
Louis Dreyfus & Co. Limited

Directors

R. E. Cornwell (Chairman)
Pierre Louis-Dreyfus (French)
Gerard Louis-Dreyfus (USA)
Philippe Louis-Dreyfus OBE (French)
E. F. Steiner (USA)
B. Baldensperger (French)
P. H. Akroyd
R. L. Caperton (USA)
J. M. Carruthers
G. J. Gateff (French)
J. P. Huchon (French) (Appointed 9.9.2004)
M. Lubetzki (French) (Resigned 9.9.2004)
I. S. McIntosh
N. Mamalis (Appointed 11.3.2005)
H. Wolkin (USA)

Secretary

A. M. Payne

Registered Office

Queensberry House, 3 Old Burlington Street, London W1S 3LD

Registered Company Number

364962

Auditors

Constantin,
Aldwych House,
81 Aldwych,
London WC2B 4HN



Directors' Report

The directors submit their annual report and the audited accounts for 2004 comprising those of the company and the consolidated accounts of Louis Dreyfus & Co. Limited and its subsidiaries.

RESULTS AND DIVIDENDS

The group trading profit for the year, after taxation, amounted to \$17,638,828 (2003 profit: \$8,422,567). The directors do not recommend the payment of a dividend (2003: \$nil).

PRINCIPAL ACTIVITY

The company and its subsidiaries are part of an integrated worldwide commodity trading group. The group's principal activity during the year consisted of commodity trading.

REVIEW OF THE GROUP'S BUSINESSES

The UK Group had a satisfactory year in all its various activities.

On 1 October 2004 the company acquired 100% of the share capital of Louis Dreyfus Commodities and Finance Limited ("LDCF"). The principal activity of LDCF consists of the trading of financial related products.

FUTURE DEVELOPMENTS

The company is in a strong position to take advantage of the trading opportunities that may arise during the coming year.

FIXED ASSETS

The changes in fixed assets during the year are summarised in note 9 to the accounts.

CLOSE COMPANY STATUS

The company is a close company within the meaning of the provisions of the Income and Corporation Taxes Act 1988. This status has not changed since the year end.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

During the year the company purchased and maintained liability insurance for its directors and officers as permitted by section 310(3) of the Companies Act 1985.

DIRECTORS

The directors who have held office during the year and at the date of this report are named on page 1. No director had a beneficial interest in the shares of the company, at either the beginning or end of the year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

It is the responsibility of the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the group as at the year-end and of the profit and loss of the group for that period. The directors are responsible for ensuring that applicable accounting standards have been followed, and that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the accounts. It is also the responsibility of the directors to prepare the accounts on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business. The directors are responsible for maintaining adequate accounting records, for safeguarding the assets of the company and of the group and for preventing and detecting fraud and other irregularities.

AUDITORS

The auditors, Constantin, have indicated their willingness to continue in office and a resolution to re-appoint Constantin will be proposed at the Annual General Meeting.

London
6 April, 2005

By Order of the Board,
A. M. PAYNE
Secretary



Constantin

Registered Auditor

Aldwych House, 81 Aldwych, London WC2B 4HN

Independent Auditor's Report

to the Shareholders of Louis Dreyfus & Co. Limited

We have audited the financial statements of Louis Dreyfus & Co. Limited for the year ended 31 December 2004 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is solely for 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibilities 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view 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 transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 accounts, 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 accounts 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and of the group as at 31 December 2004 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Constantin

6 April, 2005
Registered Auditor

Louis Dreyfus & Co. Limited

Accounting Policies

(i) Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards except as noted in paragraph (x) below.

(ii) Basis of consolidation

The group accounts consolidate the accounts of the company and its subsidiaries. The financial years of all subsidiaries are coterminous with the parent company. Associated undertakings are those companies in which the group has a participating interest and exerts significant influence.

(iii) Consolidation of subsidiaries accounting in non-dollar currencies

On consolidation, assets and liabilities of subsidiary and associated companies denominated in non-dollar currencies are translated into dollars at year end closing rates of exchange. Income statements are translated at year end closing rates of exchange.

