
Louis Dreyfus & Co. Limited

Directors

R. E. Cornwell	(Chairman)
Jean Louis-Dreyfus (French)	(Deceased 2.2.2003)
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	
P. d'Aymery (French)	(Resigned 6.2.2003)
G. J. Gateff (French)	
M. Lubetzki (French)	
I. S. McIntosh	
D. MacFarlane	(Resigned 9.5.2003)
S. Martin	(Resigned 11.4.2003)
H. Wolkin (USA)	(Appointed 13.11.2003)

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



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Directors' Report

The directors submit their annual report and the audited accounts for 2003 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 \$8,422,567 (2002 profit: \$4,295,499). The directors do not recommend the payment of a dividend (2002: \$nil).

PRINCIPAL ACTIVITIES

The company and its subsidiaries are part of an integrated worldwide commodity trading group. The group's principal activities 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.

The group's non commodity trading subsidiaries were sold during the year, to enable it to concentrate on its core activity of commodity trading.

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
23 April, 2004

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 2003 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 2003 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

23 April, 2004
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 material 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, 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 note (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	2003 \$000	2002 \$000
Turnover - continuing operations	1	1,036,233	1,027,006
discontinued operations		<u>766</u>	<u>6,798</u>
		1,036,999	1,033,804
Cost of Sales	2	<u>(986,467)</u>	<u>(996,367)</u>
Gross Profit	2	50,532	37,437
Administrative Expenses	2	(34,403)	(27,077)
Other Operating Income	2	421	4,174
Operating Profit - continuing operations		<u>16,358</u>	<u>14,102</u>
discontinued operations		<u>192</u>	<u>432</u>
	3	16,550	14,534
Reorganisation Costs - continuing operations	4	<u>-</u>	<u>(1,739)</u>
Profit on Ordinary Activities before Interest and Taxation		16,550	12,795
Interest Receivable and Similar Income	5	2,796	4,699
Interest Payable and Similar Charges	6	<u>(7,173)</u>	<u>(11,054)</u>
Profit on Ordinary Activities Before Taxation		12,173	6,440
Tax on Profit on Ordinary Activities	8	<u>(3,750)</u>	<u>(2,145)</u>
Profit on Ordinary Activities After Taxation			
Transferred to Reserves	16	<u>8,423</u>	<u>4,295</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	2003 \$000	2002 \$000
Fixed Assets			
Tangible assets	9	3,126	2,964
Investments	10	15,197	12,637
		<u>18,323</u>	<u>15,601</u>
Current Assets			
Stocks	11	71,106	123,840
Debtors	12	241,753	254,590
Cash at bank and in hand		8,247	23,826
		<u>321,106</u>	<u>402,256</u>
Creditors: Amounts falling due within one year	13	<u>(260,057)</u>	<u>(360,934)</u>
Net Current Assets		<u>61,049</u>	<u>41,322</u>
Creditors: Amounts falling due after more than one year	14	<u>(14,500)</u>	<u>-</u>
		<u>64,872</u>	<u>56,923</u>
Capital and Reserves			
Called up share capital	15	32,445	32,445
Profit and loss account		32,427	24,478
Shareholders' Funds	16	<u>64,872</u>	<u>56,923</u>

Roger Cornwell

Approved by the Board on 23 April, 2004

R. E. CORNWELL *Director*

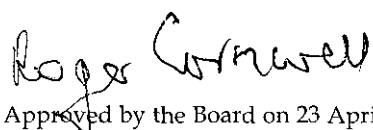
The notes on pages 12 to 20 form an integral part of these accounts.

