

Registration number 4365397

Louis Dreyfus Services Limited
Directors' report and financial statements
for the year ended 31 December 2006

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Louis Dreyfus Services Limited

Company information

Directors	J Gandar S F Schoen H Wolkin J Barritt
Secretary	A M Payne
Company number	4365397
Registered office	Golden Cross House 8 Duncannon Street London WC2N 4JF
Auditors	Constantin Aldwych House 81 Aldwych London WC2B 4HN

Louis Dreyfus Services Limited

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Louis Dreyfus Services Limited

Directors' report for the year ended 31 December 2006

The directors present their report and the financial statements for the year ended 31 December 2006

Principal activity and review of the business

The principal activity of the company was to provide agricultural commodity trading consultancy services

The company has now ceased to trade

Results and dividends

The results for the year are set out on page 5

The directors do not recommend payment of a dividend (2005- US\$nil)

Directors and their interests

The directors who served during the year and their interests in the company are as stated below

	Ordinary shares	
	31/12/06	01/01/06
J Gandar	-	-
S F Schoen	-	-
H Wolkin	-	-
J Barritt	-	-

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' responsibilities

The directors are responsible for preparing the Annual Report and 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 which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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

Louis Dreyfus Services Limited

**Directors' report
for the year ended 31 December 2006**

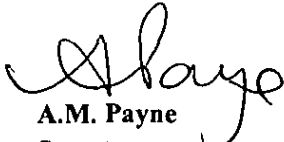
In the case of each of the persons who are directors at the time when the report is approved

- so far as the director is aware, there is no relevant audit information 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

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Constantin be reappointed as auditors of the company will be put to the Annual General Meeting

This report was approved by the Board on 4 JUNE 2007 and signed on its behalf by


A.M. Payne
Secretary

Louis Dreyfus Services Limited

Independent auditors' report to the shareholders of Louis Dreyfus Services Limited

We have audited the financial statements of Louis Dreyfus Services Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet 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 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 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 described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

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.

Louis Dreyfus Services Limited

Independent auditors' report to the shareholders of Louis Dreyfus Services Limited continued

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985

Constantin

**Constantin
Registered Auditors**

Date *8 June 2007.*

**Aldwych House
81 Aldwych
London
WC2B 4HN**

Louis Dreyfus Services Limited

**Profit and loss account
for the year ended 31 December 2006**

		Continuing operations	
		2006	2005
	Notes	US\$	US\$
Turnover	2	3,000,000	3,000,000
Administrative expenses		(2,733,218)	(2,926,616)
Operating profit	3	266,782	73,384
Other interest receivable and similar income		762,739	867,361
Interest payable and similar charges		-	(329,972)
Profit on ordinary activities before taxation		1,029,521	610,773
Tax on profit on ordinary activities	6	586,165	(2,963,292)
Profit/(loss) on ordinary activities after taxation		1,615,686	(2,352,519)
Retained profit brought forward		6,546,114	8,898,633
Retained profit carried forward		8,161,800	6,546,114

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 7 to 11 form an integral part of these financial statements.

Louis Dreyfus Services Limited

**Balance sheet
as at 31 December 2006**

		2006		2005	
	Notes	US\$	US\$	US\$	US\$
Fixed assets					
Tangible assets	7		-		-
Current assets					
Debtors	8	8,161,900		22,303,745	
Cash at bank and in hand		-		110,650	
		<u>8,161,900</u>		<u>22,414,395</u>	
Creditors: amounts falling due within one year	9	-		(15,868,181)	
Net current assets			8,161,900		6,546,214
Total assets less current liabilities			<u>8,161,900</u>		<u>6,546,214</u>
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account			8,161,800		6,546,114
Shareholders' funds	11		<u>8,161,900</u>		<u>6,546,214</u>

The financial statements were approved by the Board on 4 June 2007 and signed on its behalf by



**J. Barritt
Director**

The notes on pages 7 to 11 form an integral part of these financial statements.

