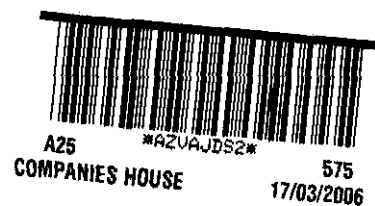


FINAGRA (UK) LIMITED
FINANCIAL STATEMENTS

for the year ended
31 DECEMBER 2005

Company No: 2754740



COHEN ARNOLD & CO
CHARTERED ACCOUNTANTS
LONDON NW11 0PU

FINAGRA (UK) LIMITED

DIRECTORS

Brian Law (resigned 18th August 2005)
David Margulies
Ari Margulies
Bernard Weppe

SECRETARY

Joel Joseph

REGISTERED OFFICE

New Loom House
101 Back Church Lane
London
E1 1LU

AUDITORS

Cohen Arnold & Co
New Burlington House
1075 Finchley Road
London NW11 0PU

FINAGRA (UK) LIMITED
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FOR THE YEAR ENDED 31 DECEMBER 2005

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FINAGRA (UK) LIMITED

DIRECTORS' REPORT

The Directors present their report together with the Financial Statements for the year ended 31 December 2005.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 and of the profit or loss of the company for that year. In preparing those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company's principal activity continues to be that of commodity merchants and traders. During the course of the year the company expanded its bank credit facility enabling it to increase UK trading activity and profits.

The directors are pleased with the performance of the company during the year.

RESULTS AND DIVIDEND

The profit for the year, after taxation, amounted to £242,476 (2004: £109,371).

FINAGRA (UK) LIMITED

DIRECTORS' REPORT continued

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary Shares Of £1 each		Preference shares of £1 each	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Brian Law	-	-	-	-
David Margulies	-	-	-	-
Ari Margulies	-	-	-	-
Bernard Weppe	-	-	-	-

The directors had no interest in or contracts with the company during the year.

Brian Law resigned as a director on 18th August 2005.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made charitable donations of £47,250 (2004: £16,500).

AUDITORS

Cohen, Arnold & Co, are willing to continue in office and a resolution re-appointing them in accordance with Section 385 of the Companies Act 1985 and authorising the board to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board



D Margulies -Director

8th March 2006

FINAGRA (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FINAGRA (UK) LIMITED

We have audited the Financial Statements on pages 5 to 14 of Finagra (UK) Limited for the year ended 31 December 2005 which have been prepared under the historical cost convention and 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 auditor's 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 THE DIRECTORS AND THE AUDITORS

As described on pages 1 and 2, the Directors of the company are responsible for the preparation of the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility 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 whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT 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 Financial Statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

FINAGRA (UK) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FINAGRA (UK)
LIMITED (continued)**

BASIS OF AUDIT OPINION (continued)

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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

London

Date: *9 March* 2006



COHEN ARNOLD & CO
Chartered Accountants and
Registered Auditor

FINAGRA (UK) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	<u>2005</u> £	<u>2004</u> £
TURNOVER	1,2	15,873,483	11,366,472
Cost of Sales		(15,038,152)	(10,689,053)
GROSS PROFIT		835,331	677,419
Administrative expenses		(480,508)	(460,622)
OPERATING PROFIT/(LOSS)	3	354,823	216,797
Interest receivable	6	28,732	4,506
Interest payable	7	(141,079)	(111,932)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION		242,476	109,371
LOSS BROUGHT FORWARD		(1,441,515)	(1,550,886)
LOSS CARRIED FORWARD		£(1,199,039)	£(1,441,515)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2005 or 2004 other than those included in the profit and loss account.

The Notes on Pages 7 to 14 form part of these Financial Statements.

FINAGRA (UK) LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	£	<u>2005</u>	£	£	<u>2004</u>	£
FIXED ASSETS							
Tangible fixed assets	9			830			527
CURRENT ASSETS							
Stocks	10	461,365			1,396,859		
Debtors	11	329,212			835,368		
Cash at bank and in hand		1,145,833			307,250		
			1,936,410		2,539,477		
CREDITORS: Amounts falling due within one year	12	(781,279)			(1,626,519)		
NET CURRENT ASSETS				1,155,131			912,958
TOTAL ASSETS				1,155,961			913,485
CAPITAL AND RESERVES							
Called up Share Capital	13		2,355,000		2,355,000		
Profit and Loss Account			(1,199,039)		(1,441,515)		
SHAREHOLDERS' FUNDS	14		1,155,961				913,485

Shareholders funds include non-equity interests.

The financial statements were approved by the Board on March 8th 2006
and signed on its behalf by


D. Margulies
Director

The Notes on Pages 7 to 14 form part of these Financial Statements.

FINAGRA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report, all of which are continuing.

1.2 TURNOVER

Turnover represents the value of physical cocoa and coffee sales made during the year exclusive of Value Added Tax.

1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives in the following basis:

Office Equipment	33% straight line
------------------	-------------------

1.4 STOCKS

Stocks represent physical positions in cocoa and coffee or warrants of entitlement and are stated in the balance sheet at cost.

Stock positions and open forward and futures contracts are revalued at market prices which reflect trading conditions prevailing at the year end. The net profit and loss arising from this revaluation forms part of the trading results for the year and is included in the balance sheet under debtors or creditors as appropriate

1.5 FOREIGN CURRENCIES

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.6 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amount payable by the company to the fund in respect of the year.

