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LOUIS DREYFUS TRADING LIMITED  
DIRECTORS' REPORT AND ACCOUNTS  
31 DECEMBER 1996



## LOUIS DREYFUS TRADING LIMITED AND SUBSIDIARIES

### DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 1996

The directors submit their annual report and the audited accounts for the year ended 31 December 1996 comprising those of the company and the consolidated accounts of Louis Dreyfus Trading Limited and its subsidiaries.

### RESULTS AND DIVIDENDS

The loss for the year after taxation was \$1,073,246 (1995 loss - \$4,052,988).

The directors do not recommend the payment of a dividend (1995 - \$40,000,000).

### PRINCIPAL ACTIVITIES

The principal activities of the group are commodity and energy product trading and acting as agent on behalf of a related undertaking.

### REVIEW OF THE BUSINESS

The company had a mixed year in its major trading divisions with energy trading having an excellent year and the sugar, coffee and cereal divisions having mixed results with trading conditions particularly difficult in the sugar division.

### FUTURE DEVELOPMENTS

It is the directors' intention to continue the development of the business taking account of prevailing market conditions.

### FIXED ASSETS

The changes to tangible fixed assets and investments are summarised in notes 7 and 8.

### DIRECTORS

The directors in office during the year and up to the date of this report were:

J.M. Carruthers	
G. Woodward	
P.H. Akroyd	
G.C.V. Coxen	
R. Tucker	
H.F. Wanning III	(resigned 6/8/96)
I.S. McIntosh	
L.R.E. Bouvier	

None of the directors had a beneficial interest in the shares of the company or in any other group company registered in the United Kingdom.

LOUIS DREYFUS TRADING LIMITED AND SUBSIDIARIES

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 1996 (CONTINUED)

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.

AUDITORS

A resolution to reappoint Constantin will be put to the members at the Annual General Meeting.

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 financial 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 a 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.

By Order of the Board



J.M. Carruthers

Secretary

5 June 1997

Registered company number: 1008779

**AUDITORS' REPORT TO THE SHAREHOLDERS OF  
LOUIS DREYFUS TRADING LIMITED**

We have audited the accounts on pages 4 to 18 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

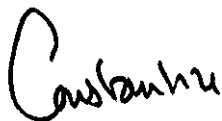
**Basis of opinion**

We conducted our audit in accordance with 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 accounts. 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group at 31 December 1996 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



CONSTANTIN  
Registered Auditor  
5 June 1997

LOUIS DREYFUS TRADING LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1996

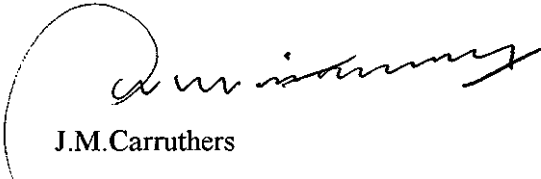
	Notes	1996 \$'000	1995 \$'000
TURNOVER	1	1,344,711	2,257,306
COST OF SALES		(1,326,970)	(2,245,787)
GROSS PROFIT		17,741	11,519
Administrative expenses		(18,465)	(17,930)
Other operating income		5423	8105
OPERATING PROFIT	2	4,699	1,694
Interest receivable and similar income	3	7,522	3,565
Interest payable and similar charges	4	(13,063)	(9,230)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(842)	(3,971)
Tax on profit on ordinary activities	6	(231)	(82)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(1,073)	(4,053)
Dividends		-	(40,000)
(LOSS) / PROFIT RETAINED FOR THE FINANCIAL YEAR	16	(1,073)	(44,053)

The notes on pages 8 to 18 form an integral part of these accounts.

LOUIS DREYFUS TRADING LIMITED  
CONSOLIDATED BALANCE SHEET  
AT 31 DECEMBER 1996

	NOTES	<u>1996</u> \$'000	<u>1995</u> \$'000
<b>FIXED ASSETS</b>			
Tangible assets	8	702	2,020
Investments	9	615	187
		<u>1,317</u>	<u>2,207</u>
<b>CURRENT ASSETS</b>			
Stock	10	8,296	30,497
Debtors	11	196,997	239,183
Cash at bank and in hand		1,638	5,733
		<u>206,931</u>	<u>275,413</u>
<b>CREDITORS (amounts falling due within one year)</b>	12	<u>(201,034)</u>	<u>(269,420)</u>
<b>NET CURRENT ASSETS</b>		<u>5,897</u>	<u>5,993</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,214	8,200
<b>CREDITORS (amounts falling due after more than one year)</b>	13	<u>(5,000)</u>	<u>(4,239)</u>
		<u>2,214</u>	<u>3,961</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	1,442	1,442
Profit and loss account		772	2,519
<b>SHAREHOLDERS' FUNDS</b>	16	<u>2,214</u>	<u>3,961</u>

Approved by the board on 5 June 1997

  
J.M. Carruthers  
Director

The notes on pages 8 to 18 form an integral part of these accounts.

