these loans Fl. 18 million was received in 1961 and is included in "other sources" above; the balance has been or will be received in 1962.

Expenditure on fixed assets (net), at Fl. 553 million, continued to increase (1959: Fl. 439 million; 1960: Fl. 538 million), and is estimated to be higher in 1962.

Acquisitions paid for in cash absorbed Fl. 104 million, compared with Fl. 172 million in 1960.

We expect our financial resources to be sufficient to meet requirements for 1962.

## THE LEVERHULME TRUST

The entire ordinary capital of Lever Brothers Limited, now called Unilever Limited, was held by William H. Lever, who later became the first Viscount Leverhulme, for virtually the whole of the time from the formation of the Company in 1894 until his death in 1925. By his Will, he left half this ordinary capital to trustees, to be held in trust for a period which it is estimated will end about the year 2025.

The Will directed that persons appointed as trustees should always if possible be Directors of the Company, and the present trustees are Lord Heyworth, a former Chairman of LIMITED; Viscount Leverhulme, an Advisory Director of

LIMITED; Mr. R. E. Huffam, a former Director, and Mr. George Cole, the present Chairman of LIMITED. The trustees were directed not to sell the shares, and today the Trust owns £ 6,338,118 nominal of ordinary shares in LIMITED. This is about 19% of the total issued ordinary capital and about 7% of the voting capital of LIMITED.

Under the Will the Trustees were directed to apply 20% of the annual income, which later through the failure of another bequest became 25%, to certain charities, and to the provision of scholarships for purposes of research and education. Under this head the Trustees today contribute about £ 225,000 annually to Universities and other research centres and to Leverhulme Research Awards.

The Trustees were also directed by the Will to pay a proportion of the Trust's income, ultimately fixed at 62½%, to the Directors of Lever Brothers Limited and the Chairmen of its associated companies.

With the merger of Lever Brothers Limited and N.V. Margarine Unie/Margarine Union Limited in 1930 it became inappropriate for the holders of offices in the Lever Group to receive benefits under the Will to which the holders of corresponding offices in the Margarine Unie Group were not entitled. Accordingly a subsidiary of Unilever Limited purchased the existing rights of the persons then entitled to a share in the income, and today all persons appointed to any such offices renounce their rights in favour of a subsidiary of LIMITED. The result is that 62½% of the Trust income, amounting to about 12% of the aggregate ordinary dividends paid by LIMITED, goes to one of its subsidiaries. The amount in 1961 was Fl. 10,025,000 before deduction of tax and is included as part of income from trade investments in the consolidated profit and loss account.

In view of the remoteness of the termination of the Trust the ultimate distribution of its capital will almost certainly require direction by the Courts but, so far as can be foreseen, no part of the capital will go to LIMITED or any of its subsidiaries.

## CAPITAL PROJECTS

Among major projects completed in 1961 were a new cold store and further production facilities for frozen food at Hoogeveen in the Netherlands, the new technical centre for chemical products research and development at Warrington and a new mill for animal feeding stuffs at Port Sunlight in the United Kingdom. In Sweden our new margarine factory at Lidingö was officially opened. A new printing works in Austria and a new edible fat factory in Morocco both began operations.



Extra means of making liquid and tablet detergents in the United States were provided at St. Louis and Los Angeles, and plant for synthetic detergents was installed in Malaya and at Manila in the Philippines.

Projects which will involve a total expenditure of Fl. 620 million were approved in 1961; the most important are listed below:—

MARGARINE AND OTHER EDIBLE FATS:	Fl.
Production facilities in West Berlin, Germany. . . . .	2,800,000
Modernisation of margarine plant at Cleves, Germany. . . . .	4,100,000
Hydrogen plant at Edgewater, U.S.A. . . . .	2,400,000
DETERGENTS:	
Production units in U.S.A., Brazil, Nigeria and Pakistan . . . . .	25,200,000
FOODS:	
Extension of processing and storage facilities for quick-frozen foods in:	
Great Britain . . . . .	10,100,000
Germany . . . . .	8,400,000
Extension of manufacturing, storage and distribution facilities for ice cream in:	
Great Britain . . . . .	6,400,000
Germany . . . . .	7,300,000
France . . . . .	6,100,000
Australia . . . . .	3,200,000
Purchase and modernisation of supermarkets and shops for Mac Fisheries, Great Britain . . . . .	10,100,000
Further development of meat factories, London and Godley, Great Britain . . . . .	5,900,000
Extension of dried vegetable production capacity in Great Britain . . . . .	2,100,000
Extension of fish shops in Germany . . . . .	2,700,000
Factory for production of dried milk and ghee at Etah, India . . . . .	10,700,000
Factory for production of potato flakes at Ballarat, Australia . . . . .	5,100,000
Factory for production of salad dressing at Independence, U.S.A. . . . .	9,100,000
Factory for production of tea, soup and salad dressing at Bramalea, Canada . . . . .	9,300,000

OIL MILLING AND ANIMAL FEEDING STUFFS:	Fl.
Modernisation and extension of compound manufacturing and warehousing facilities in Great Britain . . . . .	8,500,000
Erection of silos at Hamburg, Germany . . . . .	6,400,000
PAPER AND PACKAGING:	
Extension and reorganisation of paper factories, Germany . . . . .	30,300,000
PLANTATIONS:	
Extension and replanting of oil palm plantations, Malaya . . . . .	5,400,000
Erection of new press mill, Malaya . . . . .	5,500,000
GENERAL:	
Motor vehicles (less sales of old vehicles) . . . . .	52,500,000
Storage and distribution depots in Great Britain . . . . .	6,900,000
Housing and welfare facilities for employees . . . . .	13,800,000
Extension of research facilities, Vlaardingen, Netherlands . . . . .	5,400,000
Extension of research building, Port Sunlight, Great Britain . . . . .	2,500,000
New food research laboratory and office block (for Thomas J. Lipton Inc.) at Englewood Cliffs, U.S.A. . . . .	23,800,000
Office buildings at London, Hamburg and Zürich . . . . .	73,300,000
New departmental store, Ibadan, Nigeria . . . . .	7,200,000

## PENSIONS

During 1961 Unilever's pension contributions and other payments for employees' retirement and death benefits amounted to Fl. 159 million. The assets of the Unilever Pension and Provident Funds, covering 122,000 employees, now amount to Fl. 1,560,000,000.

In the Netherlands, the United Kingdom and many other countries major improvements of the pension arrangements were introduced during the year. These were designed not only to improve benefits but also to make the arrangements for office and factory employees as similar as practicable.

## ANALYSIS OF SHAREHOLDINGS

At 31st December, 1961, the number of ordinary shareholders of LIMITED was 49,249 and there were 137,780 holders of its preference stocks, making a total membership of 187,029.