Exchange differences resulting from the translation of net investments in subsidiary and associated undertakings at closing rates are dealt with as movements in reserves as are differences arising on equity investments denominated in foreign currencies in the holding company's accounts. Differences on relevant foreign currency loans are taken to reserves and offset against the differences on net investments in both group and company accounts.

(iv) Foreign currency translation in individual undertakings

Assets and liabilities denominated in other than the functional currency at the balance sheet date are translated at the rates ruling on that date or if appropriate at a forward contract rate.

Trading transactions are translated at the rate ruling on the settlement date and related gains and losses on exchange are recognised in the profit and loss account.

(v) Turnover

Turnover represents the amount receivable for goods and services supplied to customers on completion of a contract in respect of commodity trading and other activities, including interest receivable but excluding intra group transactions and value added tax.

(vi) Forward Contracts

Forward purchases and sales of commodities are valued at either quoted market values or, if unavailable, directors' valuation at the balance sheet date and any profit or loss is recognised in the profit and loss account.

(vii) Deferred Taxation

Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

(viii) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation including provision for impairment in value. Depreciation rates are calculated so that assets are written down to estimated residual value in equal annual instalments over their expected useful lives which are as follows:

Freehold buildings	30 years
Leasehold property	Term of lease
Equipment and Motor Vehicles	Between 4 and 14 years
Leasehold Improvements	Period of lease

Freehold land is not depreciated.

(ix) Investments

Investments, other than associated undertakings (see paragraph (ii) above) and subsidiary companies, are stated at the lower of cost or estimated realisable value. In the accounts of the company, investments in subsidiaries, including loans, are shown at cost less impairment in value.

(x) Stocks

Traded commodities are valued at market values at the balance sheet date. Although not in accordance with SSAP 9, the directors believe that this policy, which is internationally accepted for commodity trading groups, gives a fairer reflection of its commodity trading activities.

(xi) Pension costs

The cost of pension contributions is charged to the profit and loss account as explained in note 3.

Louis Dreyfus & Co. Limited

Group Profit and Loss Account

YEARS ENDED 31 DECEMBER

	Notes	2004 \$000	2003 \$000
Turnover - continuing operations	1	1,490,642	1,038,306
discontinued operations		-	766
		<u>1,490,642</u>	<u>1,039,072</u>
Cost of Sales	2	<u>(1,404,344)</u>	<u>(986,467)</u>
Gross Profit	2	86,298	52,605
Administrative Expenses	2	(68,859)	(34,403)
Other Operating Income	2	1,651	421
Exceptional Item	2	3,682	-
Operating Profit - continuing operations		<u>22,772</u>	<u>18,431</u>
discontinued operations		-	192
	3	<u>22,772</u>	<u>18,623</u>
Profit on Sale on Fixed Assets	4	2,634	-
Interest Receivable and Similar Income	5	1,977	723
Interest Payable and Similar Charges	6	<u>(5,917)</u>	<u>(7,173)</u>
Profit on Ordinary Activities Before Taxation		21,466	12,173
Tax on Profit on Ordinary Activities	8	<u>(3,827)</u>	<u>(3,750)</u>
Profit on Ordinary Activities After Taxation			
Transferred to Reserves	16	<u>17,639</u>	<u>8,423</u>

The notes on pages 12 to 20 form an integral part of these accounts.

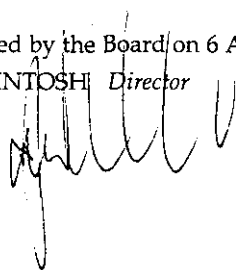
Louis Dreyfus & Co. Limited

Group Balance Sheet

AS AT 31 DECEMBER

	Notes	2004 \$000	2003 \$000
Fixed Assets			
Tangible Fixed Assets	9	3,278	3,126
Investments	10	5,697	15,197
		<u>8,975</u>	<u>18,323</u>
Current Assets			
Stocks	11	118,328	71,106
Debtors	12	370,597	241,753
Cash at bank and in hand		21,588	8,247
		<u>510,513</u>	<u>321,106</u>
Creditors: Amounts falling due within one year	13	<u>(432,343)</u>	<u>(260,057)</u>
Net Current Assets		<u>78,170</u>	<u>61,049</u>
Creditors: Amounts falling due after more than one year	14	<u>(5,000)</u>	<u>(14,500)</u>
Net Assets		<u>82,145</u>	<u>64,872</u>
Capital and Reserves			
Called up share capital	15	32,445	32,445
Profit and loss account		49,700	32,427
Shareholders' Funds	16	<u>82,145</u>	<u>64,872</u>