Louis Dreyfus & Co. Limited

Balance Sheet

AS AT 31 DECEMBER

		2003	2002
	Notes	\$000	\$000
Fixed Assets			
Tangible Fixed Assets		19	-
Investments	10	<u>38,001</u>	<u>46,993</u>
		<u>38,020</u>	<u>46,993</u>
Current Assets			
Debtors	12	165,985	265,965
Cash at bank and in hand		<u>1,762</u>	<u>4,018</u>
		<u>167,747</u>	<u>269,983</u>
Creditors: Amounts falling due within one year	13	<u>(151,058)</u>	<u>(277,236)</u>
Net Current Assets/(Liabilities)		<u>16,689</u>	<u>(7,253)</u>
Creditors: Amounts falling due after more than one year	14	<u>(5,000)</u>	<u>-</u>
Net Assets		<u>49,709</u>	<u>39,740</u>
Capital and Reserves			
Called up share capital	15	32,445	32,445
Profit and loss account		<u>17,264</u>	<u>7,295</u>
Shareholders' Funds		<u>49,709</u>	<u>39,740</u>



Approved by the Board on 23 April, 2004

R. E. CORNWELL *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

	2003	2002
	\$000	\$000
Profit for the financial year	8,423	4,295
Currency translation differences on foreign currency net investments	<u>(474)</u>	<u>270</u>
Total gains and losses recognised since last annual report	<u><u>7,949</u></u>	<u><u>4,565</u></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	2003 \$000	2002 \$000
Net cash inflow/(outflow) from operating activities	1a	<u>89,777</u>	<u>(77,269)</u>
Returns on investments and servicing of finance			
Interest received		2,565	4,638
Interest paid		<u>(7,426)</u>	<u>(10,887)</u>
		<u>(4,861)</u>	<u>(6,249)</u>
Taxation			
Corporation tax paid		(1,989)	(7,375)
Overseas tax paid		<u>(929)</u>	<u>(1,453)</u>
		<u>(2,918)</u>	<u>(8,828)</u>
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(767)	(518)
Receipts from sale of tangible fixed assets		-	26
Payments to acquire investments		<u>(137)</u>	<u>(11,382)</u>
		<u>(904)</u>	<u>(11,874)</u>
Increase /(Decrease) in cash	1b	<u>81,094</u>	<u>(104,220)</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

	2003 \$000	2002 \$000
Change in net debt resulting from cash flows	81,094	(104,220)
Exchange differences	(1,241)	(243)
Movement in net debt	79,853	(104,463)
Net debt at 1 January	(226,991)	(122,528)
Net debt at 31 December	(147,138)	(226,991)

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

	2003 \$000	2002 \$000
Operating Profit	16,550	14,534
Reorganisation costs	-	(1,739)
Depreciation	580	1,355
Loss on sale of tangible fixed assets	25	41
Adjustment for exchange differences	(1,658)	(159)
Decrease in debtors	26,504	135,135
(Increase)/decrease in stocks	52,734	(52,125)
(Decrease) in creditors	(4,958)	(174,311)
Net cash inflow/(outflow) from operating activities	89,777	(77,269)

1b Analysis of net debt

	At 1 January 2003 \$000	Cash flow \$000	Exchange difference \$000	At 31 December 2003 \$000
Cash at bank and in hand	23,827	(15,933)	354	8,247
Bank overdrafts/short term loans	(250,818)	97,028	(1,595)	(155,385)
	<u>(226,991)</u>	<u>81,094</u>	<u>(1,241)</u>	<u>(147,138)</u>

Notes to the Accounts

1. SEGMENTAL INFORMATION

	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000
	Turnover		Profit/(Loss) before taxation		Net Assets/ (Liabilities)	
Commodity trading	1,036,233	1,034,456	11,445	6,851	64,872	48,766
Energy product trading (discontinued)	-	-	-	338	-	1,051
Other	766	(652)	728	(749)	-	7,106
	<u>1,036,999</u>	<u>1,033,804</u>	<u>12,173</u>	<u>6,440</u>	<u>64,872</u>	<u>56,923</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

	2003 \$000	2002 \$000	2003 \$000	2002 \$000	2003 \$000	2002 \$000
	Continuing Operations		Discontinued Operations		Total	Total
Cost of Sales	(986,467)	(990,193)	-	(6,174)	(986,467)	(996,367)
Gross Profit	49,766	36,813	766	624	50,532	37,437
Administrative Expenses	(34,232)	(27,058)	(171)	(19)	(34,403)	(27,077)
Other Operating Income/(Expenses)	824	4,347	(403)	(173)	421	4,174

Discontinued operations in 2002 relate to the grain trading and Energy operations.