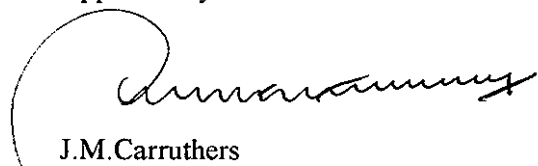
LOUIS DREYFUS TRADING LIMITED

COMPANY BALANCE SHEET

AT 31 DECEMBER 1996

	<u>NOTES</u>	<u>1996</u> \$'000	<u>1995</u> \$'000
<b>FIXED ASSETS</b>			
Tangible assets	8	636	1,897
Investments	9	1,455	941
		<u>2,091</u>	<u>2,838</u>
<b>CURRENT ASSETS</b>			
Stock	10	4,868	20,621
Debtors	11	194,969	192,316
Cash at bank and in hand		705	3,885
		<u>200,542</u>	<u>216,822</u>
<b>CREDITORS (amounts falling due within one year)</b>	12	<u>(192,598)</u>	<u>(209,297)</u>
<b>NET CURRENT ASSETS</b>		<u>7,944</u>	<u>7,525</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10,035	10,363
<b>CREDITORS (amounts falling due after more than one year)</b>	13	<u>(5,000)</u>	<u>(4,239)</u>
		<u>5,035</u>	<u>6,124</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	1,442	1,442
Profit and loss account		3,593	4,682
<b>SHAREHOLDERS' FUNDS</b>		<u>5,035</u>	<u>6,124</u>

Approved by the board on 5 June 1997

  
J.M. Carruthers  
Director

The notes on pages 8 to 18 form an integral part of these accounts.

LOUIS DREYFUS TRADING LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
AT 31 DECEMBER 1996

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
(Loss) / Profit retained for the financial year	(1,073)	(4,053)
Currency translation differences on sterling net investments	<u>(674)</u>	<u>(58)</u>
Total (loss) / gain recognised since last annual report	<u><u>(1,747)</u></u>	<u><u>(4,111)</u></u>

The notes on pages 8 to 18 form an integral part of these accounts.



# LOUIS DREYFUS TRADING LIMITED

## NOTES TO THE ACCOUNTS AT 31 DECEMBER 1996

### 1 ACCOUNTING POLICIES

#### i. Basis of accounting

The accounts are drawn up under the historical cost convention and in accordance with applicable accounting standards, except as noted in paragraph (v) 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 co-terminous with the parent company. Associated undertakings are those companies in which the group has an investment of at least 20% of the voting rights and over which it exerts significant influence. The proportion of the profits and losses before taxation of such companies attributable to the group shareholding is taken from the latest audited or management accounts.

#### iii. Turnover

Turnover represents the amount receivable for goods and services supplied to customers on completion of a contract in respect of commodity and energy product trading, excluding intra group trading and value added tax. The nature of commodity trading is such that it is not possible to establish the geographical split of turnover by destination.

#### iv. 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.

#### v. Traded commodities and energy products

Traded commodities and energy products 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.

#### vi. Tangible fixed assets and depreciation

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

Freehold buildings	20 - 50 years
Leasehold property	Term of lease
Motor vehicles	4 years
Plant and Machinery	4 - 10 years
Fixtures and Fittings	4 - 10 years

Freehold Land is not depreciated.

#### vii. 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, this is a change in accounting policy as these were previously translated using average rate. The directors believe this better reflects the companies profit and loss exposure to fluctuations in foreign exchange rates. This results in an exchange gain of \$735,943 being posted to the profit and loss account, the comparatives have not been changed as the amount in respect of the previous year is immaterial.

Exchange differences resulting from the translation of net investments in subsidiary and associated undertakings at closing rates, are dealt with as movements in reserves.

#### viii. Translation into dollars of non-dollar currency items in individual undertakings

Assets and liabilities denominated in currencies other than dollars at the balance sheet date are expressed in US dollars at the rate 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. The translation differences arising on non-dollar currency loans are taken to the profit and loss account.

#### ix. Deferred taxation

The group provides for deferred taxation where in the opinion of the directors there is a reasonable probability that a liability for taxation will crystallise.

