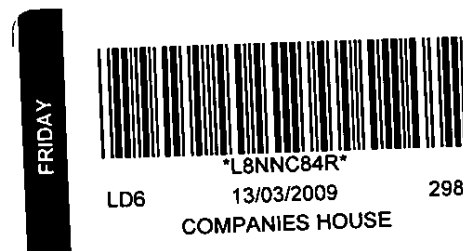


AGRIPREM HOLDINGS LIMITED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30th SEPTEMBER 2008

Company Registration Number 3846733



BREBNERS

Chartered Accountants & Registered Auditors
The Quadrangle
180 Wardour Street
London
W1F 8LB

AGRIPREM HOLDINGS LIMITED

COMPANY INFORMATION

The director	S M Rye
Company secretary	D C Serle
Registered office	The Quadrangle 2nd Floor 180 Wardour Street London W1F 8FY
Auditor	Brebners Chartered Accountants & Registered Auditors The Quadrangle 180 Wardour Street London W1F 8LB
Bankers	Coutts & Co Adelaide Branch 440 Strand London WC2R 0QS

AGRIPREM HOLDINGS LIMITED
THE DIRECTOR'S REPORT
YEAR ENDED 30th SEPTEMBER 2008

The director has pleasure in presenting his report and the financial statements of the company for the year ended 30th September 2008.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principle activity of the company continued to be that of a commodity trading company.

The directors are delighted with the considerable increase in both margin and gross profit and with the resultant profit for the year.

Although trading conditions remain difficult the directors are hopeful of continued profitability in the forthcoming year.

DIRECTOR

The director who served the company during the year was as follows:

S M Rye

DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 period. In preparing these financial statements, the director is 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 director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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 director is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AGRIPREM HOLDINGS LIMITED

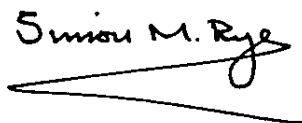
THE DIRECTOR'S REPORT *(continued)*

YEAR ENDED 30th SEPTEMBER 2008

SMALL COMPANY PROVISIONS

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

Signed by

A handwritten signature in black ink, appearing to read "Simon M. Rye". The signature is written in a cursive style with a large, sweeping initial 'S'.

S M Rye
Director

Approved by the director on 10th February 2009

AGRIPREM HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
AGRIPREM HOLDINGS LIMITED
YEAR ENDED 30th SEPTEMBER 2008

We have audited the financial statements of Agriprem Holdings Limited for the year ended 30th September 2008 on pages 6 to 14, which have been prepared on the basis of the accounting policies set out on pages 8 to 9.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

The director's responsibilities for preparing 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 Director's 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 Director's 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 director's remuneration and other transactions is not disclosed.

We read the Director's 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 director 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.

AGRIPREM HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
AGRIPREM HOLDINGS LIMITED *(continued)*
YEAR ENDED 30th SEPTEMBER 2008

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 30th September 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Director's Report is consistent with the financial statements.



BREBNERS
Chartered Accountants
& Registered Auditors

The Quadrangle
180 Wardour Street
London
W1F 8LB

6th March 2009

AGRIPREM HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30th SEPTEMBER 2008

	Note	2008 £	2007 £
TURNOVER	2	33,901,502	18,812,575
Cost of sales		33,208,140	18,773,206
GROSS PROFIT		693,362	39,369
Administrative expenses		456,999	245,220
Other operating income	3	(6,150)	—
OPERATING PROFIT/(LOSS)	4	242,513	(205,851)
Interest receivable and similar income	7	6,949	6,470
Interest payable and similar charges	8	(63,604)	(31,779)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		185,858	(231,160)
Tax on profit/(loss) on ordinary activities	9	1,425	(9,194)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		184,433	(221,966)
Balance brought forward		(79,744)	142,222
Balance carried forward		104,689	(79,744)

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 14 form part of these financial statements.