Discontinued operations in 2003 principally relate to the activity of the group's marine insurance subsidiary.

3. OPERATING PROFIT FOR THE YEAR is stated after charging/(crediting) the following:

	2003 \$000	2002 \$000
Wages and salaries	18,776	11,996
Social security costs	1,378	855
Group pension scheme costs	1,575	2,910
Depreciation	580	1,355
Auditors remuneration	452	239
Loss on sale of tangible fixed assets	25	-
Exchange loss/(profit)	<u>3,273</u>	<u>(1,029)</u>

Notes to the Accounts (continued)

4. REORGANISATION COSTS

During 2002, the directors' decided that it was necessary, in order to remain competitive in the prevailing market conditions, to undertake a reorganisation of some of the group's businesses, resulting in a number of redundancies during the year. All of the resulting costs were accounted for in 2002.

5. INTEREST RECEIVABLE AND SIMILAR INCOME:

	2003	2002
	\$000	\$000
Group undertakings	618	4,201
Banks	105	251
Other	2,073	247
	<u>2,796</u>	<u>4,699</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES:

	2003	2002
	\$000	\$000
Group undertakings	1,199	4,472
Bank borrowings wholly repayable within 5 years	5,524	6,582
Other	450	-
	<u>7,173</u>	<u>11,054</u>

7. DIRECTORS REMUNERATION

	2003	2002
	\$000	\$000
Directors emoluments	3,270	1,918
Emoluments of the highest paid director	2,033	778

	2003	2002
Number of directors to whom pension entitlements are accruing under a defined benefits scheme.	<u>2</u>	<u>3</u>

Notes to the Accounts (continued)

8. TAXATION

The company is a close company.

a) Analysis of charge in the year

	2003	2002
	\$000	\$000
Current tax:		
UK corporation tax on profits of the period	1,630	-
Adjustments in respect of previous periods	547	868
Foreign tax	1,086	396
Total current tax	3,263	1,264
Deferred tax:		
Tax losses	487	881
Timing differences	-	-
Tax on profit on ordinary activities	3,750	2,145

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% (2002: 30%)

The differences are explained below:

	2002	2001
	\$000	\$000
Profit on ordinary activities before tax	12,173	6,440
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2002: 30%)	3,652	1,932
Effects of:		
Expenses not deductible for tax purposes	356	615
Utilisation of tax losses	(130)	(1,255)
Tax losses unrelieved	-	477
Group relief received for no consideration	(1,997)	(1,334)
Depreciation for period in excess of capital allowances	(63)	171
Tax unprovided on overseas earnings	-	(164)
Tax provided on profits of overseas subsidiaries taxable in UK	343	-
Adjustments to tax charge in respect of previous periods	547	868
Foreign exchange movement on tax liability	105	-
Difference due to tax rates suffered overseas	451	-
Other	(1)	(46)
Current tax charge of period	3,263	1,264

Notes to the Accounts (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 2003</i>	24	1,218	4,792	3,307	9,341
Additions	~	110	500	158	768
Disposals	~	(13)	(2,380)	(2,386)	(4,779)
	<u>24</u>	<u>1,315</u>	<u>2,912</u>	<u>1,079</u>	<u>5,330</u>
<i>At 31 December 2003</i>	24	1,315	2,912	1,079	5,330
Depreciation:					
<i>At 1 January 2003</i>	(17)	(61)	(3,339)	(2,960)	(6,377)
Provision for year	(1)	(51)	(390)	(138)	(580)
Released on disposals	~	13	2,353	2,387	4,753
<i>At 31 December 2003</i>	<u>(18)</u>	<u>(99)</u>	<u>(1,376)</u>	<u>(711)</u>	<u>(2,204)</u>
Net book amounts at 31 December 2003	<u>6</u>	<u>1,216</u>	<u>1,536</u>	<u>368</u>	<u>3,126</u>
<i>Net book amounts at 31 December 2002</i>	<u>7</u>	<u>1,157</u>	<u>1,453</u>	<u>347</u>	<u>2,964</u>

