

Louis Dreyfus Commodities & Finance Limited

Directors' Report and Accounts for the year ended 31 December 2007

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COMPANIES HOUSE

Louis Dreyfus Commodities & Finance Limited

Directors P. H. Akroyd
 N. Mamalis
 J. Gandar (Appointed on 30 September 2008)

Secretary A. M. Payne

Registered Office Willow Cottage
 Lambden Road
 Pluckley
 Ashford
 Kent TN27 0RB

Registered Co. Number 4773123

Auditors Constantin,
 Aldwych House,
 81 Aldwych,
 London WC2B 4HN

Louis Dreyfus Commodities & Finance Limited

Directors' Report

The directors submit their annual report and the audited financial statements for Louis Dreyfus Commodities & Finance Limited for the year ended 31 December 2007.

PRINCIPAL ACTIVITY

The principal activity of the company was the trading of financial related products.

RESULTS AND DIVIDENDS

The company's profit for the year, after taxation, amounted to \$511,502 (2006: \$463,111).
The directors do not recommend the payment of a dividend (2006: \$nil).

CESSATION OF TRADING

The company ceased active trading during 2006 and has closed out its open positions during 2007.

DIRECTORS

The directors in office during the year were:

P.H. Akroyd
N. Mamalis
I.S. McIntosh (Resigned on 25 September 2008)

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.

Louis Dreyfus Commodities & Finance Limited

Directors' Report (continued)

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 affairs of the company and of the profit or loss for the year then ended. 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 assume 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 or other irregularities.

So far as the directors are aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board,
A. M. PAYNE
Secretary



London

Date 12.12.08

Louis Dreyfus Commodities & Finance Limited

Constantin

Registered Auditor

Aldwych House, 81 Aldwych, London WC2B 4HN

Independent Auditors' Report

to the members of Louis Dreyfus Commodities & Finance Limited

We have audited the company's financial statements for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 17. 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 opinion 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 (United Kingdom Generally Accepted Accounting Practice) 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 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of 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 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 explanation 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Constantin
Registered Auditor

19 Dec 2008.

Aldwych House
81 Aldwych
London
WC2B 4HN

Louis Dreyfus Commodities & Finance Limited

Accounting Policies

i. **Basis of accounting**

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

The company adopted the following financial reporting standards (FRS) in its financial statements, in so far as they are applicable to the affairs of the company:

FRS 25 – Financial Instruments: Disclosure and Presentation

FRS 26 – Financial Instruments: Measurement

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

ii. **Foreign currencies**

Monetary assets and liabilities denominated in currencies other than US Dollars are translated at the exchange rate at the balance sheet date.

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.

iii. **Fair values**

The fair value of trading positions is determined by reference to bid prices at the close of business on the balance sheet date. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis and pricing models. Otherwise assets will be carried at cost.

iv. **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.

v. **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.

vi. **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.

Louis Dreyfus Commodities & Finance Limited

Profit and Loss Account

YEARS ENDED 31 DECEMBER

	Notes	2007 US\$	2006 US\$
Turnover	1	(22 267)	347,209
Administrative Expenses		(42 809)	(1,100,526)
Operating Loss	2	(65,076)	(753,317)
Interest Receivable and Similar Income	5	679,578	1,437,262
Interest Payable and Similar Charges	5	-	(3,488)
Profit on Ordinary Activities Before Taxation		614,502	680,457
Tax on Profit on Ordinary Activities	6	(103,000)	(217,346)
Profit on Ordinary Activities After Taxation		511,502	463,111

All of the above items relate to continuing activities.

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

The notes on pages 8 to 11 form an integral part of these accounts.

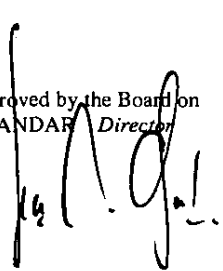
Louis Dreyfus Commodities & Finance Limited

Balance Sheet

AS AT 31 DECEMBER

	Notes	2007 US\$	2006 US\$
Current Assets			
Broker balance	7	-	21,868
Debtors	8	22,193,070	21,944,958
		<u>22,193,070</u>	<u>21,966,826</u>
Creditors: Amounts falling due within one year	9	<u>(3,749)</u>	<u>(289,007)</u>
Net Current Assets		<u>22,189,321</u>	<u>21,677,819</u>
Total Assets less Current Liabilities		<u>22,189,321</u>	<u>21,677,819</u>
Capital Reserves			
Called up share capital	10	40,000,000	40,000,000
Profit and loss account	11	<u>(17,810,679)</u>	<u>(18,322,181)</u>
Shareholders' Funds	12	<u>22,189,321</u>	<u>21,677,819</u>

Approved by the Board on 22.12.08
J. GANDAR *Director*



The notes on pages 8 to 11 form an integral part of these accounts.

Louis Dreyfus Commodities & Finance Limited

Notes to the Accounts

1. TURNOVER

Turnover comprises the value of realised and unrealised gains and losses on securities, commodities, forward contracts and derivative instruments.

