

Registered No. 4310477

Louis Dreyfus Energy Holdings Limited

Report and Financial Statements

31 December 2013

WEDNESDAY



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24/09/2014
COMPANIES HOUSE

Louis Dreyfus Energy Holdings Limited

Registered No. 4310477

Director

R. L. Caperton

Secretary

R. G. Bourne

Auditors

Constantin

25 Hosier Lane

London EC1A 9LQ

Registered Office

Queensberry House

3 Old Burlington Street

London W1S 3LD

Director's report

The directors submit their report and the financial statements for Louis Dreyfus Energy Holdings Limited (the "Company") for the year ended 31 December 2013.

Results and dividends

The Company's loss for the year was \$8,706,033 (2012 – profit \$12,587). The director did not pay a dividend during the year (2012 – \$nil).

Principal activities and business review

On 23 December 2008, the Company signed a subscription agreement to purchase shares in European Forest Resources Holdings Limited in an aggregate value of €5,000,000 at an issue price of €1 per share. The Company has irrevocably agreed to subscribe to such shares. As at 31 December 2013 the Company has subscribed to 4,000,000 €1 shares.

Principal risks and uncertainties

The Company's principal risks and uncertainties are credit risk, liquidity risk, interest rate risk and currency risk.

Credit risk

Credit risk is the potential exposure of the company to loss in the event of non-performance by a counter party. The Company manages this risk by dealing with other companies within the Louis Dreyfus group for a majority of its transactions.

Cash is only deposited with financial institutions with a credit rating of 'AA3' or better as determined by Moody's and Fitch rating agencies.

Liquidity risk

Liquidity risk is the risk that sources of funding for the Company's business activities may not be available. This risk is managed by the parent on the Company's behalf and as such the company has access to the resources of the parent.

Interest rate risk

Interest rate risk arises as the majority of the Company's income is in the form of interest income. The risk is managed by the Company by having the interest rate indexed to the LIBOR rates.

Currency risk

Currency risk arises as some of the Company's assets and liabilities are denominated in currencies other than United States dollars. The value of such assets is minimal and no hedging activities are undertaken by the Company in order to manage this risk.

Key performance indicators

Due to the nature of the business the director does not believe it necessary to disclose key performance indicators.

Going concern & future developments

It is the intention of the director that the above-mentioned business of the Company will continue in the foreseeable future.

Director's and officers' indemnity insurance

The Company has taken out insurance to indemnify, against third party proceedings, the director of the Company whilst serving on the board of the Company subject to the conditions set out in the Companies Act 2006. These indemnity policies remained in place throughout the year and remain in place at the date of approval of this report.

Director's report

Directors and their interests

The director who served during the year was as follows:

R. L. Caperton

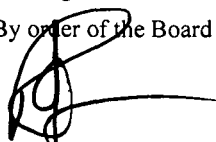
Events since Balance Sheet date

There have been no events since the balance sheet date which would necessitate revision of the figures included in these financial statements.

Auditor

A resolution to reappoint Constantin as the auditor of the company will be presented at the next general meeting.

By order of the Board



R. G. Bourne

Secretary

16 September 2014

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently; and
- make judgments and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Independent auditors' report

to the members of Louis Dreyfus Energy Holdings Limited

We have audited the financial statements of Louis Dreyfus Energy Holdings Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

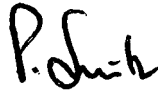
Independent auditors' report

to the members of Louis Dreyfus Energy Holdings Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the director's report in accordance with the small companies regime.



Peter Smith FCA (Senior Statutory Auditor)
For and on behalf of Constantin, Statutory Auditor

25 Hosier Lane
London
EC1A 9LQ

Date

16 September 2014.

Profit and loss account

for the year ended 31 December 2013

	Notes	2013 \$000	2012 \$000
Administrative expenses and other operating income	2	33	(3)
Exceptional item	2	(8,741)	-
Interest receivable and similar income	3	2	15
(Loss)/profit on ordinary activities before taxation		(8,706)	13
Tax on (loss)/profit on ordinary activities	4	-	-
(Loss)/profit on ordinary activities after taxation		(8,706)	13

During the above two financial years there were no acquisitions or discontinued operations.


The notes on pages 9 to 14 form an integral part of the financial statements

Balance sheet

at 31 December 2013

	Notes	2013 \$000	2012 \$000
Fixed assets			
Investments	5	5,517	5,517
Tangible fixed assets	6	-	-
Total fixed assets		<u>5,517</u>	<u>5,517</u>
Current assets			
Cash at bank and in hand		1,433	1,401
Total current assets		<u>1,433</u>	<u>1,401</u>
Creditors: amounts falling due within one year	7	(14)	(17)
Net current assets		<u>1,419</u>	<u>1,384</u>
Total assets less current liabilities		<u>6,936</u>	<u>6,901</u>
Capital and reserves			
Called up share capital	8	4,800	4,800
Capital contribution	9	8,741	-
Profit and loss account	9	(6,605)	2,101
Shareholders' funds	9	<u>6,936</u>	<u>6,901</u>

The financial statements were approved by the Board on 16 September 2014 and signed on its behalf by



R. L. Caperton
Director

Registration No: 4310477

The notes on pages 9 to 14 form an integral part of the financial statements.

Notes to the financial statements

at 31 December 2013

1. Accounting policies

The principal accounting policies, all of which have been applied consistently throughout the year are detailed below:

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements are presented in United States Dollars. The exchange rate to Sterling at 31 December 2013 was 1.6563.

Cash flow statement

In accordance with Financial Reporting Standard No.1, 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 prepare a cash flow statement, as the consolidated financial statements in which the company is included are publicly available.