The following statements are taken from an analysis made in June, 1961, of the holdings of ordinary capital of LIMITED, which was then held as follows:—

	Number of Holders	Amount of Holding	
		£	%
Banks and Discount Companies . . . . .	685	721,891	2
Financial Trusts . . . . .	100	313,926	1
Insurance Companies . . . . .	309	3,841,570	11½
Investment Trusts . . . . .	213	993,283	3
Pension Funds . . . . .	95	783,186	2½
Nominee Companies . . . . .	1,098	5,028,975	15
Other corporate holders . . . . .	607	1,397,865	4
	3,107	13,080,696	39
Leverhulme Trust . . . . .	1	6,338,118	19
Individuals . . . . .	46,392	14,013,822	42
	49,500	33,432,636	100

The grouping, according to size, of holdings of individuals was as follows:—

Holdings of		Number of Holders	Total Holding	Average Holding
£	£		£	£
1 -	100	14,719	816,006	55
101 -	250	16,016	2,767,863	173
251 -	500	9,457	3,520,342	372
501 -	1,000	4,438	3,167,835	714
1,001 -	5,000	1,688	2,594,168	1,537
5,001 -	10,000	58	342,414	5,904
10,001 -	25,000	12	171,285	14,274
25,001 -	50,000	—	—	—
over	50,000	4	633,909	158,477
		46,392	14,013,822	

As a large part of the capital of N.V. is represented by bearer scrip, the number of members cannot be ascertained.

## DIRECTORS

In July, 1961, the death occurred of Mr. J. A. Connel who was elected a Director of N.V. and LIMITED in 1954 and appointed a Vice-Chairman of LIMITED in 1960. His death was a great loss, and his colleagues record their appreciation of his valuable services to the business.

The Directors also record their deep regret upon the death in November, 1961, of Dr. H. M. Hirschfeld, who had been an Advisory Director of N.V. since 1952.

Dr. E. G. Woodroffe, who has been a Director of n.v. and LIMITED since 1956, has succeeded Mr. Connel as a Vice-Chairman of LIMITED.

In November, 1961, Professor P. Kuin and Mr. S. G. Sweetman were appointed Directors of n.v. and LIMITED.

Mr. A. E. J. Nysingh has been appointed an Advisory Director of n.v., and Sir Robert Hall, K.C.M.G., C.B., formerly Economic Adviser to the British Government, has been appointed an Advisory Director of LIMITED.

In accordance with Article 21 of the Articles of Association, all the directors retire and offer themselves for re-election.

## AUDITORS

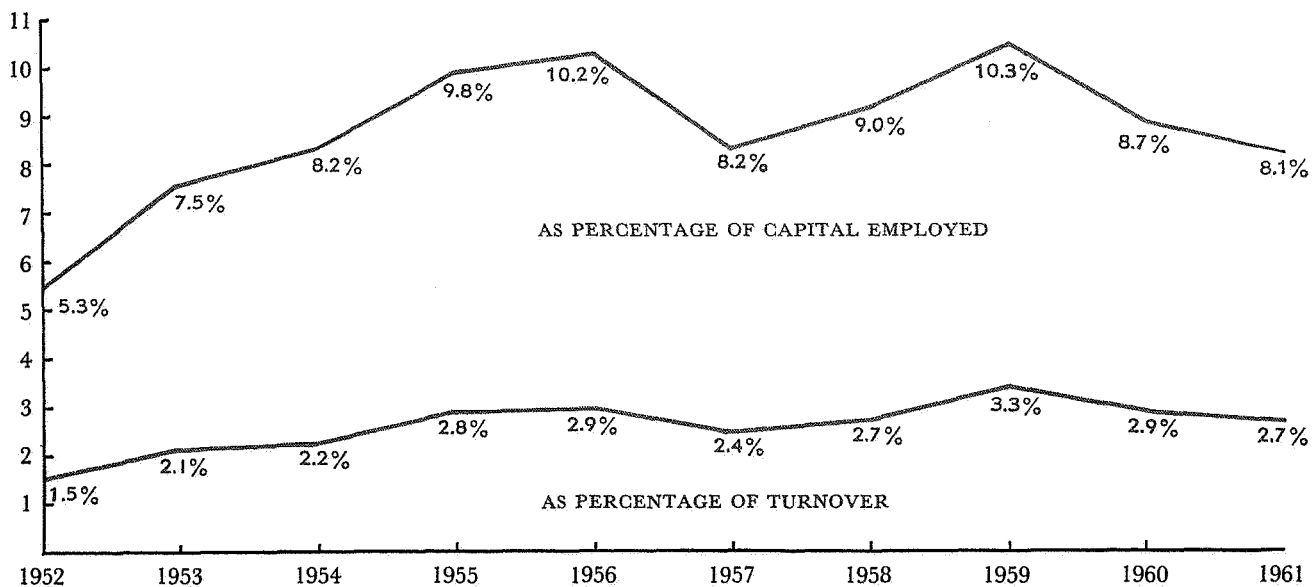
The auditors, Messrs. Price Waterhouse & Co. and Messrs. Cooper Brothers & Co., retire and offer themselves for re-appointment.

ROTTERDAM, 20th March, 1962.