Notes to the Accounts (continued)

10. INVESTMENTS

Group

Associated Undertakings

	Cost	Share of post acquisition profits	Unlisted Investments	Total
	\$000	\$000	\$000	\$000
<i>At 1 January 2003</i>	105	-	12,532	12,637
Additions	-	-	14,637	14,637
Disposals	(50)	-	(14,451)	(14,501)
Exchange adjustment	-	-	2,424	2,424
<i>At 31 December 2003</i>	<u>55</u>	<u>-</u>	<u>15,142</u>	<u>15,197</u>

Company

	Total
	\$000
<i>At 1 January 2003</i>	46,993
Additions	5,000
Disposals	(16,416)
Exchange adjustment	2,424
<i>At 31 December 2003</i>	<u>38,001</u>

The principal subsidiary companies of Louis Dreyfus & Co. Limited at 31 December 2003 are shown on page 21 and are all wholly owned, operate within the UK and 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 additions for the year relate to an 8% investment in the share capital of S.A.C.E.I.F. Louis Dreyfus Ltd., a company registered in Argentina, and a 13.16% investment in L.D. Trade Finance Ltd., a company registered in the U.K. The group disposals principally relate to its investment in Spectramedia AG.

11. STOCKS

	2003	2002
	\$000	\$000
Traded commodity stocks	<u>71,106</u>	<u>123,840</u>

Notes to the Accounts (continued)

12. DEBTORS

	Group		Company	
	2003	2002	2003	2002
	\$000	\$000	\$000	\$000
Trade debtors	150,831	150,472	-	3
Amounts owed by group undertakings	65,727	82,740	158,171	260,282
Other debtors	2,569	4,446	-	487
Prepayments and accrued income	16,767	11,837	238	-
Corporation tax	5,859	5,095	7,576	5,193
	<u>241,753</u>	<u>254,590</u>	<u>165,985</u>	<u>265,965</u>

13. CREDITORS: Amounts falling due within one year

	Group		Company	
	2003	2002	2003	2002
	\$000	\$000	\$000	\$000
Bank loans and overdrafts, unsecured	155,385	250,818	130,354	215,588
Trade creditors	50,318	30,977	-	-
Amounts owed to group undertakings	40,607	68,109	20,231	61,225
Other creditors	3,751	3,027	267	423
Accruals and deferred income	9,996	8,003	206	-
	<u>260,057</u>	<u>360,934</u>	<u>151,058</u>	<u>277,236</u>

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

	Group		Company	
	2003	2002	2003	2002
	\$000	\$000	\$000	\$000
Amounts owed to group undertakings	<u>14,500</u>	<u>-</u>	<u>5,000</u>	<u>-</u>

15. CALLED UP SHARE CAPITAL

	2003	2002
	\$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)

	2003	2002
	\$000	\$000
Opening shareholders' funds	56,923	52,358
Retained profit for the year	8,423	4,295
Currency translation differences on foreign equity investments	1,950	916
Currency translation differences on relevant foreign currency loans	(2,424)	(646)
Closing shareholders' funds	<u>64,872</u>	<u>56,923</u>

Notes to the Accounts (continued)

17. CONTINGENT LIABILITIES

The company has guaranteed letters of credit issued in respect of subsidiaries amounting to \$14,744,389. (2002 -\$34,711,318).