Fixed assets

Tangible fixed assets are recorded at historical cost less accumulated depreciation.

Depreciation is calculated to write off fixed assets over their estimated useful lives on a straight-line basis at the following rates:

Leasehold improvements – between 4 and 10 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Deferred taxation

Deferred taxation is recognised in respect of all material timing differences that have originated but not been reversed by the balance sheet date. Deferred taxation is not recognised when an asset is sold if it is more likely than not that the taxable gain will be rolled over. Deferred taxation assets are recognised to the extent that they are regarded as recoverable. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than US Dollars are translated at the exchange rate ruling at the balance sheet date. Exchange differences are taken to the profit and loss account.

Investments

Investments are recorded at cost, less any provision for impairment.

Interest income

Interest income is accounted for on an accruals basis.

Notes to the financial statements

at 31 December 2013

2. Operating (loss)/profit

This is stated after charging:

	2013 \$000	2012 \$000
Auditors remuneration – audit services	9	13
Exceptional item	8,741	-
Foreign exchange gain	(60)	(23)
	<u> </u>	<u> </u>

The average number of employees during the year was nil (2012 – 0).

During the year the Company made a full and final settlement of claims made against it (\$8,740,948). A capital contribution of the same amount was received from the Company's shareholder.

3. Interest receivable and similar income

	2013 \$000	2012 \$000
Banks	-	14
Other	2	1
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

Notes to the financial statements

at 31 December 2013

4. Tax on profit on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2013 \$000	2012 \$000
Current tax:		
UK corporation tax	-	-
Deferred tax:		
Reversal and origination of timing differences	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

There is no deferred tax liability. The Company has a deferred tax asset of \$nil (2012 – \$nil).

(b) Factors affecting current tax charge

The tax assessed on the loss (2012: profit) on ordinary activities for the year differs from the average standard rate of corporation tax in the UK of 23.25% (2012 – 24.5%) multiplied by the loss (2012: profit) on ordinary activities before tax. The differences are reconciled below:

	2013 \$000	2012 \$000
(Loss) / profit on ordinary activities before tax	(8,706)	13
(Loss) / profit on ordinary activities multiplied by average standard rate of corporation tax in the UK of 23.25% (2012 – 24.50%)	(2,024)	3
Excess of depreciation over capital allowances	(1)	(1)
Expenses not deductible for tax purposes	2,032	-
Utilisation of deferred tax asset not previously recognised	(7)	(2)
	<u>-</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

As at 31 December 2013, gross deferred tax assets of \$1,783,210 were not recognised as there is insufficient evidence of recovery (2012 : \$1,818,085).

Notes to the financial statements

at 31 December 2013

5. Investments

	<i>\$000</i>
Cost:	
At 1 January 2013	5,517
Investments in the period	-
	<u>5,517</u>
At 31 December 2013	<u>5,517</u>
Provision for diminution in value	
At 1 January and 31 December 2013	-
	<u>-</u>
Net book value	
At 31 December 2013	<u>5,517</u>
	<u>5,517</u>
At 31 December 2012	<u>5,517</u>

6. Tangible fixed assets

	<i>Leasehold improvements \$000</i>
Cost:	
At 1 January 2013	50
Disposal	(50)
	<u>-</u>
At 31 December 2013	<u>-</u>
Depreciation	
At 1 January 2013	50
Disposal	(50)
	<u>-</u>
At 31 December 2013	<u>-</u>
Net book value	
At 31 December 2013	<u>-</u>
	<u>-</u>
At 31 December 2012	<u>-</u>

Notes to the financial statements

at 31 December 2013

7. Creditors: amounts falling due within one year

	2013 \$000	2012 \$000
Trade creditors	-	1
Accruals and deferred income	14	16
	<u>14</u>	<u>17</u>

8. Share capital

Share capital represents the issued share capital of the Company.

	2013 \$000	2012 \$000
Allotted, called up and fully paid		
4,800,000 Ordinary shares of \$1 each	4,800	4,800
	<u>4,800</u>	<u>4,800</u>

9. Reconciliation of shareholders' funds and movement on reserves

	Share capital \$000	Capital Contribution \$000	Profit and loss account \$000	Total share- holders' funds \$000
At 31 December 2012	4,800	-	2,101	6,901
Loss for the period	-	8,741	(8,706)	35
At 31 December 2013	<u>4,800</u>	<u>8,741</u>	<u>(6,605)</u>	<u>6,936</u>

In June 2013 the Company received a capital contribution from its parent undertaking of \$8,740,948.

10. Capital commitments

On 23 December 2008, the Company signed a subscription agreement to purchase shares in European Forest Resources Holdings Limited in an aggregate value of €5,000,000 at an issue price of €1 per share. The Company has irrevocably agreed to subscribe to such shares. As at 31 December 2013 the Company has subscribed to 4,000,000 €1 shares.

Notes to the financial statements

at 31 December 2013

11. Related party transactions

The Company is ultimately a wholly owned subsidiary of Louis Dreyfus Holdings BV, the consolidated financial statements for which are publicly available. Accordingly, the Company has taken advantage of the exemption conferred by paragraph 3(c) of FRS8 from disclosing transactions with members or investees of the Louis Dreyfus group.

12. Parent undertaking and controlling party

The Company's immediate parent undertaking and controlling party is Louis Dreyfus Holdings Limited.

The Company's ultimate parent undertaking and controlling party is Louis Dreyfus Holding B.V., which is incorporated in the Netherlands. This is the smallest and the largest group in which the Company's financial statements are consolidated and copies of its consolidated financial statements are available from its registered office: Zuidplein 208 Tower H, L 25, 1077XV Amsterdam, Netherlands.