ON BEHALF OF THE BOARD,

F. J. TEMPEL, *Chairman.*  
GEORGE COLE, *Vice-Chairman.*

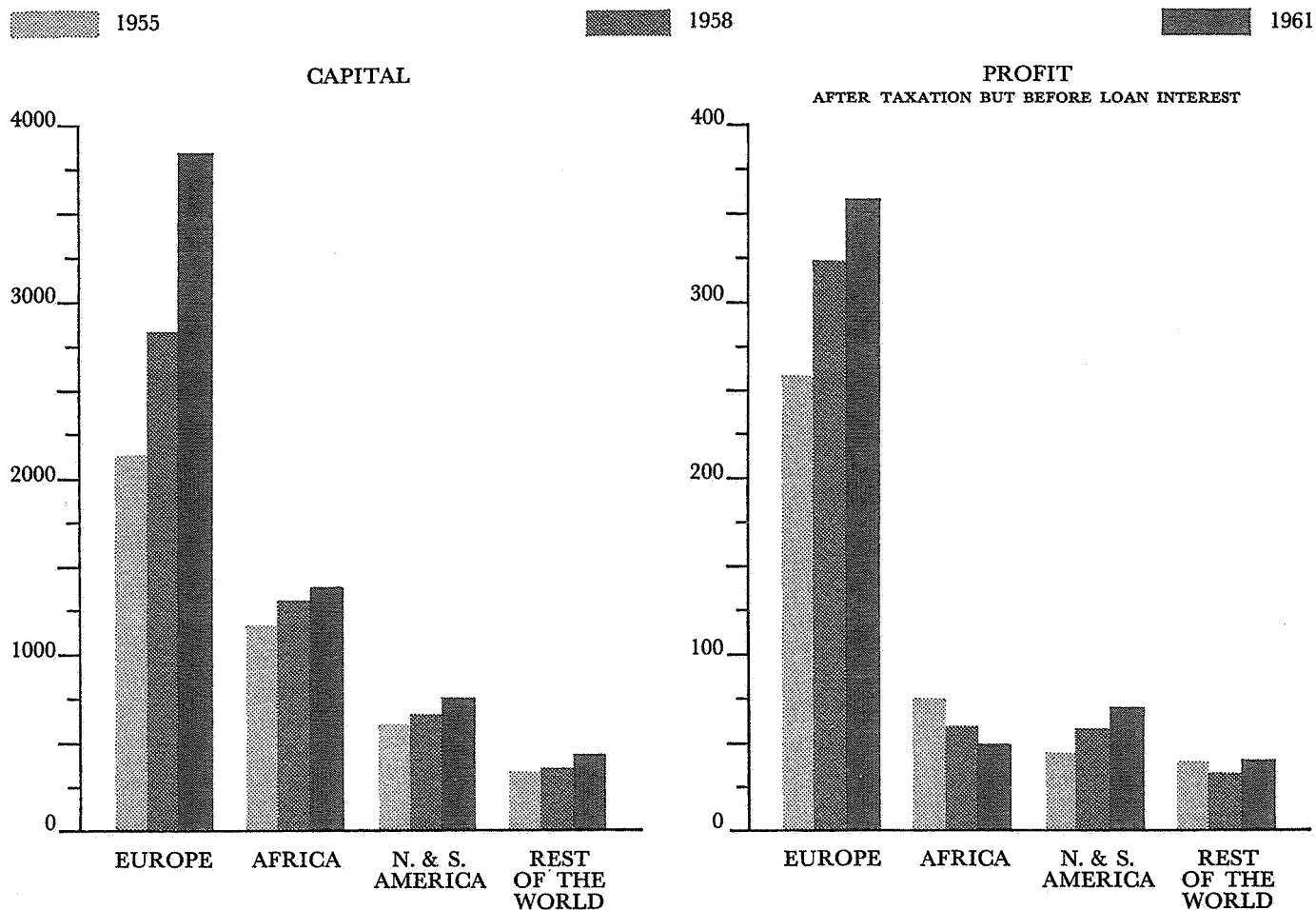
# RETURN ON CAPITAL EMPLOYED AND ON TURNOVER 1952-1961



*The returns are based on the profits, after taxation, but before loan interest*

# CAPITAL EMPLOYED AND PROFIT BY GEOGRAPHICAL AREAS

Figures represent Fl. millions



## PERCENTAGE OF TOTAL CAPITAL EMPLOYED

1955	1958	1961
50.4	55.3	60.2
27.7	25.3	21.6
14.4	12.9	11.5
7.5	6.5	6.7
<u>100.-</u>	<u>100.-</u>	<u>100.-</u>

EUROPE . . . . .  
 AFRICA . . . . .  
 NORTH AND SOUTH AMERICA . . . . .  
 REST OF THE WORLD . . . . .

## PERCENTAGE OF TOTAL PROFIT

1955	1958	1961
61.7	68.6	68.3
18.0	12.7	9.7
10.6	12.3	13.9
9.7	6.4	8.1
<u>100.-</u>	<u>100.-</u>	<u>100.-</u>

Africa includes all our operations in that Continent—namely the manufacturing businesses, the plantation interests and the United Africa Group operations.

## CONSOLIDATED PROFIT AND LOSS ACCOUNTS

*UNILEVER N.V. and UNILEVER LIMITED and their subsidiaries*  
*Figures in red represent deductions*

1960			1961			
N.V.	LIMITED	COMBINED		N.V.	LIMITED	
Fl.	Fl.	Fl.		Fl.	Fl.	
5,987,798,000	7,769,541,000	14,757,339,000	<b>I. SALES TO THIRD PARTIES . . . . .</b>	14,762,507,000	7,280,988,000	7,481,519,000
5,476,778,000	7,167,371,000	13,644,149,000	COST, OPERATING, ADVERTISING, SELLING AND ADMINISTRATION EXPENSES . . . . .	13,742,057,000	6,760,141,000	6,981,916,000
511,020,000	602,170,000	1,113,190,000	<b>TRADING PROFIT . . . . .</b>	1,020,450,000	520,847,000	499,603,000
8,045,000	23,513,000	31,558,000	II. INCOME FROM TRADE INVESTMENTS . . . . .	38,918,000	6,757,000	32,161,000
5,971,000	9,425,000	15,396,000	III. INTEREST ON LOAN CAPITAL . . . . .	14,636,000	5,950,000	8,686,000
513,094,000	616,258,000	1,129,352,000	<b>IV. PROFIT BEFORE TAXATION . . . . .</b>	1,044,732,000	521,654,000	523,078,000
274,045,000	296,590,000	570,635,000	V. TAXATION ON PROFIT FOR THE YEAR . . . . .	527,631,000	255,429,000	272,202,000
239,049,000	319,668,000	558,717,000	<b>VI. PROFIT FOR THE YEAR AFTER TAXA- TION . . . . .</b>	517,101,000	266,225,000	250,876,000
27,327,000	7,374,000	34,701,000	VII. EXCEPTIONAL ITEMS			
8,560,000	6,342,000	14,902,000	a. Taxation adjustments—previous years . .	35,751,000	28,473,000	7,278,000
			b. Other . . . . .	4,087,000	4,513,000	426,000
15,353,000	10,076,000	25,429,000	VIII. AMOUNTS ATTRIBUTABLE TO OUTSIDE SHARE- HOLDERS' INTERESTS IN SUBSIDIARIES . . . . .	20,284,000	12,510,000	7,774,000
242,463,000	310,624,000	553,087,000	<b>IX. CONSOLIDATED NET PROFIT . . . . .</b>	536,655,000	286,701,000	249,954,000
12,446,000	46,255,000	58,701,000	X. PREFERENTIAL DIVIDENDS OF PARENT COMPANIES	57,033,000	12,972,000	44,061,000
—	17,918,000	17,918,000	Less: United Kingdom income tax . . . . .	17,069,000	—	17,069,000
12,446,000	28,337,000	40,783,000		39,964,000	12,972,000	26,992,000
230,017,000	282,287,000	512,304,000	<b>XI. PROFIT ACCRUING TO ORDINARY AND DEFERRED CAPITAL . . . . .</b>	496,691,000	273,729,000	222,962,000
			XII. ORDINARY AND DEFERRED DIVIDENDS OF PARENT COMPANIES			
101,225,000	87,301,000	188,526,000	Ordinary . . . . .	185,891,000	101,225,000	84,666,000
—	64,000	64,000	Deferred . . . . .	61,000	—	61,000
—	33,846,000	33,846,000	Less: United Kingdom income tax . . . . .	32,830,000	—	32,830,000
101,225,000	53,519,000	154,744,000		153,122,000	101,225,000	51,897,000
128,792,000	228,768,000	357,560,000	<b>XIII. PROFIT RETAINED IN THE BUSINESS</b>	343,569,000	172,504,000	171,065,000

## NOTES

- I. In 1961 the sales for the first two months outside the Netherlands have been converted to guilders at the rates of exchange ruling before the revaluation of the guilder on 6th March, 1961. The trading profits for the whole year have been converted at the new rates of exchange.

