

KING FROST LIMITED**2005 ANNUAL REPORT AND ACCOUNTS****REPORT OF THE DIRECTORS**

The directors submit their annual report together with the accounts for the 52 weeks ended 31 December 2005.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company did not trade during the period, and there is no present intention to pursue any activity.

DIRECTORS

The directors of the Company who served during the year are as follows:

S Furst
M Oldham

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE ACCOUNTS

The directors are required by the Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the year and of the profit or loss for the year.

The directors are of the opinion that, in preparing these accounts, the Company has used appropriate and consistently applied accounting policies, supported by reasonable and prudent estimates and judgements. All applicable accounting standards have been followed.

The directors are responsible for ensuring that the Company keeps accounting records which disclose, with reasonable accuracy, the financial position of the Company and which enable them to ensure that the accounts comply with the Companies Act 1985.

The directors also have responsibility for safeguarding the assets of the Company and for taking reasonable steps to ensure the prevention and detection of fraud and other irregularities.

DIVIDEND

The directors do not recommend the payment of a dividend.



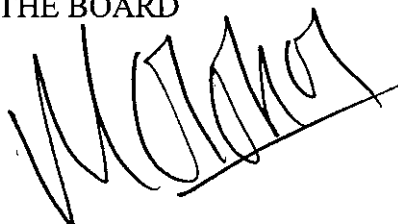
KING FROST LIMITED

2005 ANNUAL REPORT AND ACCOUNTS

AUDITORS

Auditors have not been appointed in accordance with the provisions of Section 250 of the Companies Act 1985.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'M Oldham', written over a horizontal line.

M OLDHAM

26 September 2006

KING FROST LIMITED

BALANCE SHEET AT 31 DECEMBER 2005

		31 December 2005 £	1 January 2005 £
	Note		
Current assets			
Debtors: Amount due from group company		<u>41,652</u>	<u>41,652</u>
Capital and reserves			
Called up equity share capital	2	4,505	4,505
Profit and loss account		<u>37,147</u>	<u>37,147</u>
		<u>41,652</u>	<u>41,652</u>

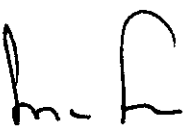
For the year ended 31 December 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for:

- a) Ensuring the company keeps accounting records which comply with section 221;
- b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the financial period.


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DIRECTOR

26 September 2006

KING FROST LIMITED

NOTES TO THE ACCOUNTS AT 31 DECEMBER 2005

1. Activity and basis of accounting

The company did not trade during the period. The accounts have been prepared on the historical cost basis of accounting.

2. Share capital

	Authorised		Allotted, called up and fully paid	
	31 December 2005 £	1 January 2005 £	31 December 2005 £	1 January 2005 £
Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>4,505</u>	<u>4,505</u>

3. Ultimate holding company

The ultimate holding company is United Biscuits (Equity) Limited which is registered and incorporated in the Cayman Islands.