AGRIPREM HOLDINGS LIMITED

BALANCE SHEET

30th SEPTEMBER 2008

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	10	<u>321,250</u>	<u>334,745</u>
CURRENT ASSETS			
Stocks	11	789,837	703,828
Debtors	12	2,375,794	1,450,272
Cash at bank		<u>16,993</u>	<u>24,127</u>
		3,182,624	2,178,227
CREDITORS: Amounts falling due within one year	13	<u>2,957,755</u>	<u>2,238,347</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>224,869</u>	<u>(60,120)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>546,119</u>	<u>274,625</u>
CREDITORS: Amounts falling due after more than one year	14	<u>148,888</u>	<u>118,693</u>
		<u>397,231</u>	<u>155,932</u>
PROVISIONS FOR LIABILITIES			
Other provisions	16	<u>42,542</u>	<u>110,676</u>
		<u>354,689</u>	<u>45,256</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	250,000	125,000
Profit and loss account		<u>104,689</u>	<u>(79,744)</u>
SHAREHOLDERS' FUNDS	19	<u>354,689</u>	<u>45,256</u>

These financial statements were approved and signed by the director and authorised for issue on 10th February 2009.

Simon M. Rye

S M Rye
Director

The notes on pages 8 to 14 form part of these financial statements.

AGRIPREM HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th SEPTEMBER 2008

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts receivable for commodities supplied during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 25% straight line
Fixtures & Fittings	- 15% - 33% straight line
Motor Vehicles	- 25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

AGRIPREM HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th SEPTEMBER 2008

1. ACCOUNTING POLICIES (continued)**Foreign currencies**

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 of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Forward contracts

Where the company has entered into forward delivery or sale contracts at the year end, the contract is initially matched to physical stock and where losses arise the physical stock is written down to net realisable value.

Unmatched forward contracts are marked to their market value at the balance sheet date. Any losses arising are provided for in accordance with FRS12 - "Provisions, contingent liabilities and assets".

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2008 £	2007 £
United Kingdom	<u>33,901,502</u>	<u>18,812,575</u>

3. OTHER OPERATING INCOME

	2008 £	2007 £
Other operating income	<u>6,150</u>	<u>—</u>

4. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2008 £	2007 £
Depreciation of owned fixed assets	1,443	2,232
Depreciation of assets held under hire purchase agreements	1,506	4,018
Loss on disposal of fixed assets	2,046	—
Auditor's remuneration		
- as auditor	<u>7,500</u>	<u>7,500</u>

AGRIPREM HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th SEPTEMBER 2008

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2008 No	2007 No
Number of management and administrative staff	<u>3</u>	<u>3</u>

The aggregate payroll costs of the above were:

	2008 £	2007 £
Wages and salaries	292,750	143,125
Social security costs	15,416	14,312
Other pension costs	3,000	3,000
	<u>311,166</u>	<u>160,437</u>

6. DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were:

	2008 £	2007 £
Emoluments receivable	<u>170,000</u>	<u>30,000</u>

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2008 £	2007 £
Bank interest receivable	6,949	3,516
Other similar income receivable	—	2,954
	<u>6,949</u>	<u>6,470</u>

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2008 £	2007 £
Interest payable on bank borrowing	63,604	30,469
Finance charges	—	1,310
	<u>63,604</u>	<u>31,779</u>

AGRIPREM HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th SEPTEMBER 2008

9. TAXATION ON ORDINARY ACTIVITIES**(a) Analysis of charge in the year**

	2008 £	2007 £
Current tax:		
UK Corporation tax based on the results for the year at 20.50% (2007 - 19.50%)	1,425	(9,194)
Total current tax	<u>1,425</u>	<u>(9,194)</u>

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20.50% (2007 - 19.50%).

	2008 £	2007 £
Profit/(loss) on ordinary activities before taxation	<u>185,858</u>	<u>(231,160)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax	38,101	(45,076)
Expense/income adjustments for tax purposes	947	567
Capital allowances for the year in excess of depreciation	(1,256)	395
Effect of unutilised trading losses to be carried forward	-	34,610
Effect of brought forward trading losses utilised	(36,367)	-
Under/over provision in prior year	-	(9,194)
Trading losses carried back to prior year	-	9,504
Total current tax (note 9(a))	<u>1,425</u>	<u>(9,194)</u>