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

	2007 US\$	2006 US\$
Auditors' remuneration	3,224	64,259
Foreign exchange loss/(gain)	744	(108,244)
	<u> </u>	<u> </u>

3. STAFF COSTS

	2007 US\$	2006 US\$
Wages and salaries	-	410,115
Social security costs	-	38,478
	<u> </u>	<u> </u>
Total staff costs	<u>-</u>	<u>448,593</u>

4. DIRECTORS' REMUNERATION

None of the directors received any remuneration in respect of services to the Company during the year (2006 - \$nil)

5. INTEREST

	2007 US\$	2006 US\$
RECEIVABLE AND SIMILAR INCOME		
Group undertakings	679,576	1,437,081
Interest on deposits and short term investments	2	181
	<u>679,578</u>	<u>1,437,262</u>
 PAYABLE AND SIMILAR CHARGES	 US\$	 US\$
Group undertakings	-	-
Interest payable on bank overdraft	-	3,488
	<u>-</u>	<u>3,488</u>

Louis Dreyfus Commodities & Finance Limited

Notes to the Accounts (continued)

6. Taxation

The company is a close company.

a) Analysis of charge in the year:

	2007 US\$	2006 US\$
Current tax:		
UK corporation tax on profits of the period	185,000	217,346
Adjustment in respect of prior periods	(82,000)	-
Overseas taxation		
Total current tax	103,000	217,346

b) Factors affecting tax charge for the year

The tax assessed for the period differs from the standard rate of corporation tax in the UK of 30% (2006: 30%)

The differences are explained below:

	2007 US\$	2006 US\$
Profit on ordinary activities before tax	614,502	680,457
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006: 30%)	184,351	204,137
Effects of:		
Expensive not deductible in current year	-	36
Foreign exchange movement on tax liability	649	13,173
Group relief surrendered for no consideration	-	135,000
Adjustment in respect of prior periods	(82,000)	-
Transfer pricing adjustment	-	(135,000)
Current tax charge of period	103,000	217,346

7. BROKER

	2007 US\$	2006 US\$
Due From broker	-	21,868
Trading positions at fair value		
Long option	-	642,000
Short option	-	(642,000)
	-	21,868

Under the broker agreement the company has the right to offset receivable and payable balances on settlement.

Louis Dreyfus Commodities & Finance Limited

Notes to the Accounts (continued)

8. DEBTORS

	2007 US\$	2006 US\$
Amounts owed by group undertakings	22,192,852	21,944,958
Corporation tax	218	-
	<u>22,193,070</u>	<u>21,944,958</u>

9. CREDITORS: Amounts falling due within one year

	2007 US\$	2006 US\$
Amounts due to group undertakings	-	-
Corporation tax	-	217,346
Accruals and deferred income	3,224	71,586
Other creditors	4	-
Bank overdraft	521	75
	<u>3,749</u>	<u>289,007</u>

10. SHARE CAPITAL

	2007 US\$	2006 US\$
Authorised		
40,000,000 ordinary shares of US\$1 each	<u>40,000,000</u>	<u>40,000,000</u>
Allotted, called up and fully paid		
40,000,000 ordinary shares of US\$1 each	<u>40,000,000</u>	<u>40,000,000</u>

11. RESERVES

	Profit and loss account US\$
At 1 January 2007	(18,322,181)
Profit for the year	511,502
At 31 December 2007	<u>(17,810,679)</u>

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2007 US\$	2006 US\$
Opening shareholders' funds	21,677,819	21,214,708
Retained profit for the year	511,502	463,111
Closing shareholders' funds	<u>22,189,321</u>	<u>21,677,819</u>

Louis Dreyfus Commodities & Finance Limited

Notes to the Accounts (continued)

13. COMMITMENTS

As at 31 December 2007, the company has no commitment to buy and sell United States dollars for sterling under option agreement. (At 31 December 2006, the company had the commitment to sell and purchase \$9,150,000 for £5,000,000 on 22 May 2007)

14. NUMBER OF EMPLOYEES

	2007	2006
The average monthly number of employees during the year was:	-	2
At year end 2007, there were no employees.		

15. ULTIMATE PARENT UNDERTAKING AND ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is Louis Dreyfus SAS, incorporated in France. The ultimate controlling party is the Louis Dreyfus family.

16. GROUP ACCOUNTS

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

	Largest	Smallest
Name	Louis Dreyfus S.A.S.	Louis Dreyfus Holding Netherlands B.V.
Country of incorporation	France	Netherlands
Address from where copies of consolidated financial statements can be obtained	152 Avenue de Malakoff 75016 Paris	Westblaak 92 3012 KM Rotterdam

17. POST BALANCE SHEET EVENT

Subsequent to the year end, Louis Dreyfus Commodities and Finance Limited purchased 39,700,000 of its own ordinary shares from Louis Dreyfus Trading Limited for a consideration of US\$21,974,943.