Cost and expenses include:

1960				1961		
N.V.	LIMITED	COMBINED		COMBINED	N.V.	LIMITED
Fl.	Fl.	Fl.		Fl.	Fl.	Fl.
145,485,000	144,766,000	290,251,000	Depreciation	308,875,000	156,207,000	152,668,000
1,340,000	3,086,000	4,426,000	Emoluments of Directors as managers including contributions to pension funds for superannuation	4,318,000	1,368,000	2,950,000
192,000	936,000	1,128,000	Superannuation of former Directors	1,377,000	181,000	1,196,000
7,275,000	13,311,000	20,586,000	Income from investments, other than trade investments	12,420,000	3,794,000	8,626,000
139,742,000	135,477,000	275,219,000		302,150,000	153,962,000	148,188,000

- V. In LIMITED, taxation comprises United Kingdom income and profits taxes Fl. 254,605,000 less foreign tax relief of Fl. 71,813,000, and foreign taxes of Fl. 89,410,000. The charge for taxation is after deducting relief for investment allowances, N.V. Fl. 2,254,000 (Fl. 2,798,000), LIMITED Fl. 21,357,000 (Fl. 20,844,000).
- VII. Taxation adjustments arise mainly from release of provisions no longer required and refund of taxes following changes in legislation.
- Exceptional items, Other, are shown after deduction of taxation and include profit on sales of investments and other items not applicable to current trading.
- IX. The net profits of the parent companies are N.V. Fl. 191,826,000, LIMITED £ 18,148,000 (Fl. 183,949,000).
- XII. The Equalisation Agreement provides that the relationship between the ordinary capitals of LIMITED and N.V., for dividend purposes and on liquidation, shall be based on a rate of £ 1 = Fl. 12.
- XIII. The profit retained by the parent companies and by the subsidiaries is shown in statement C.



## CONSOLIDATED BALANCE SHEETS

UNILEVER N.V. and UNILEVER LIMITED and their subsidiaries

Figures in red represent deductions

31st December 1960		
N.V.	LIMITED	COMBINED
Fl.	Fl.	Fl.
<b>231,825,000</b>	<b>598,966,000</b>	<b>830,791,000</b>
479,624,000	355,728,000	835,352,000
379,009,000	2,214,812,000	3,593,821,000
<b>,858,633,000</b>	<b>2,570,540,000</b>	<b>4,429,173,000</b>
<b>108,571,000</b>	<b>153,534,000</b>	<b>262,105,000</b>
<b>170,805,000</b>	<b>230,984,000</b>	<b>401,789,000</b>
<b>152,362,000</b>	<i>152,362,000</i>	—
<b>111,000,000</b>	<b>335,160,000</b>	<b>446,160,000</b>
<b>57,000,000</b>	<b>46,284,000</b>	<b>103,284,000</b>
<b>,690,196,000</b>	<b>3,783,106,000</b>	<b>6,473,302,000</b>
<b>,334,368,000</b>	<b>1,814,695,000</b>	<b>3,149,063,000</b>
<b>107,687,000</b>	<b>96,334,000</b>	<b>204,021,000</b>
<b>,442,055,000</b>	<b>1,911,029,000</b>	<b>3,353,084,000</b>
<b>,153,626,000</b>	<b>1,625,526,000</b>	<b>2,779,152,000</b>
<b>656,185,000</b>	<b>892,270,000</b>	<b>1,548,455,000</b>
<b>82,338,000</b>	<b>313,008,000</b>	<b>395,346,000</b>
<b>323,778,000</b>	<b>186,115,000</b>	<b>509,893,000</b>
<b>,215,927,000</b>	<b>3,016,919,000</b>	<b>5,232,846,000</b>
<i>557,776,000</i>	<i>606,565,000</i>	<i>1,164,341,000</i>
<i>127,587,000</i>	<i>196,595,000</i>	<i>324,182,000</i>
<i>211,787,000</i>	<i>289,110,000</i>	<i>500,897,000</i>
<i>70,636,000</i>	<i>52,572,000</i>	<i>123,208,000</i>
<b>967,786,000</b>	<b>1,144,842,000</b>	<b>2,112,628,000</b>
<b>,248,141,000</b>	<b>1,872,077,000</b>	<b>3,120,218,000</b>
<b>,690,196,000</b>	<b>3,783,106,000</b>	<b>6,473,302,000</b>

## CAPITAL EMPLOYED

I. PREFERENTIAL CAPITAL—PARENT COMPANIES . . .	
II. ORDINARY CAPITAL AND RESERVES	
a. Ordinary capital—parent companies . . .	
b. Profits retained in the business and other reserves . . . . .	
ORDINARY SHAREHOLDERS' FUNDS—PARENT COMPANIES . . . . .	
III. OUTSIDE SHAREHOLDERS' INTERESTS IN SUBSIDIARIES . . . . .	
IV. LOAN CAPITAL . . . . .	
V. INTER-GROUP ITEMS—N.V./LIMITED . . . . .	
VI. DEFERRED LIABILITIES	
a. Future taxation . . . . .	
b. Unfunded retirement benefits . . . . .	

## EMPLOYMENT OF CAPITAL

VII. LAND, BUILDINGS, PLANTATIONS, SHIPS, PLANT AND EQUIPMENT . . . . .	
VIII. TRADE INVESTMENTS . . . . .	

## FIXED ASSETS

## IX. CURRENT ASSETS

a. Stocks . . . . .	
b. Debtors . . . . .	
c. Investments . . . . .	
d. Cash and bank balances . . . . .	

## X. CURRENT LIABILITIES

a. Creditors . . . . .	
b. Short term borrowings . . . . .	
c. Taxation . . . . .	
d. Dividends . . . . .	