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

	2003	2002
Commodity trading	<u>150</u>	<u>146</u>

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 2003 by a qualified independent actuary. The estimate was based on the last full valuation as at 1 January 2003. The company paid contributions of \$1,248,000 in the year to 31 December 2003. The major assumptions used by the actuary were:

	2003		2002	
Salary increases	3.00%		3.00%	
Increases to pensions and deferred pensions	2.50%		2.50%	
Discount rate	5.75%		5.75%	
RPI	2.50%		2.50%	
The assets of the Fund and expected return on assets	\$000	%	\$000	%
Annuity contracts already purchased	34,604	5.75	29,714	5.75
Clerical Medical Group Pension Contract and other net assets	<u>25,853</u>	6.75	<u>24,689</u>	6.75
	60,457		54,403	
Actuarial liabilities	<u>(67,095)</u>		<u>(59,671)</u>	
Deficit	(6,638)		(5,268)	
Related deferred tax asset	<u>1,991</u>		<u>1,580</u>	
Net pension liability	<u>(4,647)</u>		<u>(3,688)</u>	

Notes to the Accounts (continued)

Analysis of the defined benefit cost charged to operating profit	2003	2002
	\$000	\$000
Service cost	496	533
Analysis of other amounts charged to operating		
Gain on settlements	1,459	-
Gain on curtailments	303	-
	<u>1,762</u>	<u>-</u>
Analysis of the amount credited to financing of pension provisions		
Expected return	3,675	3,186
Interest on pension liabilities	(3,777)	(3,365)
Net return	<u>(102)</u>	<u>(179)</u>
Amount recognised in the statement of total recognised gains & losses	2003	2002
	\$000	\$000
Actual return in excess of expected return	(483)	464
Experience gains and losses	(2,708)	48
Change in assumptions underlying present value of fund liabilities	-	(943)
Actuarial loss	<u>(3,191)</u>	<u>(431)</u>
Movement in deficit during year:	2003	2002
	\$000	\$000
Deficit at the start of the year	(5,268)	(7,948)
Foreign exchange difference	(591)	(860)
Total operating charge	(496)	(533)
Settlement cost	303	-
Curtailment cost	1,459	-
Contributions	1,248	4,683
Net return	(102)	(179)
Actuarial loss in the statement of total recognised gains and losses	(3,191)	(431)
Deficit at the end of the year	<u>(6,638)</u>	<u>(5,268)</u>
History of experience gains and losses:	Year ending	Year ending
	31 Dec 2003	31 Dec 2002
Difference between the expected and actual return on scheme assets:		
• Amount (\$000s)	(483)	464
• Percentage of scheme assets	(1%)	1%
Experience gains and (losses) on scheme liabilities:		
• Amount (\$000s)	(2,708)	48
• Percentage of the present value of the scheme liabilities	(4%)	0%
Total amount recognised in statement of total recognised gains and losses		
• Amount (\$000s)	(3,191)	(431)
• Percentage of the present value of the scheme liabilities	(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 \$9,969,743 (2002: \$ 1,844,080).

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:

	Largest and smallest
Name	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	<i>(Appointed 28.4.2003)</i>
J. Barritt	<i>(Appointed 28.4.2003)</i>
L. R. E. Bouvier	<i>(Resigned 31.10.2003)</i>
B. Laferriere	
I. S. McIntosh	
A. Maillot Milan	<i>(Resigned 6.2.2003)</i>
P. Malchere	
P. A. Mann	<i>(Resigned 12.3.2003)</i>
D. S. Ohayon	<i>(Appointed 1.12.2003)</i>
N. Pardo	
J.P. Samuel	<i>(Resigned 29.1.2003)</i>
S. Martin	<i>(Resigned 11.4.2003)</i>

Registered Office

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

Registered in England

LOUIS DREYFUS SERVICES LIMITED Directors

Commodity Consultancy

J. Barritt	<i>(Appointed 16.3.2004)</i>
P. De Camaret	
J. Gandar	<i>(Appointed 31.10.2003)</i>
H. Wolkin	<i>(Appointed 16.3.2004)</i>
N.P.B. Godden	<i>(Resigned 31.10.2003)</i>

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.