Approved by the Board on 6 April, 2005
I. S. McINTOSH Director



The notes on pages 12 to 20 form an integral part of these accounts.

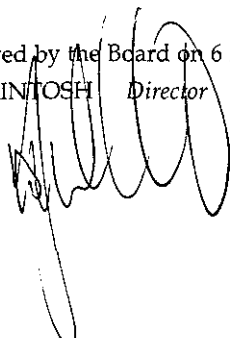
Louis Dreyfus & Co. Limited

Balance Sheet

AS AT 31 DECEMBER

	Notes	2004 \$000	2003 \$000
Fixed Assets			
Tangible Fixed Assets		8	19
Investments	10	<u>84,633</u>	<u>38,001</u>
		<u>84,641</u>	<u>38,020</u>
Current Assets			
Debtors	12	203,624	165,985
Cash at bank and in hand		<u>13,075</u>	<u>1,762</u>
		216,699	167,747
Creditors: Amounts falling due within one year	13	<u>(242,510)</u>	<u>(151,058)</u>
Net Current (Liabilities)/Assets		<u>(25,811)</u>	<u>16,689</u>
Creditors: Amounts falling due after more than one year	14	<u>(5,000)</u>	<u>(5,000)</u>
Net Assets		<u>53,830</u>	<u>49,709</u>
Capital and Reserves			
Called up share capital	15	32,445	32,445
Profit and loss account		<u>21,385</u>	<u>17,264</u>
Shareholders' Funds		<u>53,830</u>	<u>49,709</u>

Approved by the Board on 6 April, 2005
I. S. MCINTOSH Director



The notes on pages 12 to 20 form an integral part of these accounts.

Louis Dreyfus & Co. Limited

Statement of Total Recognised Gains and Losses

YEARS ENDED 31 DECEMBER

	2004	2003
	\$000	\$000
Profit for the financial year	17,639	8,423
Currency translation differences on foreign currency net investments	<u>(366)</u>	<u>(474)</u>
Total gains and losses recognised since last annual report	<u>17,273</u>	<u>7,949</u>

The notes on pages 12 to 20 form an integral part of these accounts.

Louis Dreyfus & Co. Limited

Group Cash Flow Statement

YEARS ENDED 31 DECEMBER

	Notes	2004 \$000	2003 \$000
Net cash (outflow)/inflow from operating activities	1a	<u>(89,378)</u>	<u>91,850</u>
Returns on investments and servicing of finance			
Interest received		2,234	492
Interest paid		<u>(5,730)</u>	<u>(7,426)</u>
		<u>(3,496)</u>	<u>(6,934)</u>
Taxation			
Corporation tax paid		(3,926)	(1,989)
Overseas tax paid		<u>(939)</u>	<u>(929)</u>
		<u>(4,865)</u>	<u>(2,918)</u>
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(723)	(767)
Receipts from sale of tangible fixed assets		929	-
Payments to acquire investments		<u>-</u>	<u>(137)</u>
		<u>206</u>	<u>(904)</u>
(Decrease)/increase in cash	1b	<u><u>(97,533)</u></u>	<u><u>81,094</u></u>

The notes on page 11 form an integral part of this statement.