10. TANGIBLE FIXED ASSETS

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 1 October 2007	320,594	3,300	11,068	27,797	362,759
Disposals	-	-	-	(27,797)	(27,797)
At 30 September 2008	<u>320,594</u>	<u>3,300</u>	<u>11,068</u>	<u>-</u>	<u>334,962</u>
DEPRECIATION					
At 1 October 2007	-	3,300	8,969	15,745	28,014
Charge for the year	-	-	1,443	1,506	2,949
On disposals	-	-	-	(17,251)	(17,251)
At 30 September 2008	<u>-</u>	<u>3,300</u>	<u>10,412</u>	<u>-</u>	<u>13,712</u>
NET BOOK VALUE					
At 30 September 2008	<u>320,594</u>	<u>-</u>	<u>656</u>	<u>-</u>	<u>321,250</u>
At 30 September 2007	<u>320,594</u>	<u>-</u>	<u>2,099</u>	<u>12,052</u>	<u>334,745</u>

AGRIPREM HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th SEPTEMBER 2008

10. TANGIBLE FIXED ASSETS *(continued)*

The company owns a 999 year lease on a leasehold property which expires in 2981. Included in the cost of this asset is one £1 share representing 25% of the total issued share capital of 16 College Road Management Company Limited which owns the freehold of the property.

No depreciation has been charged on the long leasehold property because the depreciation charge for the year and the accumulated depreciation are immaterial because of the very long useful economic life and a high residual value.

The estimated residual value is reviewed at the end of each accounting period.

Hire purchase agreements

Included within the net book value of £321,250 is £Nil (2007 - £12,052) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £1,506 (2007 - £4,018).

11. STOCKS

	2008 £	2007 £
Finished goods	<u>789,837</u>	<u>703,828</u>

12. DEBTORS

	2008 £	2007 £
Trade debtors	2,080,051	1,284,819
Other debtors	<u>295,743</u>	<u>165,453</u>
	<u>2,375,794</u>	<u>1,450,272</u>

AGRIPREM HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th SEPTEMBER 2008

13. CREDITORS: Amounts falling due within one year

	2008 £	2007 £
Bank loans and overdrafts	1,137,090	722,709
Trade creditors	1,479,153	1,381,931
Corporation tax	1,425	-
Other taxation and social security	4,516	4,324
Hire purchase agreements	-	12,229
Other creditors	160,272	68,197
Directors loan account	90,000	-
Accruals and deferred income	85,299	48,957
	<u>2,957,755</u>	<u>2,238,347</u>

Included within bank loans and overdrafts is an amount of £594,580 (2007: £231,564) due to an invoice factor provider. The company has a facility of £700,000 secured by a fixed charge over the factored book debts and a floating charge over the assets and undertakings of the company. Factoring charges of £7,500 (2007: £7,500) have been incurred during the year.

The remaining bank loans and overdrafts amounting to £542,510 (2007: £491,145) are secured by a fixed charge over the company's leasehold property and a right of set off over credit balances.

Obligations under hire purchase and finance lease contracts are secured on the assets concerned.

14. CREDITORS: Amounts falling due after more than one year

	2008 £	2007 £
Other creditors	<u>148,888</u>	<u>118,693</u>

15. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2008 £	2007 £
Amounts payable within 1 year	-	12,229
	<u>-</u>	<u>12,229</u>

16. OTHER PROVISIONS

	2008 £
Provision for forward contracts:	
Balance brought forward	110,676
Movement for year	(68,134)
	<u>42,542</u>

The provision as 30th September 2008 relates to anticipated losses on forward sales contracts entered into during the year which are marked to forward purchase contracts or physical stock at the year end.

AGRIPREM HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th SEPTEMBER 2008

17. RELATED PARTY TRANSACTIONS

At 30th September 2008 an amount of £238,888 (2007: £118,693) was due to S M Rye in respect of funds advanced. The loan does not attract interest. S M Rye has agreed that £148,888 (2007: £118,693) is not repayable until the company has sufficient working capital and is shown within creditors due after more than one year.

S M Rye has also provided personal guarantees totalling £150,000 to the company's banks.

Control

Control and ultimate control of the company vests with Mr S M Rye.

18. SHARE CAPITAL**Authorised share capital:**

	2008 £	2007 £
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

Allotted, called up and fully paid:

	2008 No	£	2007 No	£
Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>	<u>125,000</u>	<u>125,000</u>

On 15th August 2008 125,000 Ordinary shares of £1 were issued at par.

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Profit/(Loss) for the financial year	184,433	(221,966)
New ordinary share capital subscribed	125,000	—
Net addition/(reduction) to shareholders' funds	309,433	(221,966)
Opening shareholders' funds	<u>45,256</u>	<u>267,222</u>
Closing shareholders' funds	<u>354,689</u>	<u>45,256</u>