#### x. Investments

Investments and subsidiary companies are stated at the lower of cost or estimated realisable value. In the case of unlisted investments realisable value has been estimated by the directors. In the accounts of the company, investments in subsidiaries are shown at cost or directors' valuation, which is based upon the company's share of the book amounts of the net assets of the subsidiaries.

#### xi. Pension Costs

The expected cost of pensions is charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees in the scheme. Variations from the regular cost are spread over the expected remaining service lives of employees in the scheme.

LOUIS DREYFUS TRADING LIMITED

NOTES TO THE ACCOUNTS  
AT 31 DECEMBER 1996

2 OPERATING PROFIT/(LOSS)

Operating profit/(loss) for the year is stated after  
charging/(crediting):

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
Wages and salaries	9,659	10,613
Social security costs	617	398
Pension plan costs	181	-
Depreciation	1,221	1,070
Auditors' remuneration	236	171
Loss on sale of fixed assets	13	7
Exchange loss	<u>874</u>	<u>58</u>

Average employee numbers throughout 1996 were 105 (1995- 119).

3 INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
Group undertakings	6,915	2,582
Bank and other	<u>607</u>	<u>983</u>
	<u>7,522</u>	<u>3,565</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
Group undertakings	11,370	6,342
Banks and other borrowings repayable within five years	<u>1,693</u>	<u>2,888</u>
	<u>13,063</u>	<u>9,230</u>

LOUIS DREYFUS TRADING LIMITED

NOTES TO THE ACCOUNTS

AT 31 DECEMBER 1996

5 DIRECTORS' EMOLUMENTS

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
Fees	26	-
Directors' emoluments including pension contributions	1,175	1,298
	<u>1,201</u>	<u>1,298</u>

The emoluments excluding pension contributions of the highest paid director were \$215,778 (1995 - \$304,497).

The emoluments of the chairman, excluding pension contributions, were \$nil (1995- \$nil).

The emoluments (excluding pension contributions) of the other directors fell within the following ranges:

	Number of Directors	
\$	<u>1996</u>	<u>1995</u>
0-10,000	-	1
80,001 - 90,000	-	1
120,001 - 130,000	1	1
130,001 - 140,000	-	1
140,001 - 150,000	2	-
150,001 - 160,000	1	1
170,001 - 180,000	1	-
190,001 - 200,000	-	1
200,001 - 210,000	1	-
210,001 - 220,000	1	-
270,001 - 280,000	-	1
	<u>1</u>	<u>1</u>
Number of directors who performed their duties wholly or mainly outside of the United Kingdom	1	1
	<u>1</u>	<u>1</u>

A loan to I.S. McIntosh was made during the year of \$26,118. This was subject to interest at LIBOR + 1/2 %. The balance outstanding at 31 December 1996 was \$18,521.

A loan to G.C.V. Coxen was made during the year of \$34,226. This was subject to interest at LIBOR + 1/2 %. The balance outstanding at 31 December 1996 was \$25,669.

LOUIS DREYFUS TRADING LIMITED

NOTES TO THE ACCOUNTS

AT 31 DECEMBER 1996

6 TAXATION

The company is a close company.

The taxation credit / (charge) on the profit for the year is as follows:

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
Corporation tax at 33%	-	-
Overseas Taxation	(231)	(82)
	<u>(231)</u>	<u>(82)</u>

No provision for deferred taxation is considered necessary.

Had full deferred tax allocation been practised, the deferred tax credit for the year would have been \$2,209,000 (1995 - \$96,000) and the potential deferred tax liability at 31 December 1996 would have been as follows:

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
Accelerated capital allowances	430	310
Timing differences	(9,799)	(19,028)
Losses carried forward	784	7,963
ACT recoverable	419	380
	<u>(8,166)</u>	<u>(10,375)</u>

LOUIS DREYFUS TRADING LIMITED

NOTES TO THE ACCOUNTS  
AT 31 DECEMBER 1996

7 TANGIBLE FIXED ASSETS (GROUP)

	<u>Freehold Land and Buildings</u>	<u>Short Leasehold Property</u>	<u>Motor Vehicles</u>	<u>Furniture &amp; Fittings</u>	<u>Leasehold Improvements</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Cost</u>						
Balance at 1 January 1996	163	28	266	3,423	2,683	6,563
Additions	-	-	41	157	-	198
Disposals	(144)	-	(110)	(102)	-	(356)
Exchange adjustment	-	(1)	-	-	-	(1)
Balance at 31 December 1996	19	27	197	3,478	2,683	6,404
<u>Depreciation</u>						
Balance at 1 January 1996	(13)	(16)	(153)	(2,304)	(2,057)	(4,543)
Provision for the year	-	(1)	(26)	(568)	(626)	(1,221)
Release on disposal	-	-	28	34	-	62
Exchange adjustment	-	-	-	-	-	-
Balance at 31 December 1996	(13)	(17)	(151)	(2,838)	(2,683)	(5,702)
<u>Net book amounts</u>						
At 31 December 1996	6	10	46	640	0	702
At 31 December 1995	150	12	113	1,119	626	2,020