Notes to the Cash Flow Statement

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2004	2003
	\$000	\$000
Change in net debt resulting from cash flows	(97,533)	81,094
Exchange differences	(1,525)	(1,241)
Movement in net debt	(99,058)	79,853
Net debt at 1 January	(147,138)	(226,991)
Net debt at 31 December	(246,196)	(147,138)

1a Reconciliation of operating profit to net cash (outflow)/inflow from operating activities

	2004	2003
	\$000	\$000
Operating Profit	22,772	18,623
Depreciation	552	580
Loss on sale of tangible fixed assets	-	25
Adjustment for exchange differences	1,159	(1,658)
(Increase)/decrease in debtors	(128,063)	26,504
(Increase)/decrease in stocks	(47,222)	52,734
Increase/(decrease) in creditors	61,424	(4,958)
Net cash (outflow)/inflow from operating activities	(89,378)	91,850

1b Analysis of net debt

	At 1 January 2004 \$000	Cash flow \$000	Exchange difference \$000	At 31 December 2004 \$000
Cash at bank and in hand	8,247	13,480	(139)	21,588
Bank overdrafts/short term loans	(155,385)	(111,013)	(1,386)	(267,784)
	<u>(147,138)</u>	<u>(97,533)</u>	<u>(1,525)</u>	<u>(246,196)</u>

Notes to the Accounts

1. SEGMENTAL INFORMATION

	2004	2003	2004	2003	2004	2003
	\$000	\$000	\$000	\$000	\$000	\$000
	Turnover		Profit/(Loss) before taxation		Net Assets	
Commodity trading	1,476,989	1,038,306	16,282	11,445	77,678	64,872
Financial product trading	13,653	-	5,184	-	4,467	-
Other	-	766	-	728	-	-
	<u>1,490,642</u>	<u>1,039,072</u>	<u>21,466</u>	<u>12,173</u>	<u>82,145</u>	<u>64,872</u>

The group is primarily engaged in commodity trading, resulting in turnover originating in the United Kingdom. The nature of commodity trading is such that it is not possible to establish the geographical split of turnover by destination.

2. COST OF SALES AND OPERATING EXPENSES

	2004	2003	2004	2003	2004	2003
	\$000	\$000	\$000	\$000	\$000	\$000
	Continuing Operations		Discontinued Operations		Total	Total
Cost of Sales	(1,404,344)	(986,467)	-	-	(1,404,344)	(986,467)
Gross Profit	86,298	51,839	-	766	86,298	52,605
Administrative Expenses	(68,859)	(34,232)	-	(171)	(68,859)	(34,403)
Other Operating Income/(Expenses)	1,651	824	-	(403)	1,651	421
Exceptional Item (see below)	3,682	-	-	-	3,682	-

Discontinued operations in 2003 principally relate to the activity of the group's marine insurance subsidiary. The exceptional item in 2004 relates to amounts owed to group undertakings written back.

3. OPERATING PROFIT FOR THE YEAR is stated after charging the following:

	2004	2003
	\$000	\$000
Wages and salaries	50,503	18,776
Social security costs	1,738	1,378
Group pension scheme costs	324	1,575
Depreciation	552	580
Auditors' remuneration	215	452
Loss on sale of tangible fixed assets	-	25
Exchange loss	<u>6,431</u>	<u>3,273</u>

Notes to the Accounts (continued)

4. PROFIT ON SALE OF FIXED ASSETS

	2004	2003
	\$000	\$000
Profit on sale of fixed asset investments	1,725	-
Profit on sale of tangible fixed assets	909	-
	<u>2,634</u>	<u>-</u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2004	2003
	\$000	\$000
Group undertakings	1,803	618
Banks	174	105
	<u>1,977</u>	<u>723</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	\$000	\$000
Group undertakings	1,161	1,199
Bank borrowings wholly repayable within 5 years	4,629	5,524
Other	127	450
	<u>5,917</u>	<u>7,173</u>

7. DIRECTORS REMUNERATION

	2004	2003
	\$000	\$000
Directors' emoluments	4,010	3,270
Emoluments of the highest paid director	2,589	2,033

	2004	2003
Number of directors to whom pension entitlements are accruing under a defined benefits scheme.	<u>2</u>	<u>2</u>

Notes to the Accounts (continued)

8. TAXATION

The company is a close company.

a) Analysis of charge in the year:

	2004	2003
	\$000	\$000
Current tax:		
UK corporation tax on profits of the period	638	1,630
Adjustments in respect of previous periods	1,032	547
Foreign tax	2,157	1,086
Total current tax	3,827	3,263
Deferred tax:		
Tax losses	-	487
Timing differences	-	-
Tax on profit on ordinary activities	3,827	3,750

b) Factors affecting tax charge for the year.