## NET CURRENT ASSETS

31st December 1961		
COMBINED	N.V.	LIMITED
Fl.	Fl.	Fl.
<b>811,491,000</b>	<b>240,895,000</b>	<b>570,596,000</b>
821,238,000	479,624,000	341,614,000
3,669,093,000	1,398,356,000	2,270,737,000
<b>4,490,331,000</b>	<b>1,877,980,000</b>	<b>2,612,351,000</b>
<b>245,584,000</b>	<b>99,615,000</b>	<b>145,969,000</b>
<b>391,694,000</b>	<b>173,973,000</b>	<b>217,721,000</b>
—	<b>143,941,000</b>	<i>143,941,000</i>
<b>439,298,000</b>	<b>119,000,000</b>	<b>320,298,000</b>
<b>129,159,000</b>	<b>80,000,000</b>	<b>49,159,000</b>
<b>6,507,557,000</b>	<b>2,735,404,000</b>	<b>3,772,153,000</b>
<b>3,344,156,000</b>	<b>1,430,185,000</b>	<b>1,913,971,000</b>
<b>162,291,000</b>	<b>62,806,000</b>	<b>99,485,000</b>
<b>3,506,447,000</b>	<b>1,492,991,000</b>	<b>2,013,456,000</b>
<b>2,721,015,000</b>	<b>1,155,185,000</b>	<b>1,565,830,000</b>
<b>1,565,486,000</b>	<b>692,949,000</b>	<b>872,537,000</b>
<b>299,144,000</b>	<b>51,897,000</b>	<b>247,247,000</b>
<b>512,549,000</b>	<b>337,896,000</b>	<b>174,653,000</b>
<b>5,098,194,000</b>	<b>2,237,927,000</b>	<b>2,860,267,000</b>
<b>1,123,215,000</b>	<b>565,056,000</b>	<b>558,159,000</b>
<b>391,461,000</b>	<b>172,189,000</b>	<b>219,272,000</b>
<b>461,658,000</b>	<b>187,347,000</b>	<b>274,311,000</b>
<b>120,750,000</b>	<b>70,922,000</b>	<b>49,828,000</b>
<b>2,097,084,000</b>	<b>995,514,000</b>	<b>1,101,570,000</b>
<b>3,001,110,000</b>	<b>1,242,413,000</b>	<b>1,758,697,000</b>
<b>6,507,557,000</b>	<b>2,735,404,000</b>	<b>3,772,153,000</b>

## NOTES

- I. In n.v. the preference capital was increased by Fl. 9,070,000 in connection with the acquisition of the interests referred to in Note I of statement E.
- II. In LIMITED the ordinary capital was increased by £ 270,225 (Fl. 2,739,000) in connection with the acquisition of the interests referred to in Note II of statement F.  
The Equalisation Agreement provides that the relationship between the ordinary capitals of LIMITED and n.v., for dividend purposes and on liquidation, shall be based on a rate of £ 1 = Fl. 12.  
Details of profits retained and other reserves are set out in statement C.
- IV. Loan Capital is secured to the extent of n.v. Fl. 33,810,000, LIMITED Fl. 210,464,000.
- V. This is the net balance of several accounts and incorporates loans of £ 11,500,000 by the LIMITED group to the n.v. group which are secured on shares of subsidiaries of n.v.
- VI. Future taxation includes, in addition to United Kingdom income tax on the profits of 1961, taxes on the 1961 profits of companies situated outside the Netherlands and the United Kingdom which will only become payable if those profits are distributed to the holding companies, certain other taxes which are not in the nature of current liabilities and tax deferred by reason of depreciation allowances for tax exceeding the corresponding amounts charged to profits.  
Unfunded retirement benefits represent the estimated current value of future supplementary payments to past and present employees. The amounts are stated after allowing for future taxation relief.
- VII. Details of movements in 1961 and the composition of the net amounts at 31st December, 1961, are given in statement D.
- VIII. This includes interests in companies in which 50% or less of the ordinary capital is owned and which are not included in the consolidation, and other investments not held for sale.  
It also includes amounts representing claims in respect of interests in Czechoslovakia, Yugoslavia, Roumania, Poland and China.  
In n.v., trade investments are shown principally at cost less a provision of Fl. 55,000,000.  
In LIMITED, they are shown at the net book value at 31st December, 1947, with additions at cost or valuation, less Fl. 1,591,000 written off.
- IX. Stocks were consistently stated at 31st December, 1960 and 1961, on the basis of the lower of cost – mainly averaged cost – and net realisable value.  
Investments comprise: quoted, mainly dated stocks, n.v. Fl. 42,838,000, LIMITED Fl. 189,726,000; market value n.v. Fl. 57,517,000, LIMITED Fl. 187,415,000 – municipal and other short term loans and treasury bills.
- X. Short term borrowings consist mainly of advances from bankers. They are secured to the extent of n.v. Fl. 26,850,000, LIMITED Fl. 4,815,000.

## GENERAL

Foreign currencies have been converted at the appropriate official parities or other current rates of exchange at the year end. There are restrictions on transfer of some currencies.

In order to conform to the seasonal nature of their operations, the financial year of some subsidiaries of LIMITED having substantial interests in Africa ends on 31st August. With the consent of the Board of Trade the accounts of these companies have been consolidated on the basis of interim accounts at 31st December.

The assets in the Congo are included partly on an estimated basis. After making full provision for all known losses and deducting Fl. 23,526,000 remaining from the provision set aside in 1960, the net amounts of the assets included in the balance sheets are n.v. Fl. 125,190,000 (1960 Fl. 151,897,000), LIMITED Fl. 80,764,000 (1960 Fl. 89,738,000).

There are contingent liabilities, upon which no loss is expected.

The commitments for capital expenditure at 31st December, 1961, were approximately – n.v. Fl. 91,000,000, LIMITED Fl. 111,000,000.

## RESERVES

UNILEVER N.V. and UNILEVER LIMITED and their subsidiaries  
 Figures in red represent deductions

