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Company Number 02673647

AGRIFARM INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

31 December 2003



AGRIFARM INTERNATIONAL LIMITED
COMPANY INFORMATION

COMPANY NUMBER

02673647

DIRECTORS

M A Alikhani

Y Haramati

Y Ben Ami

D Hurvitz

SECRETARY

A E Carr

REGISTERED OFFICE

Second Floor

19/20 Grosvenor Street

London W1K 4QH

AGRIFARM INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

31 December 2003

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AGRIFARM INTERNATIONAL LIMITED

DIRECTORS' REPORT

31 December 2003

The directors present their report with the accounts of the company for the year ended 31 December 2003.

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 as at the end of the financial year and of the profit or loss of the Company for the period. In preparing those financial statements, directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on a 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 Activity and Review of the Business

The principal activity of the Company is that of an investment holding company owning a subsidiary which is now dormant. The Company owns 100% of the issued ordinary share capital of Delaire Winery (Proprietary) Limited, a company incorporated in South Africa, which is the dormant subsidiary. During the year the Company also disposed of its business in Israel.

Results and dividends

The results for the year are set out on page 3 to the financial statements.
The directors do not recommend payment of a dividend (2002-£ nil).

AGRIFARM INTERNATIONAL LIMITED

DIRECTORS' REPORT (continued)

Fixed Assets

Details of movements on fixed assets are set out in notes 7 and 8 to the financial statements.

Directors and their Interests

The directors of the company who served during the year and their interests in the company were as stated below:

	<u>Number of ordinary shares</u>	
	at	at
	31.12.2003	31.12.2002
M A Alikhani	270,000	270,000
Y Haramati	-	-
Y Ben Ami	-	-
D Hurvitz	-	-

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

Registered Office
Second Floor
19/20 Grosvenor Street
London W1K 4QH

By order of the Board



A E Carr
Company secretary
12th January 2009

AGRIFARM INTERNATIONAL LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 DECEMBER 2003

	Note	2003 £	2002 £
Turnover	2	-	46,599
Administrative expenses		(4,191)	(72,792)
Surplus on disposal of subsidiary business	3	24,693	-
Operating profit/(loss)		<u>20,502</u>	<u>(26,193)</u>
Interest payable and similar charges	4	<u>(11,639)</u>	<u>(74,680)</u>
Profit/(loss) on ordinary activities before taxation		8,863	(100,873)
Taxation		<u>-</u>	<u>-</u>
Profit/(loss) on ordinary activities after taxation		8,863	(100,873)
Retained profit/(loss) for the year	15	<u><u>8,863</u></u>	<u><u>(100,873)</u></u>

The Company is a holding company with no active subsidiaries.

The notes on pages 6 to 10 form part of these financial statements.

AGRIFARM INTERNATIONAL LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 DECEMBER 2003**

	2003 £	2002 £
Profit/(loss) for the financial year	8,863	(100,873)
Currency translation differences on foreign currency net investment	57,858	451,720
Total gains and losses recognised in the financial year	<u>66,721</u>	<u>350,847</u>

AGRIFARM INTERNATIONAL LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2003

	Note	2003	2002
		£	£
Fixed assets			
Tangible assets	7	-	3,005,138
Investment - subsidiaries	8	-	5,791,312
		-	8,796,450
Current assets			
Debtors	9	759,660	127,552
Cash at bank and in hand		-	10,848
		759,660	138,400
Creditors: Amounts falling due within one year	10	(1,766,549)	(6,808,624)
Net current liabilities		(1,006,889)	(6,670,224)
Total assets less current liabilities		(1,006,889)	2,126,226
Creditors: Amounts falling due after more than one year	11	-	(144,440)
Total net assets		(1,006,889)	1,981,786
Capital and reserves			
Called up share capital	12	600,000	600,000
Revaluation reserve	13	-	4,288,093
Other reserve	14	640,335	582,477
Profit and loss account	15	(2,247,224)	(3,488,784)
Total Equity Shareholders' funds	16	(1,006,889)	1,981,786

The notes on pages 6 to 10 form part of these financial statements.

In approving these financial statements as Directors of the Company, we hereby confirm that:

- (a) For the year to 31 December 2003, the Company was entitled to the exemptions conferred by Section 249a(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249b(2) of the Companies Act 1985, requiring the Company to obtain an audit of its financial statements for the year to 31 December 2003.

The Directors acknowledge their responsibility for:

- (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the act, and which otherwise comply with the requirements of the act, relating to accounts, so far as applicable to the Company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors on 12 January 2009.

Signed on behalf of the Board of Directors

M A Alikhani



AGRIFARM INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies are described below.

a) Accounting convention

The financial statements are prepared under the historical cost convention as modified to include the revaluation of freehold property and on a going concern basis which is dependant upon the continued financial support of the Company's bankers and loan creditors.

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement.

b) Basis of non- consolidation

The directors consider the conditions for qualifying as a small company have been met. The parent company need not prepare group accounts since the company qualifies as a small company.

Note 8 shows the investment in subsidiary.

c) Tangible fixed assets and depreciation

Land is not depreciated. Freehold properties are included in the financial statements on the basis of an open market valuation. Any permanent diminution in their value are taken to the profit and loss account. No provision for depreciation is made on the freehold properties in accordance with Statement of Standard Accounting Practice No.19, which is departure from valuation rules of the Companies Act 1985, which requires all properties to be depreciated. The directors consider that as the properties are held for their investment potential, to depreciate them would not give a true and fair view and that it is necessary to adopt SSAP 19 to give a true and fair view.

