

REPORTS AND FINANCIAL STATEMENTS OF:

HENRY DENNY & SONS LIMITED

For the year ended

31 DECEMBER 2005

REGISTERED NO. 33524



HENRY DENNY & SONS LIMITED

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

CONTENTS	PAGE
Directors and Other Information	2
Director's Reports	3 – 4
Statement of Directors' Responsibilities	5
Independent Auditors' Report	6 - 7
Profit and Loss Account	8
Balance Sheet	9
Notes to the Financial Statements	10 – 11

HENRY DENNY & SONS LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Hugh Friel
Denis Cregan
Brian Mehigan

SECRETARY

Brian Durran

REGISTERED OFFICE

Thorpe Lea Manor,
Thorpe Lea Road,
Egham, Surrey,
TW20 8HY.

AUDITORS

Deloitte & Touche,
Chartered Accountants,
Deloitte & Touche House,
Earlsfort Terrace,
Dublin 2.

SOLICITORS

Legal Department,
Kerry Group plc,
Prince's Street,
Tralee,
Co. Kerry.

HENRY DENNY & SONS LIMITED

DIRECTORS' REPORT

The directors submit their annual report together with the audited financial statements for the year ended 31 December 2005.

BUSINESS REVIEW

The company is an investment holding company. Details of the results for the year are set out in the profit and loss account on page 8 and in the related notes forming part of the financial statements.

The directors received no remuneration during the year.

BOARD OF DIRECTORS

The present membership of the Board is set out on page 2.

DIRECTORS' AND SECRETARY'S INTERESTS

The interests of the directors and secretary of the company, and their spouses and minor children, all of which is beneficial, in the share capital of Kerry Group plc, the ultimate holding company, at 31 December 2005 and 31 December 2004 were as follows:

NUMBER OF "A" ORDINARY SHARES		
DIRECTORS	2005	2004
Hugh Friel	345,000	325,000
Denis Cregan	287,500	262,500
Brian Mehigan	35,000	35,000
SECRETARY		
Brian Durran	10,000	10,000

There has not been any contract or arrangement with the company or any subsidiary during the year in which a director of the company was materially interested and which was significant in relation to the company's business.

The directors and secretary of the company who held office at 31 December 2005 and 31 December 2004 had no beneficial interest in the shares of the company.

HENRY DENNY & SONS LIMITED

DIRECTORS' REPORT (CONTINUED)

AUDITORS

The auditors, Deloitte & Touche, Chartered Accountants, have expressed their willingness to continue in office and a resolution will be proposed at the annual general meeting to reappoint them as auditors and to authorise the directors to fix their remuneration.

Signed on behalf of the Board:

A handwritten signature in dark ink, appearing to read 'Brian Mehigan', is written over the printed name.

BRIAN MEHIGAN, DIRECTOR

31 May 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements 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 financial year and of the profit or loss for the financial year.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENRY DENNY & SONS LIMITED

We have audited the financial statements of Henry Denny & Sons Limited for the year ended 31 December 2005, which comprise the profit and loss account, the balance sheet and the related notes 1 to 6. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HENRY DENNY & SONS LIMITED (CONTINUED)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its result for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

31 May 2006

**Deloitte & Touche,
Chartered Accountants and Registered Auditors,
Dublin.**

HENRY DENNY & SONS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2005**

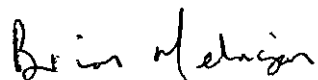
The company did not trade during the current year or the preceding year and received no income and incurred no expenditure. Consequently, the company made neither a profit nor a loss during the current year or preceding financial year.

HENRY DENNY & SONS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 STG£	2004 STG£
NET ASSETS		<u> -</u>	<u> -</u>
CAPITAL AND RESERVES			
Called-up share capital	2	1,800,000	1,800,000
Profit and loss account		<u>(1,800,000)</u>	<u>(1,800,000)</u>
SHAREHOLDERS' FUNDS		<u> -</u>	<u> -</u>
Equity		(400,000)	(400,000)
Non Equity		<u>400,000</u>	<u>400,000</u>
		<u> -</u>	<u> -</u>

The financial statements were approved by the Board of Directors on 31 May 2006 and signed on its behalf by:



BRIAN MEHIGAN, DIRECTOR

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005**

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting standards generally accepted in the United Kingdom comprising the Companies Act 1985. The accounts are prepared under the historical cost convention and are denominated in Sterling.

Basis of preparation

The financial statements have been prepared on a going concern basis. The company's balance sheet shows liabilities equal to assets. Its holding company has indicated that it will provide the necessary financial support to enable this company to continue its existing scale of operations for the foreseeable future. The directors are therefore satisfied as to the appropriateness of the going concern basis of accounting.

2. SHARE CAPITAL

	2005 STG£	2004 STG£
Authorised, issued and fully paid:		
4.2% preference shares of STG£1 each	400,000	400,000
Ordinary shares of STG£1 each	<u>1,400,000</u>	<u>1,400,000</u>
	<u>1,800,000</u>	<u>1,800,000</u>

3. TAXATION MATTERS

(a) Unrelieved losses and recoverable ACT:

	2005 STG£	2004 STG£
- Unrelieved CGT losses available to be offset against future taxable profits	<u>63,000</u>	<u>63,000</u>
- ACT written off but recoverable against future tax liabilities	<u>48,000</u>	<u>48,000</u>

(b) There is no liability for deferred taxation.

(c) Henry Denny & Sons Limited is not a close company within the meaning of the Income and Corporation Taxes Act, 1970.

Taxation charge for 2005 and 2004 is £nil.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005 (CONTINUED)**

4. GROUP MEMBERSHIP

The company's immediate parent company is E.M. Denny (Holdings) Limited, a company incorporated in the United Kingdom. In the opinion of the directors, the company's ultimate parent company is Kerry Group plc, a company incorporated in the Republic of Ireland. The parent undertaking of the largest and smallest group which includes the company and for which group accounts are prepared is Kerry Group plc.

Copies of the group financial statements of Kerry Group plc are available from:

Companies Registration Office,
Parnell House,
14 Parnell Square,
Dublin 1.

5. RELATED PARTY TRANSACTIONS

The company, a wholly owned subsidiary of Kerry Group plc, has elected to avail of the disclosure exemption available to subsidiary undertakings in accordance with FRS 8.

6. CASH FLOW STATEMENT

A cash flow statement has not been prepared for the company as its ultimate parent company, Kerry Group plc, has prepared consolidated financial statements which include a consolidated cash flow statement dealing with the cash flows of the group.