	COMBINED	N.V.		LIMITED	
		PARENT	SUBSIDIARIES	PARENT	SUBSIDIARIES
	Fl.	Fl.	Fl.	Fl.	Fl.
<b>PREMIUMS ON CAPITAL ISSUED</b>					
At 1st January, 1961 . . . . .	40,817,000	40,817,000	—	—	—
Arising on issue of preferential and ordinary capital. . .	19,514,000	2,506,000	—	17,008,000	—
At 31st December, 1961 . . . . .	60,331,000	43,323,000	—	17,008,000	—
<b>SURPLUS ON REVALUATION OF FIXED ASSETS, ETC.</b>					
At 1st January, 1961 . . . . .	32,899,000	—	—	—	32,899,000
Adjustment following the revaluation of the guilder . .	1,558,000	—	—	—	1,558,000
Additions . . . . .	15,579,000	—	—	—	15,579,000
Exchange adjustments arising on consolidation of fixed assets . . . . .	2,180,000	—	—	—	2,180,000
Excess of price paid for new interests over tangible assets acquired (note I) . . . . .	30,043,000	—	—	—	30,043,000
At 31st December, 1961 . . . . .	14,697,000	—	—	—	14,697,000
<b>PROFITS RETAINED IN THE BUSINESS</b>					
At 1st January, 1961 . . . . .	3,520,105,000	358,929,000	979,263,000	963,250,000	1,218,663,000
Adjustment following the revaluation of the guilder . .	154,705,000	—	51,351,000	45,628,000	57,726,000
Exchange and other adjustments arising on consolidation of net current assets (note II) . . . . .	45,580,000	—	34,988,000	—	10,592,000
Excess of price paid for new interests over tangible assets acquired (note I) . . . . .	14,324,000	—	14,324,000	—	—
Amount set aside against book value of "interests not consolidated" . . . . .	55,000,000	—	55,000,000	—	—
Profit retained in 1961—see statement A . . . . .	343,569,000	77,629,000	94,875,000	105,060,000	66,005,000
At 31st December, 1961 . . . . .	3,594,065,000	436,558,000	918,475,000	1,022,682,000	1,216,350,000
		479,881,000	918,475,000	1,039,690,000	1,231,047,000
<b>TOTAL</b>	<b>3,669,093,000</b>	<b>1,398,356,000</b>		<b>2,270,737,000</b>	

## NOTES

- I. In accordance with the practice established in 1953 of eliminating goodwill and premiums, the excess of the price paid for new interests over tangible assets acquired has been eliminated, in N.V. out of profits retained, in LIMITED out of surpluses on revaluation of fixed assets.
- II. Exchange and other adjustments arising on consolidation result mainly from movements in exchange rates and from revisions of the adjustments made at 31st December, 1960, relating to taxation provisions and the liability for unfunded retirement benefits.

## LAND, BUILDINGS, PLANTATIONS, SHIPS, PLANT AND EQUIPMENT

*UNILEVER N.V. and UNILEVER LIMITED and their subsidiaries*  
*Figures in red represent deductions*

1960			1961			
N.V.	LIMITED	COMBINED		COMBINED	N.V.	LIMITED
Fl.	Fl.	Fl.	COST OR VALUATION	Fl.	Fl.	Fl.
1,999,486,000	2,409,141,000	4,408,627,000	At 1st January . . . . .	4,943,698,000	2,269,972,000	2,673,726,000
—	—	—	Adjustment following the revaluation of the guilder . . . . .	<i>190,605,000</i>	<i>63,954,000</i>	<i>126,651,000</i>
66,061,000	28,887,000	94,948,000	Fixed assets of subsidiaries acquired during the year . . . . .	90,055,000	49,673,000	40,382,000
48,103,000	958,000	49,061,000	Adjustments, mainly on revaluations . . . . .	11,882,000	13,000	11,869,000
266,076,000	320,115,000	586,191,000	Expenditure . . . . .	594,824,000	270,685,000	324,139,000
<i>28,860,000</i>	<i>19,056,000</i>	<i>47,916,000</i>	Proceeds of sales . . . . .	<i>41,787,000</i>	<i>18,464,000</i>	<i>23,323,000</i>
<i>80,894,000</i>	<i>66,319,000</i>	<i>147,213,000</i>	Adjustments on disposals and exchange differences . . . . .	<i>131,752,000</i>	<i>51,546,000</i>	<i>80,206,000</i>
2,269,972,000	2,673,726,000	4,943,698,000	At 31st December . . . . .	5,276,315,000	2,456,379,000	2,819,936,000
			DEPRECIATION			
837,147,000	762,761,000	1,599,908,000	At 1st January . . . . .	1,794,635,000	935,604,000	859,031,000
—	—	—	Adjustment following the revaluation of the guilder . . . . .	<i>66,501,000</i>	<i>25,810,000</i>	<i>40,691,000</i>
11,097,000	7,108,000	18,205,000	Depreciation provided prior to acquisition by subsidiaries acquired during the year . . . . .	15,045,000	3,267,000	11,778,000
15,996,000	—	15,996,000	Adjustments, mainly on revaluations . . . . .	<i>6,701,000</i>	50,000	<i>6,751,000</i>
145,485,000	144,766,000	290,251,000	Charged to revenue . . . . .	308,875,000	156,207,000	152,668,000
<i>74,121,000</i>	<i>55,604,000</i>	<i>129,725,000</i>	Adjustments on disposals and exchange differences . . . . .	<i>113,194,000</i>	<i>43,124,000</i>	<i>70,070,000</i>
935,604,000	859,031,000	1,794,635,000	At 31st December . . . . .	1,932,159,000	1,026,194,000	905,965,000
1,334,368,000	1,814,695,000	3,149,063,000	NET BALANCE SHEET VALUES	3,344,156,000	1,430,185,000	1,913,971,000
			DETAILS OF NET BALANCE SHEET VALUES			
595,853,000	835,081,000	1,430,934,000	Land, buildings and plantations . . . . .	1,523,763,000	644,009,000	879,754,000
738,515,000	979,614,000	1,718,129,000	Ships, plant and equipment . . . . .	1,820,393,000	786,176,000	1,034,217,000
1,334,368,000	1,814,695,000	3,149,063,000		3,344,156,000	1,430,185,000	1,913,971,000

### NOTE

These assets are stated at cost or as valued by Directors at various dates since 1945.

# REPORTS OF THE AUDITORS

## N.V. GROUP

TO THE MEMBERS OF UNILEVER N.V.

We have examined the accounts and notes set out in statements A to E. The accounts of some of the subsidiaries have not been audited by us but have been examined either by other public accountants or by Unilever internal audit staff.

We have obtained all the information and explanations which we considered necessary and in our opinion the said accounts give a true and fair view of the state of the company's affairs as at 31st December, 1961, and of its profits for the year 1961.

London and The Hague, }  
London and Rotterdam, } 20th March, 1962.

PRICE WATERHOUSE & Co.  
COOPER BROTHERS & Co.

## LIMITED GROUP

*The following is the auditors' report on the accounts of LIMITED and the LIMITED Group which are expressed in sterling.*

TO THE MEMBERS OF UNILEVER LIMITED.

We have examined the accounts and notes set out in statements A to D and F. Proper books of account have been kept by the company and its balance sheet set out in statement F is in agreement with them. The accounts of some of the subsidiaries have been audited by other public accountants. We have obtained all the information and explanations which we considered necessary and it is our opinion that the accounts give the information required by the Companies Act, 1948.

We are of the opinion that the balance sheet of the company gives with the consolidated accounts a true and fair view of the state of its affairs at 31st December, 1961, and the consolidated accounts give, from the standpoint of the members of Unilever Limited, a true and fair view of the state of affairs at that date of the company and its subsidiaries and of their profit for the year 1961.