LOUIS DREYFUS TRADING LIMITED

NOTES TO THE ACCOUNTS  
AT 31 DECEMBER 1996

8 TANGIBLE FIXED ASSETS (COMPANY)

	<u>Freehold Land and Buildings</u>	<u>Short Leasehold Property</u>	<u>Motor Vehicles</u>	<u>Furniture &amp; Fittings</u>	<u>Leasehold Improvements</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Cost</u>						
Balance at 1 January 1996	163	28	267	1,508	2,683	4,649
Additions	-	-	41	129	-	170
Disposals	(144)	-	(111)	(94)	-	(349)
Exchange adjustment	-	(1)	-	-	-	(1)
Balance at 31 December 1996	19	27	197	1,543	2,683	4,469
<u>Depreciation</u>						
Balance at 1 January 1996	(13)	(16)	(154)	(512)	(2,057)	(2,752)
Provision for the year	-	(1)	(26)	(487)	(626)	(1,140)
Released on disposal	-	-	29	30	-	59
Balance at 31 December 1996	(13)	(17)	(151)	(969)	(2,683)	(3,833)
<u>Net book amounts</u>						
At 31 December 1996	6	10	46	574	0	636
At 31 December 1995	150	12	113	996	626	1,897

LOUIS DREYFUS TRADING LIMITED

NOTES TO THE ACCOUNTS

AT 31 DECEMBER 1996

9 INVESTMENTS (included in fixed assets)

GROUP	<u>Interest in associated undertakings</u>	<u>Other unlisted investments</u>	<u>TOTAL</u>
	\$'000	\$'000	\$'000
<u>Cost</u>			
Balance at 1 January 1996	157	30	187
Exchange adjustment	-	3	3
Additions	-	535	535
Disposals	(109)	(1)	(110)
Balance at 31 December 1996	48	567	615

COMPANY	<u>Shares in subsidiary undertakings</u>	<u>Shares in associated undertakings</u>	<u>Other unlisted investments</u>	<u>Total</u>
	\$'000	\$'000	\$'000	\$'000
<u>Cost</u>				
Balance at 1 January 1996	855	9	77	941
Additions	-	48	535	583
Disposals	-	(9)	(48)	(57)
Exchange adjustment	(15)	-	3	(12)
Balance at 31 December 1996	840	48	567	1,455

The subsidiary companies of Louis Dreyfus Trading Limited at 31 December 1996 are wholly owned and are as follows:

Louis Dreyfus Energy Limited (energy product trading)  
 Louis Dreyfus Sugar Limited (dormant)  
 Louis Dreyfus Livestock Limited (dormant)

All of the above subsidiaries are registered in Great Britain.

# LOUIS DREYFUS TRADING LIMITED

## NOTES TO THE ACCOUNTS

AT 31 DECEMBER 1996

### 9 INVESTMENTS (continued)

The associated undertakings of Louis Dreyfus Trading Limited at 31 December 1996 were as follows:

<u>Name of company</u>	<u>Country of Incorporation</u>	<u>Shares held</u>	<u>Activity</u>
BSF Seed Producers GB Ltd	England	50% ordinary shares	Seed producers
Kings Lynn Silos Ltd	England	33% convertible preferred ordinary shares 33% ordinary shares	Ship loaders and storage of grains

### 10 STOCKS

	<u>Group</u>		<u>Company</u>	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
	\$'000	\$'000	\$'000	\$'000
Traded commodity and energy product stocks	8,296	30,497	4,868	20,621

### 11 DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
	\$'000	\$'000	\$'000	\$'000
Trade Debtors	79,839	127,524	67,316	115,948
Amounts owed by group undertakings:				
Parent undertaking and fellow subsidiaries	69,495	35,461	42,075	7,272
Subsidiary undertakings	-	370	69,528	26,078
Other debtors	790	3,041	204	2,701
Taxation and social security costs	-	1	-	-
Prepayments and accrued income	46,873	72,786	15,846	40,317
	196,997	239,183	194,969	192,316

Included in trade debtors are amounts of \$1.6m which is the subject of a successful arbitration claim, which is still unpaid.