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 30% (2003: 30%)

The differences are explained below:

	2004	2003
	\$000	\$000
Profit on ordinary activities before tax	21,466	12,173
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2003: 30%)	6,440	3,652
Effects of:		
Expenses not deductible for tax purposes	182	356
Tax losses unrelieved/(utilised)	149	(130)
Group relief surrendered/(received) for no consideration	96	(1,997)
Depreciation for period less than/(in excess of) capital allowances	218	(63)
Tax provided on overseas subsidiaries taxable in UK	174	343
Adjustments to tax charge in respect of previous periods	1,033	547
Foreign exchange movement on tax liability	(733)	105
Difference due to tax rates suffered overseas	(146)	451
Gain on sale of investments exempt from tax	(518)	-
Adjustment on acquisition of subsidiary	(1,613)	-
Consolidation Adjustments	(1,470)	-
Other	15	(1)
Current tax charge of period	3,827	3,263

Notes to the Accounts (continued)

8. TAXATION (continued)

c) Factors that may affect the future tax charges.

The effective tax rate in future periods should not differ significantly from the standard UK corporation tax rate of 30%. The group has brought forward tax losses in certain overseas subsidiaries which could reduce tax payments in those countries.

9. TANGIBLE FIXED ASSETS

Group	Leasehold Property Long Term \$000	Freehold Land and Buildings \$000	Equipment and Motor Vehicles \$000	Leasehold Improve- ments \$000	Total \$000
Cost:					
<i>At 1 January 2004</i>	24	1,315	2,912	1,079	5,330
Additions	-	52	655	17	724
Disposals	(8)	(33)	(100)	-	(141)
At 31 December 2004	16	1,334	3,467	1,096	5,913
Depreciation:					
<i>At 1 January 2004</i>	(18)	(99)	(1,376)	(711)	(2,204)
Provision for year	-	(49)	(423)	(80)	(552)
Released on disposals	6	33	82	-	121
At 31 December 2004	(12)	(115)	(1,717)	(791)	(2,635)
Net book amounts at					
31 December 2004	4	1,219	1,750	305	3,278
<i>Net book amounts at</i>					
<i>31 December 2003</i>	<i>6</i>	<i>1,216</i>	<i>1,536</i>	<i>368</i>	<i>3,126</i>

Notes to the Accounts (continued)

10. INVESTMENTS

Group	Associated	Unlisted	Total
	Undertakings at Cost	Investments	
	\$000	\$000	\$000
At 1 January 2004	55	15,142	15,197
Disposals	-	(9,500)	(9,500)
At 31 December 2004	<u>55</u>	<u>5,642</u>	<u>5,697</u>
Company			Total
			\$000
At 1 January 2004			38,001
Additions			48,132
Disposals			(1,500)
At 31 December 2004			<u>84,633</u>

The principal subsidiary companies of Louis Dreyfus & Co. Limited at 31 December 2004 are shown on page 21 and are all wholly owned, operate within the UK and are included in the consolidation.

The market value of unlisted investments is, in the opinion of the directors, not materially different from their cost. The interest in associated undertakings, held by the group, includes the equity share capital of the following companies:

Name of company	Country of incorporation	Description of shares	Proportion held	Activity
Kings Lynn Silos Ltd.	England	Ordinary of £1	33%	Commodities
BSF Seed Producers (GB) Ltd.	England	Ordinary of £1	50%	Commodities

In accordance with FRS 9, these associates have not been included in the consolidation on the grounds of immateriality. The group disposals for the year relate to an 8% investment in the share capital of S.A.C.E.I.F. Louis Dreyfus & Cia Ltda., a company registered in Argentina. The company additions represent the acquisition of 100% of the shares of Louis Dreyfus & Commodities Finance Limited and Louis Dreyfus Trading Limited ("LDT"). LDT was already part of the LD & Co. Group. The Company disposal relates to the liquidation during the year of a dormant subsidiary.