London, 20th March, 1962.

COOPER BROTHERS & Co.  
PRICE WATERHOUSE & Co.

# SUMMARY OF CONSOLIDATED FIGURES 1952-1961

*UNILEVER N.V. and UNILEVER LIMITED and their subsidiaries*

*(000's omitted)*

	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961*
	Fl.	Fl.	Fl.	Fl.	Fl.	Fl.	Fl.	Fl.	Fl.	Fl.
Turnover . . . . .	12,983,258	13,900,384	15,294,245	16,119,462	17,784,122	18,297,097	18,388,474	19,015,776	19,650,367	19,321,268
of which										
Sales to third parties . . . . .	8,243,809	8,999,307	10,362,903	11,374,915	12,579,534	12,975,554	13,395,058	14,140,134	14,757,339	14,762,507
Trading Profit . . . . .	411,788	654,125	745,813	909,241	1,053,669	907,132	976,303	1,207,196	1,113,190	1,020,450
Taxation for the year . . . . .	234,666	359,249	406,631	467,149	551,923	480,452	490,069	593,765	570,635	527,631
Exceptional Items . . . . .	52,025	6,107	28,374	64,896	25,957	23,026	32,080	42,524	19,799	39,838
Consolidated Net Profit . . . . .	<b>222,769</b>	<b>274,001</b>	<b>338,931</b>	<b>480,055</b>	<b>501,489</b>	<b>428,475</b>	<b>503,152</b>	<b>639,730</b>	<b>553,087</b>	<b>536,655</b>
Dividends:										
Preferential . . . . .	35,726	36,947	37,019	38,257	38,339	38,339	38,339	40,079	40,783	39,964
Ordinary and Deferred . . . . .	39,058	45,869	62,515	79,197	87,781	87,781	104,949	145,684	154,744	153,122
Profit retained in the business . . . . .	147,985	191,185	239,397	362,601	375,369	302,355	359,864	453,967	357,560	343,569
Profit in relation to Ordinary Shareholders' Funds:	%	%	%	%	%	%	%	%	%	%
Distributed . . . . .	2.2	2.4	2.7	3.0	2.9	2.6	2.8	3.5	3.5	3.4
Retained . . . . .	8.5	9.8	10.5	13.7	12.3	9.0	9.7	10.8	8.1	7.7
Preferential Capital . . . . .	808,724	810,413	812,102	814,817	814,831	814,831	814,831	814,831	830,791	811,491
Ordinary Shareholders' Funds:										
Capital . . . . .	393,723	394,237	530,684	663,524	663,524	663,524	829,410	834,154	835,352	821,238
Reserves . . . . .	1,355,129	1,548,839	1,744,897	1,985,637	2,385,251	2,708,677	2,875,726	3,369,957	3,593,821	3,669,093
Outside Shareholders' Interests . . . . .	226,851	233,488	238,374	245,729	261,175	257,811	255,311	258,211	262,105	245,584
Loan Capital . . . . .	621,987	595,722	518,869	497,142	483,445	461,520	415,380	416,061	401,789	391,694
Deferred Liabilities:										
Future Taxation . . . . .	288,788	338,335	362,640	378,384	399,152	404,384	407,896	446,840	446,160	439,298
Unfunded Retirement benefits . . . . .	—	—	—	—	—	—	—	—	103,284	129,159
Total Capital Employed	<b>3,695,202</b>	<b>3,921,034</b>	<b>4,207,566</b>	<b>4,585,233</b>	<b>5,007,378</b>	<b>5,310,747</b>	<b>5,598,554</b>	<b>6,140,054</b>	<b>6,473,302</b>	<b>6,507,557</b>

\* Regard should be had to the revaluation of the guilder on 6th March, 1961.

UNILEVER N.V.  
BALANCE SHEET AT 31st DECEMBER 1961

*Figures in red represent deductions*

1960		CAPITAL EMPLOYED		
Fl.	Fl.	Fl.	Fl.	Fl.
		<i>Authorised</i>		
			<i>Issued and fully paid</i>	
	29,000,000	7 1/2% Cumulative Preference . . . . .	30,000,000	29,000,000
	127,825,000	6 1/2% Cumulative Preference . . . . .	200,000,000	136,895,000
	75,000,000	4% Redeemable Cumulative Preference . . . . .	75,000,000	75,000,000
<b>231,825,000</b>			<u>305,000,000</u>	<u>240,895,000</u>
		II. ORDINARY CAPITAL AND RESERVES		
	482,024,000	ORDINARY CAPITAL . . . . .	<u>750,000,000</u>	482,024,000
	40,817,000	PREMIUMS ON CAPITAL ISSUED . . . . .		43,323,000
	358,929,000	PROFITS RETAINED IN THE BUSINESS . . . . .		<u>436,558,000</u>
<b>881,770,000</b>				<b>961,905,000</b>
	<b>21,529,000</b>	III. INDEBTEDNESS TO LIMITED GROUP . . . . .		
<u><b>1,135,124,000</b></u>				<u><b>22,325,000</b></u>
				<u><b>1,225,125,000</b></u>
		EMPLOYMENT OF CAPITAL		
		IV. INTERESTS IN SUBSIDIARIES		
	260,375,000	Shares at cost . . . . .		260,375,000
	906,187,000	Advances . . . . .		1,170,318,000
	1,166,562,000			1,430,693,000
	33,902,000	Less: Deposits . . . . .		<u>231,801,000</u>
<b>1,132,660,000</b>				<b>1,198,892,000</b>
		V. CURRENT ASSETS		
	33,438,000	Debtors and payments in advance (Fl. 394,000) . . . . .	24,738,000	
	1,594,000	Investments . . . . .	4,522,000	
	96,144,000	Cash and bank balances . . . . .	<u>104,568,000</u>	
	131,176,000			133,828,000
		VI. CURRENT LIABILITIES AND PROVISIONS		
	15,429,000	Creditors . . . . .	17,938,000	
	20,769,000	Short term borrowings . . . . .		
	23,501,000	Taxation and contingencies . . . . .	20,372,000	
	69,013,000	Dividends, due or proposed . . . . .	<u>69,285,000</u>	
	128,712,000			<u>107,595,000</u>
<b>2,464,000</b>				<u><b>26,233,000</b></u>
<u><b>1,135,124,000</b></u>				<u><b>1,225,125,000</b></u>

ON BEHALF OF THE BOARD,

F. J. TEMPEL, *Chairman.*  
GEORGE COLE, *Vice-Chairman.*

## NOTES

- I. Fl. 9,070,000 of 6% cumulative preference capital was issued in connection with the acquisition of the share capital of N.V. Exportslachterij Udema, Gieten.

The 4% redeemable cumulative preference capital is redeemable at par at the company's option either wholly or in part.