FINAGRA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

2. TURNOVER

The whole of the turnover is attributed to the one principal activity of the company, being that of commodity merchants and traders.

A geographical analysis of turnover is as follows:

	<u>2005</u>	<u>2004</u>
	£	£
United Kingdom	9,155,816	4,698,154
Rest of European Union	2,729,336	2,843,119
Rest of World	3,988,331	3,825,199
	<hr/>	<hr/>
	£15,873,483	£11,366,472
	<hr/>	<hr/>

3. OPERATING PROFIT/(LOSS)

The operating profit is stated after charging /(crediting):

	<u>2005</u>	<u>2004</u>
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	547	678
Auditors' remuneration	14,400	11,000
Difference on foreign exchange	51,550	77,210
	<hr/>	<hr/>

FINAGRA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

4. STAFF COSTS

Staff costs, included directors' remuneration, were as follows:

	<u>2005</u> £	<u>2004</u> £
Wages and salaries	170,521	170,917
Social security costs	18,370	21,772
Other pension costs	6,305	5,627
	<hr/>	<hr/>
	£195,196	£198,316
	<hr/>	<hr/>

5. DIRECTORS REMUNERATION

	<u>2005</u> £	<u>2004</u> £
Remuneration for management services	£140,500	£120,500
	<hr/>	<hr/>

The highest paid director received remuneration of £80,000 (2004: £60,500)

FINAGRA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

6. INTEREST RECEIVABLE

	<u>2005</u> £	<u>2004</u> £
Other interest	28,732	4,506
	<u> </u>	<u> </u>

7. INTEREST PAYABLE

	<u>2005</u> £	<u>2004</u> £
On bank loans and overdrafts	£141,079	£111,932
	<u> </u>	<u> </u>

8. TAXATION

The company has made no provision for Corporation Tax due to the availability of tax losses brought forward.

8b DIVIDENDS

The shareholders have agreed to waive their right to preference dividends for the financial years up to and including the year ended 31 December 2005. Therefore, no preference dividend has been declared this year and there are no outstanding arrears.

FINAGRA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

9. TANGIBLE FIXED ASSETS

	Office Equipment £
Cost	
At 1 January 2005	22,790
Additions	850
	<hr/>
At 31 December 2005	23,640
	<hr/>
Depreciation	
At 1 January 2005	22,263
Charge for the year	547
	<hr/>
At 31 December 2005	22,810
	<hr/>
Net book value	
At 31 December 2005	£830
	<hr/>
At 30 December 2004	£527
	<hr/>

10. STOCK

	<u>2005</u> £	<u>2004</u> £
Cocoa stocks held	403,227	859,988
Coffee stocks held	58,138	536,871
	<hr/>	<hr/>
	£461,365	£1,396,859
	<hr/>	<hr/>

FINAGRA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

11. DEBTORS

	<u>2005</u> £	<u>2004</u> £
Trade debtors	208,123	106,590
Other debtors	9,964	168,934
Amount due from brokers	-	332,607
Advanced corporation tax	12,422	12,422
Amounts due from Parent Company	-	19,394
Unrealised forward profits	98,703	195,421
	<hr/>	<hr/>
	£329,212	£835,368
	<hr/>	<hr/>

12. CREDITORS

Amount falling due within one year

	<u>2005</u> £	<u>2004</u> £
Bank loans and overdrafts (secured)	573,609	1,516,551
Trade creditors	6,002	21,389
Amounts owed to Parent Company	10,884	-
Other creditors	24,926	26,864
Amounts due to brokers	28,769	-
Accruals and deferred income	137,089	61,715
	<hr/>	<hr/>
	£781,279	£1,626,519
	<hr/>	<hr/>

The bank loans are secured by way of a charge on bills of lading, warehouse warrants and goods in warehouses.

FINAGRA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

13. SHARE CAPITAL

	<u>2005</u> £	<u>2004</u> £
Authorised		
1,555,000 Ordinary shares of £1 each	1,555,000	1,555,000
800,000 Preference shares of £1 each	800,000	800,000
	<hr/>	<hr/>
	£2,355,000	£2,355,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
1,555,000 Ordinary shares of £1 each	1,555,000	1,555,000
800,000 Preference shares of £1 each	800,000	800,000
	<hr/>	<hr/>
	£2,355,000	£2,355,000
	<hr/>	<hr/>

The preference shares are 9% Redeemable Cumulative shares. The preference shares became partly or fully redeemable, at the company's option, on 31 December 1998 or any time thereafter. No premium on redemption is payable.

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>2005</u> £	<u>2004</u> £
Profit/(Loss) for the year	242,476	109,371
Shares issued during the year	-	-
	<hr/>	<hr/>
Opening shareholders' funds	242,476	109,371
	913,485	804,114
	<hr/>	<hr/>
Closing shareholders' funds	£1,155,961	£913,485
	<hr/>	<hr/>
Analysis of shareholders' funds		
Non-equity interests	800,000	800,000
Equity interest	355,961	113,485
	<hr/>	<hr/>
	£1,155,961	£913,485
	<hr/>	<hr/>

FINAGRA (UK) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's parent company is Mees Pierson Management (Guernsey) Limited, a company incorporated in Guernsey. The ultimate controlling party is Mees Pierson Management (Guernsey) Limited, as trustees of a discretionary settlement established under the laws of Guernsey.