Louis Dreyfus Services Limited

**Notes to the financial statements
for the year ended 31 December 2006**

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the applicable Accounting Standards

The financial statements are prepared in US\$ as this is the main operating currency of the company

1.2. Turnover

Turnover represents the amounts invoiced for services supplied to customers excluding value added tax

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Computer equipment - 4 years straight line

1.4. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

1.5. 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 the 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

1.6. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account

1.7. Related party transactions

In accordance with Financial Reporting Standard No 8, 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

1.8. 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

Louis Dreyfus Services Limited

Notes to the financial statements for the year ended 31 December 2006

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

3 Operating profit

Operating profit is stated after charging

Depreciation and other amounts written off tangible assets

Exchange differences

Auditors' remuneration

2006

US\$

2005

US\$

-

817

278,482

(243,015)

-

2,864

The audit and taxation fees for the year have been borne by another group company

4. Employees

Number of employees

2006

2005

The average monthly numbers of employees

(including the directors) during the year were

4

5

Employment costs

2006

2005

US\$

US\$

Wages and salaries

1,570,944

2,044,446

Social security costs

273,580

227,820

Other pension costs

22,920

90,056

1,867,444

2,362,322

4.1. Directors' emoluments

2006

2005

US\$

US\$

Remuneration and other emoluments

1,835,151

775,857

Highest paid director

US\$

US\$

Amounts included above

Emoluments and other benefits

1,696,960

525,653

Louis Dreyfus Services Limited

Notes to the financial statements for the year ended 31 December 2006

5. Pension costs

A number of the employees and directors are members of the Louis Dreyfus & Co Limited's company pension scheme, and details of the scheme are disclosed in the consolidated financial statements of that company

6. Tax on profit on ordinary activities

Analysis of (credit)/charge in period	2006 US\$	2005 US\$
Current tax		
UK corporation tax	554,192	(341,172)
Adjustments in respect of previous periods	(1,140,357)	3,304,464
Total current tax (credit)/charge for the period	(586,165)	2,963,292

Factors affecting tax charge for period

The tax assessed for the period differs from the standard rate of corporation tax in the UK (30 per cent) The differences are explained below

	2006 US\$	2005 US\$
Profit on ordinary activities before taxation	1,029,521	610,773
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 December 2005 30%)	308,856	183,232
Effects of:		
Expenses not deductible for tax purposes	2,207	29,762
Adjustments to tax charge in respect of previous periods	(1,140,357)	3,042,084
Group relief claimed for no consideration	-	(213,136)
Foreign exchange movement on tax liability	241,966	(78,792)
Deferred tax not provided (current year)	1,163	142
Current tax (credit)/charge for period	(586,165)	2,963,292

Factors that may affect future tax charges

Potential deferred tax assets of US\$1,473 (2005 US\$310) relating to accelerated capital allowances and short term timing differences have not been recognised on the grounds that they are not deemed recoverable under Financial Reporting Standard No 19

Louis Dreyfus Services Limited

**Notes to the financial statements
for the year ended 31 December 2006**

7. Tangible fixed assets	Computer equipment US\$
Cost	
At 1 January 2006	3,270
Disposals	(3,270)
At 31 December 2006	-
Depreciation	
At 1 January 2006	3,270
On disposals	(3,270)
At 31 December 2006	-
Net book values	
At 31 December 2006	-
At 31 December 2005	-

8. Debtors	2006 US\$	2005 US\$
Amounts owed by group undertakings	7,374,033	22,296,731
Other debtors	787,867	7,014
	<u>8,161,900</u>	<u>22,303,745</u>

9. Creditors: amounts falling due within one year	2006 US\$	2005 US\$
Corporation tax	-	3,042,084
Other creditors	-	17,082
Accruals and deferred income	-	12,809,015
	<u>-</u>	<u>15,868,181</u>

Louis Dreyfus Services Limited

**Notes to the financial statements
for the year ended 31 December 2006**

10. Share capital	2006 US\$	2005 US\$
Authorised equity		
100 Ordinary shares of US\$1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid equity		
100 Ordinary shares of US\$1 each	<u>100</u>	<u>100</u>
11. Reconciliation of movements in shareholders' funds	2006 US\$	2005 US\$
Profit/(loss) for the year	1,615,686	(2,352,519)
Opening shareholders' funds	<u>6,546,214</u>	<u>8,898,733</u>
Closing shareholders' funds	<u>8,161,900</u>	<u>6,546,214</u>

12. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking and controlling party is Louis Dreyfus S A S , a company incorporated in France

13. Group accounts

The largest and smallest group for which group accounts are prepared, and of which the company is a member is

	<u>Largest</u>	<u>Smallest</u>
Name	Louis Dreyfus S A S	Louis Dreyfus & Co Limited
Country of incorporation	France	United Kingdom
Address from where copies of consolidated financial statements can be obtained	152 Avenue de Malakoff 75016 Paris	Golden Cross House 8 Duncannon Street London WC2N 4JF