

**COOKIE KITCHEN LIMITED****1997 ANNUAL REPORT AND ACCOUNTS****REPORT OF THE DIRECTORS**

The directors submit their annual report together with the accounts for the 53 weeks ended 3 January 1998.

**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

A G Clark  
A D Frew



The interests of the directors in the share capital of the Company's ultimate holding company United Biscuits (Holdings) plc and options outstanding at the beginning and end of the Company's financial period were as follows :

	<u>Ordinary Shares</u>			<u>Options</u>		
	<u>1997</u> No.	<u>1996</u> No.	<u>1997</u> No.	<u>Granted</u>	<u>Lapsed</u>	<u>1996</u> No.
A.G. Clark	<b>45,873</b>	44,095	<b>142,428</b>	22,851	6,695	126,272
A.D. Frew	<b>3,662</b>	3,559	<b>213,398</b>	13,044	-	200,354

The Options are exercisable at prices varying from 159p to 400p up to 15 April 2007

Between 3 January 1998 and 31 March 1998, the beneficial shareholdings of A.G. Clark and A.D. Frew increased by 648 and 21 shares respectively.

**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.

**COOKIE KITCHEN LIMITED**

**1997 ANNUAL REPORT AND ACCOUNTS**

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.

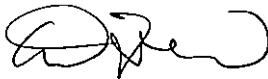
**DIVIDEND**

The directors do not recommend the payment of a dividend.

**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 D FREW**

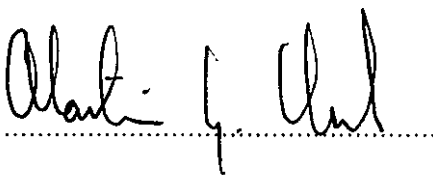
Secretary

31 March 1998

**BALANCE SHEET AT 3 JANUARY 1998**

	<b>3 January 1998 £</b>	<b>28 December 1996 £</b>
Creditors: Amount falling due within one year		
Amount due to group company	(7)	(7)
Capital and reserves		
Called up equity share capital		
Authorised, allotted and fully paid		
ordinary shares of £1 each	200	200
Share premium account	2,150	2,150
Profit and loss account	(2,357)	(2,357)
	(7)	(7)

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



DIRECTOR

31 March 1998

**COOKIE KITCHEN LIMITED**

**NOTES TO THE ACCOUNTS AT 3 JANUARY 1998**

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. Ultimate holding company

The ultimate holding company is United Biscuits (Holdings) plc which is registered in Scotland and incorporated in Great Britain. Copies of the group accounts can be obtained from Church Road, West Drayton, Middlesex, UB7 7PR.