LOUIS DREYFUS TRADING LIMITED

NOTES TO THE ACCOUNTS

AT 31 DECEMBER 1996

12 CREDITORS (amounts falling due within one year)

	<u>Group</u>		<u>Company</u>	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
	\$'000	\$'000	\$'000	\$'000
Bank loans and overdrafts (see note 14)	1,535	19,799	187	10,239
Trade creditors	19,042	27,973	16,278	27,168
Amounts owed to group undertakings:				
Parent undertaking and fellow subsidiaries	161,824	89,283	160,843	48,198
Subsidiary undertakings	-	120,366	470	120,886
Other creditors	2,293	2,877	541	1,430
Taxation and social security costs	-	240	-	-
Accruals and deferred income	16,340	8,882	14,279	1,376
	<u>201,034</u>	<u>269,420</u>	<u>192,598</u>	<u>209,297</u>

13 CREDITORS (amounts falling due after more than one year)

	<u>Group</u>		<u>Company</u>	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
	\$'000	\$'000	\$'000	\$'000
Amounts owed to parent undertaking	<u>5,000</u>	<u>4,239</u>	<u>5,000</u>	<u>4,239</u>

14 BANK LOANS AND OVERDRAFTS (amounts falling due within one year)

	<u>Group</u>		<u>Company</u>	
	<u>1996</u>	<u>1995</u>	<u>1996</u>	<u>1995</u>
	\$'000	\$'000	\$'000	\$'000
Unsecured	1,535	19,799	187	10,239
	<u>1,535</u>	<u>19,799</u>	<u>187</u>	<u>10,239</u>

LOUIS DREYFUS TRADING LIMITED

NOTES TO THE ACCOUNTS

AT 31 DECEMBER 1996

15 CALLED UP SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
Authorised		
20,000,000 ordinary shares of \$1 each	20,000	20,000
Issued, allotted and fully paid:		
1,442,000 ordinary shares of \$1 each	<u>1,442</u>	<u>1,442</u>

16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1996</u>	<u>1995</u>
	\$'000	\$'000
Opening shareholders' funds	3,961	47,965
(Loss) / Profit attributable to shareholders for the year	(1,073)	(44,053)
Currency translation differences on Sterling net investments	<u>(674)</u>	<u>49</u>
Closing shareholders' funds	<u>2,214</u>	<u>3,961</u>

The company has not prepared its own profit and loss account as permitted by section 230 of the Companies Act 1985. The recognised loss for the year was \$1,142,201 (1995 loss - \$5,886,163).

17 CONTINGENT LIABILITIES

The company has given guarantees in support of overdraft facilities for certain of its subsidiary undertakings and for its parent undertaking; the contingent liability in this respect amounted to \$22,000,000 (1995 - \$157,290,992).

In the normal course of business the company has provided bid and performance guarantees to the value of \$19,830,845.

18 COMMITMENTS

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

# LOUIS DREYFUS TRADING LIMITED

## NOTES TO THE ACCOUNTS AT 31 DECEMBER 1996

### 19 PENSION COMMITMENTS

The company operates a pension scheme providing pension benefits based on final pensionable salary. The assets of the scheme are held separately from those of the company.

Contributions to the scheme are determined by a qualified actuary. The most recent actuarial valuation was carried out as at 1 January 1995 using the projected unit method of funding. The main actuarial assumptions used were that investment returns would be 9.5% and the rate of salary increases would be 8% per annum. The valuation showed that the market value of the scheme's assets was \$9.8m and that the actuarial value of the assets did not exceed 105% of the value of the liabilities, on the prescribed basis.

Since the last valuation there have been changes in the membership of the plan. The effect of these will be reviewed at the next valuation due at 1 January 1998.

### 20 CASH FLOW STATEMENT

The group has taken advantage of the exemption under FRS1, Cash Flow Statements, not to produce a cash flow statement.

### 21 ULTIMATE HOLDING COMPANY

The ultimate holding company is SA Louis Dreyfus et Cie, incorporated in France.

### 22 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	Smallest
Name	S A Louis Dreyfus et Cie	Louis Dreyfus & Co. Ltd
Country of incorporation	France	United Kingdom
Address from where copies of the group accounts can be obtained.	87 Avenue de la Grande Armee, 75782 Paris.	162 Queen Victoria Street, London EC4V 4DB.

Exemption has been taken of the disclosures required in FRS8, Related Party Disclosures, on the grounds that the company is included in the consolidated accounts of SA Louis Dreyfus et Cie.