If this departure from the Act had not been made, the loss for the year would have been increased by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is the only one of the many factors in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

d) Turnover

Turnover represents amounts receivable for goods and services supplied by the Company, excluding Value Added Tax and trade discounts.

e) Investments

Investments in subsidiary undertakings are stated at cost less provision for any diminution in value.

f) Foreign Exchange

The financial statements of the foreign branches are translated into sterling at the closing rate of exchange and the difference arising from the translation of the opening net investment in the subsidiary and branch at the closing rate is taken direct to reserve.

g) Deferred tax

Deferred tax is provided at the anticipated tax rates on timing 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 except to the extent that the director consider that a liability is unlikely to crystallise.

AGRIFARM INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

2. TURNOVER

	Turnover 2003 £	Turnover 2002 £
Goods and services	<u>-</u>	<u>46,599</u>

3. OPERATING PROFIT

	2003 £	2002 £
This is stated after crediting surplus on disposal of subsidiary business	<u>24,693</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2003 £	2002 £
Bank interest payable	-	46,555
Other loans	10,747	25,950
Bank charges	892	2,175
	<u>11,639</u>	<u>74,680</u>

5. TAXATION

	2003 £	2002 £
Based on the results for the year:-		
UK corporation tax	-	-
Overseas taxation	-	-
	<u>-</u>	<u>-</u>

6. DIRECTORS EMOLUMENTS

No emoluments were payable during the year (2002:nil).

7. TANGIBLE FIXED ASSETS

	Land & Building £
Cost or valuation	
At 1 January 2003	3,005,138
On disposal	<u>(3,005,138)</u>
At 31 December 2003	<u>-</u>

The freehold land and buildings were revalued as at 25 October 1999 at open market value by an independent valuer who specialised in commercial, industrial and agricultural valuations. The company's land and buildings, which were reflected in the balance sheet at a carrying value of £ nil (2002: £3,005,138) were secured on the first and second mortgage loans (notes 10 and 11).

AGRIFARM INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

8. FIXED ASSET INVESTMENT

	Shares in subsidiary undertakings	Loans to subsidiary undertakings	Total
<u>Cost</u>	£	£	£
At 1 January 2003	6,004,466	3,446,090	9,450,556
On disposal	(6,004,466)	(3,446,090)	(9,450,556)
At 31 December 2003	-	-	-
<u>Provisions</u>			
At 1 January 2003	(2,052,087)	(1,607,157)	(3,659,244)
On disposal	2,052,087	1,607,157	3,659,244
At 31 December 2003	-	-	-
<u>Net Book Value</u>			
At 31 December 2003	-	-	-
At 31 December 2002	3,952,379	1,838,933	5,791,312

In the opinion of the directors, the aggregate value of the company's investment in its subsidiary undertaking is not less than the amount included in the balance sheet.

The Company owns the whole of the issued share capital of Delaire Winery (Proprietary) Limited, a company incorporated in South Africa which became dormant during the year.

The Company owned 100% of the issued share capital of Northern Canned and Frozen Plants Limited, a company incorporated in Israel, which was disposed of during the year.

9. DEBTORS

	2003	2002
	£	£
Other debtors	759,660	127,552
	<u>759,660</u>	<u>127,552</u>

10. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2003	2002
	£	£
Bank loans	335,942	423,489
Trade creditors	2,083	2,083
Corporation tax	2,000	2,000
Amount owed to connected company	748,829	748,829
Amount owed to subsidiary	-	4,937,671
Other creditors	663,194	680,049
Accruals and deferred income	14,501	14,503
	<u>1,766,549</u>	<u>6,808,624</u>

AGRIFARM INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

11. CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR

	2003	2002
	£	£
Loans	-	144,440
	<u>-</u>	<u>144,440</u>
Loans		
First mortgage charge over land and buildings		
Interest at nil (2002:14%) repayable in monthly instalments of Rnil (2002:R24,973)	-	144,440
	<u>-</u>	<u>144,440</u>

12. CALLED UP SHARE CAPITAL

	2003	2002
	£	£
Authorised:		
600,000 ordinary shares of £1 each	<u>600,000</u>	<u>600,000</u>
Allotted, called up and fully paid:		
600,000 ordinary shares of £1 each	<u>600,000</u>	<u>600,000</u>

13. REVALUATION RESERVE

	2003	2002
	£	£
At 1 January 2003	4,288,093	4,288,093
On disposal	(4,288,093)	-
At 31 December 2003	<u>-</u>	<u>4,288,093</u>

14. OTHER RESERVES

	Foreign Exchange translation 2003 £
At 1 January 2003	582,477
Foreign exchange translation difference	57,858
At 31 December 2003	<u>640,335</u>

AGRIFARM INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

15. PROFIT AND LOSS ACCOUNT

	2003	2002
	£	£
Profit/(loss) for the financial year	8,863	(100,873)
Profit and loss account brought forward	(3,488,784)	(3,387,911)
Revaluations and other items written back	1,232,697	-
Profit and loss account carried forward	<u>(2,247,224)</u>	<u>(3,488,784)</u>

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUND

	2003	2002
	£	£
Profit/(loss) for the financial year	8,863	(100,873)
Revaluation reserve on disposal	(4,288,093)	-
Revaluations and other items written back	1,232,697	~
Currency translation difference on foreign currency net investments	<u>57,858</u>	<u>451,720</u>
Net addition to shareholders' funds	(2,988,675)	350,847
Opening shareholders' funds	<u>1,981,786</u>	<u>1,630,939</u>
Closing shareholders' funds	<u>(1,006,889)</u>	<u>1,981,786</u>

17. EMPLOYEES

The Company had no employees during the year (2002:nil).