- II. Fl. 1,200,000 of ordinary capital is held by a subsidiary of n.v. and Fl. 1,200,000 by a subsidiary of LIMITED.

The movements in premiums on capital issued during 1961 are:—

	Fl.
Balance at 1st January . . . . .	40,817,000
Arising on issue of preferential capital . . . . .	<u>2,506,000</u>
Balance at 31st December . . . . .	<u>43,323,000</u>

The movements in profits retained in the business during 1961 are:—

	Fl.
Balance at 1st January . . . . .	358,929,000
Profit for the year . . . . .	<u>191,826,000</u>
	550,755,000
Appropriations:	
Preferential dividends . . . . .	<u>12,972,000</u>
Ordinary dividends . . . . .	<u>101,225,000</u>
Balance at 31st December . . . . .	<u>436,558,000</u>

- V. Debtors and payments in advance have been shown after provision for doubtful debts.

Investments are short term loans at cost.

## GENERAL

There are contingent liabilities, upon which no loss is expected.

Foreign currencies have been converted at the appropriate official parities or other current rates of exchange at the year end.



UNILEVER LIMITED  
BALANCE SHEET AT 31st DECEMBER 1961

*Figures in red represent deductions*

1960		CAPITAL EMPLOYED		
£	£	£	£	£
		<b>I. PREFERENTIAL CAPITAL</b>		
		<i>Authorised</i>	<i>Issued and fully paid</i>	
	35,984,690	35,984,690	35,984,690	
	2,360,000	4,015,310	2,360,000	
	15,661,749	40,000,000	15,661,749	
	2,287,312	2,287,312	2,287,312	
<b>56,294,000</b>	<b>56,293,751</b>	<b>82,287,312</b>	<b>56,293,751</b>	<b>56,294,000</b>
		<b>II. ORDINARY AND DEFERRED CAPITAL AND PROFITS RETAINED</b>		
		<b>CAPITAL:</b>		
	33,432,636	59,031,438	33,702,861	
	100,000	100,000	100,000	
	<b>33,533,000</b>	<b>59,131,438</b>	<b>33,803,000</b>	
			1,678,000	
	90,531,000		100,896,000	
<b>124,064,000</b>				<b>136,377,000</b>
		<b>III. LOAN CAPITAL</b>		
	8,440,000		8,213,000	
	11,920,000		11,719,000	
<b>20,360,000</b>				<b>19,932,000</b>
<b>2,178,000</b>				<b>2,340,000</b>
<b>202,896,000</b>				<b>214,943,000</b>
<i>13,365,000</i>				<i>13,554,000</i>
<b>189,531,000</b>				<b>201,389,000</b>
		<b>EMPLOYMENT OF CAPITAL</b>		
		£	£	
		<i>Cost or valuation</i>	<i>Depreciation</i>	
		<b>VI. FIXED ASSETS</b>		
	3,554,000	4,609,000	620,000	3,989,000
	1,855,000	3,513,000	951,000	2,562,000
	5,409,000	8,122,000	1,571,000	6,551,000
	5,855,000			5,853,000
<b>11,264,000</b>				<b>12,404,000</b>
		<b>VII. INTERESTS IN SUBSIDIARIES</b>		
	120,507,000			120,377,000
	89,523,000			96,718,000
	210,030,000			217,095,000
	<i>53,751,000</i>			<i>45,202,000</i>
<b>156,279,000</b>				<b>171,893,000</b>
		<b>VIII. CURRENT ASSETS</b>		
	1,401,000		£	
	23,351,000		1,556,000	
	6,975,000		17,748,000	
	31,727,000		7,673,000	
				26,977,000
		<b>IX. CURRENT LIABILITIES</b>		
	2,382,000		2,463,000	
	2,848,000		2,925,000	
	4,509,000		4,497,000	
	9,739,000			9,885,000
<b>21,988,000</b>				<b>17,092,000</b>
<b>189,531,000</b>				<b>201,389,000</b>
		GEORGE COLE, <i>Chairman.</i>		
		F. J. TEMPEL, <i>Vice-Chairman.</i>		

## NOTES

- II. The issued ordinary capital has been increased by £ 270,225 in connection with the acquisition of the share capitals of Pinoya Holdings Limited and E. R. Holloway Limited. This increase includes £ 1,004 ordinary capital which was in fact allotted early in 1962 with the right to all dividends declared in respect of the year 1961. The premium on issue of this capital was £ 1,678,000.

£ 50,000 deferred stock is held by a subsidiary of LIMITED and £ 50,000 by a subsidiary of N.V.

The movements in profits retained in the business during 1961 are:—

	£
Balance at 1st January . . . . .	90,531,000
Profit for the year . . . . .	18,148,000
	<u>108,679,000</u>
Appropriations:	
Preferential dividends . . . . .	2,663,000
Ordinary dividends . . . . .	5,116,000
Deferred dividend . . . . .	4,000
	<u>100,896,000</u>
Balance at 31st December . . . . .	<u>100,896,000</u>

- III. The two issues of debenture stock are secured by a floating charge on the assets of the company. During the year £ 227,000 of 3<sup>3</sup>/<sub>4</sub>% debenture stock 1955/75 and £ 201,000 of 4% debenture stock 1960/80 were purchased by the company.
- V. This includes a loan of £ 11,000,000 which is secured on the shares of subsidiaries of N.V.
- VI. Land, buildings, plant, etc., were revalued at 1st January, 1953, and additions since that date are at cost. Trade investments are shown at net book value at 31st December, 1947, with additions at cost or valuation.
- VII. Shares in subsidiaries are stated at Directors' valuation made on the re-arrangement of the Unilever Groups in 1937, with bonus shares at par and other additions at cost or valuation, less amounts written off £ 2,486,000.
- VIII. Investments comprise short dated government and municipal stocks £ 12,904,000 (market value £ 12,959,000), and short term municipal loans and treasury bills £ 4,844,000.

## GENERAL

There are contingent liabilities, upon which no loss is expected.

The estimated commitments for capital expenditure at 31st December, 1961, were £ 1,735,000.

Foreign currencies have been converted at the appropriate official parities or other current rates of exchange at the year end.



**REPORT AND ACCOUNTS OF  
UNILEVER N.V. AND  
UNILEVER LIMITED**

In addition to this English translation of the Report and Accounts of Unilever N.V., French and German translations are available on request. The Report and Accounts of Unilever Limited contain the same information, with figures in sterling.

**“PROGRESS”**

Progress, Unilever's quarterly magazine published in England, contains articles by experts inside and outside the business on topics in which Unilever is interested. Shareholders of Unilever N.V. who are not already on our list, and who would like to receive complimentary copies, are invited to send their names and addresses to Unilever N.V., Museumpark 1, Rotterdam 2.