11. STOCKS

	2004	2003
	\$000	\$000
Traded commodity stocks	<u>118,328</u>	<u>71,106</u>

Notes to the Accounts (continued)

12. DEBTORS

	Group		Company	
	2004	2003	2004	2003
	\$000	\$000	\$000	\$000
Trade debtors	272,907	150,831	-	-
Amounts owed by group undertakings	43,119	65,727	191,883	158,171
Other debtors	1,776	2,569	-	-
Prepayments and accrued income	45,901	16,767	41	238
Corporation tax	6,894	5,859	11,700	7,576
	<u>370,597</u>	<u>241,753</u>	<u>203,624</u>	<u>165,985</u>

13. CREDITORS: Amounts falling due within one year

	Group		Company	
	2004	2003	2004	2003
	\$000	\$000	\$000	\$000
Bank loans and overdrafts, unsecured	267,784	155,385	227,727	130,354
Trade creditors	11,241	50,318	17	-
Amounts owed to group undertakings	120,956	40,607	14,452	20,231
Other creditors	3,167	3,751	38	267
Accruals and deferred income	29,195	9,996	276	206
	<u>432,343</u>	<u>260,057</u>	<u>242,510</u>	<u>151,058</u>

14. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2004	2003	2004	2003
	\$000	\$000	\$000	\$000
Amounts owed to group undertakings	<u>5,000</u>	<u>14,500</u>	<u>5,000</u>	<u>5,000</u>

15. CALLED UP SHARE CAPITAL

	2004	2003
	\$000	\$000
Authorised:		
100,000,000 ordinary shares of \$1 each	<u>100,000</u>	<u>100,000</u>
Allotted called up and fully paid:		
32,445,000 ordinary shares of \$1 each	<u>32,445</u>	<u>32,445</u>

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS (Group)

	2004	2003
	\$000	\$000
Opening shareholders' funds	64,872	56,923
Retained profit for the year	17,639	8,423
Currency translation differences on foreign equity investments	(366)	1,950
Currency translation differences on relevant foreign currency loans	-	(2,424)
Closing shareholders' funds	<u>82,145</u>	<u>64,872</u>

Notes to the Accounts (continued)

17. CONTINGENT LIABILITIES

The company has guaranteed letters of credit issued in respect of subsidiaries amounting to \$58,944,423. (2003 - \$14,744,389).

18. COMMITMENTS

In the normal course of business the group has entered into forward contracts for the purchase and sale of commodities.

19. NUMBER OF EMPLOYEES

	2004	2003
Commodity trading	138	150

20. PENSION COSTS - FRS 17 DISCLOSURES

The company operates a defined benefit pension scheme (the "Scheme"). An estimate of the scheme's financial position was carried out at 31 December 2004 by a qualified independent actuary. The estimate was based on the last full valuation as at 1 January 2003. The company paid contributions of \$3,110,000 in the year to 31 December 2004. The major assumptions used by the actuary were:

	2004		2003	
Salary increases	3.10%		3.00%	
Increases to pensions and deferred pensions	2.50%		2.50%	
Discount rate	5.60%		5.75%	
RPI	2.50%		2.50%	
The assets of the Fund and expected return on assets	\$000	%	\$000	%
Annuity contracts already purchased	38,966	5.60	34,604	5.75
Clerical Medical Group Pension Contract and other net assets	32,621	6.60	25,853	6.75
	71,587		60,457	
Actuarial liabilities	(76,758)		(67,095)	
Deficit	(5,171)		(6,638)	
Related deferred tax asset	1,551		1,991	
Net pension liability	(3,620)		(4,647)	

Notes to the Accounts (continued)

20. PENSION COSTS - FR5 17 DISCLOSURES (continued)

Analysis of the defined benefit cost charged to operating profit	2004	2003	
operating profit	\$000	\$000	
Service cost	549	496	
Analysis of other amounts charged to operating profit			
Gain on settlements	-	1,459	
Gain on curtailments	-	303	
	-	1,762	
Analysis of the amount credited to financing of pension provisions			
Expected return	3,991	3,675	
Interest on pension liabilities	(4,137)	(3,777)	
Net return	(146)	(102)	
Amount recognised in the statement of total recognised gains & losses	2004	2003	
	\$000	\$000	
Actual return in excess of expected return	488	(483)	
Experience gains and losses	(904)	(2,708)	
Change in assumptions underlying present value of fund liabilities	(50)	-	
Actuarial loss	(466)	(3,191)	
Movement in deficit during year	2004	2003	
	\$000	\$000	
Deficit at the start of the year	(6,638)	(5,268)	
Foreign exchange difference	(482)	(591)	
Total operating charge	(549)	(496)	
Settlement cost	-	303	
Curtailment cost	-	1,459	
Contributions	3,110	1,248	
Net return	(146)	(102)	
Actuarial loss in the statement of total recognised gains and losses	(466)	(3,191)	
Deficit at the end of the year	(5,171)	(6,638)	
History of experience gains and losses	Year ending 31 Dec 2004	Year ending 31 Dec 2003	Year ending 31 Dec 2002
Difference between the expected and actual return on scheme assets			
• Amount (\$000s)	488	(483)	464
• Percentage of scheme assets	1%	(1%)	1%
Experience gains and (losses) on scheme liabilities:			
• Amount (\$000s)	(904)	(2,708)	48
• Percentage of the present value of the scheme liabilities	(1%)	(4%)	0%
Total amount recognised in statement of total recognised gains and losses			
• Amount (\$000s)	(466)	(3,191)	(431)
• Percentage of the present value of the scheme liabilities	(1%)	(5%)	(1%)

Notes to the Accounts (continued)

21. COMPANY

The company has not disclosed its own profit and loss account as permitted by section 230 of Companies Act 1985. The profit for the year was \$4,121,626 (2003: \$9,969,743).

22. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Louis Dreyfus SAS., incorporated in France.

23. GROUP ACCOUNTS

The largest and smallest groups for which group accounts are prepared and of which the company is a member are as follows:

Name	Largest and smallest Louis Dreyfus SAS.
Address from where copies of the group accounts can be obtained	87 Avenue de la Grande Armee, 75782 Paris.

In accordance with FRS8, Related Party Transactions, the company has taken advantage of the exemption for subsidiary undertakings, whose 90% or more voting rights are controlled within a group, from the requirement to disclose related party transactions, as the consolidated financial statements in which the company is included are publicly available.

Principal Subsidiaries

Registered in England

LOUIS DREYFUS TRADING LIMITED Directors

Commodity trading

P. H. Akroyd

R. Allen

J. Barritt

B. Laferriere

I. S. McIntosh

P. Malchere

(Resigned 9.9.2004)

N. Mamalis

(Appointed 11.3.2005)

D. S. Ohayon

N. Pardo

(Resigned 8.2.2005)

Registered Office

Queensberry House, 3 Old Burlington Street, London W1S 3LD

Registered in England

LOUIS DREYFUS SERVICES LIMITED Directors

Commodity Consultancy

J. Barritt

(Appointed 16.3.2004)

P. De Camaret

J. Gandar

H. Wolkin

(Appointed 16.3.2004)

Registered Office

Queensberry House, 3 Old Burlington Street, London W1S 3LD

Registered in England

LOUIS DREYFUS COMMODITIES & FINANCE LIMITED Directors

Financial Product Trading

P. H. Akroyd

J. Barritt

P. De Camaret

I. S. McIntosh

N. Mamalis

Registered Office

Queensberry House, 3 Old Burlington Street, London W1S 3LD

Exemption has been taken of the disclosures required under section 231 (5) (6) of the Companies Act 1985 on the grounds that in the directors' opinion, only the aforementioned companies' results or financial position principally affect the accounts of the group.