1 August 2012

Cambium Global Timberland Limited (the "Company")
Annual Report and Audited Financial Statements for the year ended 30 April 2012

The Company announces that the Annual Report and Audited Financial Statements for the year ended 30 April 2012 (the "Financial Statements") are available and attached hereto.

An electronic copy of the Financial Statements is available on the Company's website at www.cambiumfunds.com.

For further enquires please contact:

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Chairman's Statement

After a difficult first half of the year the timberland portfolio showed stabilisation and modest appreciation during the second half of the year. Sterling appreciation over the year, particularly against the Brazilian Real, reduced the net asset value. The Company's net asset value as of 30 April 2012 was 67 pence per share compared to 78 pence per share at 30 April 2011. A dividend of 3 pence per share was paid during the period. Returns for the period were –10.9%.

The financial results for the Company reflect the difficult market environment that exists in the global timber markets and of the markets' impact on timberland valuations. The timber portfolio contributed –3.6% of attribution to the return. Sterling appreciation contributed –5.7%, company level expenses –1.8%, and share repurchases were accretive by 0.3%.

During the period the Company took steps to continue to develop the portfolio. In March 2012, the Corrigan land sale completed. In April 2012, the Company announced a sale of the property in Florida. These land sales are the last planned land sales in North America. The Company is currently marketing for sale a portion of the land in Brazil. The land that is being marketed for sale is unplanted. This will be the last significant land sale that the Company needs to accomplish to meet its liquidity needs. After completion of the land sale in Brazil, and the planting of 2,500 acres planned for this year, the planting program will be complete.

The investment portfolio showed some positive momentum in the second half of the year. The timber portfolio contributed 1.0% of return, company level expenses were -0.9%, share repurchases were accretive by 0.1%. The effect of foreign exchange negated the gains by the portfolio as foreign exchange contributed –5.2% of attribution resulting in total returns for the second six months of –5.0%.

During the period covered by these results the Company bought back 2,000,000 shares. The Board and the Investment Manager believe that the repurchase of shares at a discount is beneficial for shareholders.

After the end of the reporting period, the Company received a notice requisitioning an EGM from Stafford Timberland Limited ("Stafford") proposing a number of resolutions seeking to instruct the Board to change manager to Stafford. The EGM was duly convened on 6 July 2012 and a circular containing the recommendation of the independent directors of the Company was sent to shareholders. These recommendations were supported by shareholders and all the resolutions proposed were defeated. The circular announced that the independent directors had retained Matrix Corporate Capital LLP to advise on a strategic review of the future of the Company. The key elements of this review, which is in progress, are:-

- an analysis of the performance of the Company's portfolio and its future prospects both in terms of asset performance and in terms of trading in the Company's shares;
- a reassessment of the investment proposition and the longer term viability of the Company;
- consideration of the proposals put forward by respectively, Stafford and the Manager;
- evaluation of any other proposals which are forthcoming, including the one unsolicited third party approach already received by the Board;
- consideration of the Company's dividend policy;
- consideration of the Company's policy of share buy-backs; and
- exploration of means and timing of best realising the value of Shareholder's assets and repaying that value to Shareholders.

In previous years, the Directors have recommended payment of a dividend at 3p per share. This year, the issue of the dividend is being considered as part of the strategic review and, pending the outcome of the strategic review, no recommendation as to dividend is being made at this time. The independent directors and their advisors aim to conclude the strategic reviews as soon as practicable at which time a further announcement will be made.

The strategic review is an important step and will seek to establish from a range of possible alternatives the most appropriate future of the Company.

Donald Adamson

Chairman
Date: 31 July 2012

Investment Manager's Report

Introduction

The first half of the period covered by these accounts proved to be challenging, as the portfolio experienced a fire on one of its properties and declines in land and timber values. The second half of the year saw stable United States land and timber prices and a slight increase in the value of the timberland properties.

The largest impact to Cambium's financials this year was the depreciation of the Brazilian Real. This significantly and negatively impacted the value of the investments in Sterling terms. We will continue to experience short-term volatility from currency movements, particularly with the Brazilian Real. Over the longer term, these impacts will be muted as our customers produce products for a global stage and Brazilian Real depreciation strengthens their ability to pay for inputs.

The timber portfolio contributed -3.6% to the return for the fiscal year. The value decreased in the first half of the year primarily due to fire damage on the Corrigan property and a reduction in the land value of a portion of the Minas Gerais property in Brazil. In the second half of the year, we experienced stable land prices in the United States, increased land values in Brazil, and biological growth of the plantations. The portfolio contributed 1.0% to the return experienced in the second half of the year.

During the year, our most significant activities were two land sales in the United States. The land sales provided liquidity to the Company and served to improve the maturity profile of the timberland portfolio. The sale of the Corrigan property was completed in March 2012. In April 2012, we announced the sale of the Florida property, which was completed in May of 2012. The Florida land sale is the last anticipated land sale in the United States. Marketing continues on the unplanted property in Brazil which is anticipated to be the final large land sale for the Company.

The age class of the timber in the portfolio continues to mature as we reduce the amount of unplanted land and prepare for the harvest of mature trees in Hawaii.

Below is a recap of each of the investments of the Company.

United States South

At year end, approximately 31% of the portfolio value was located in the United States South. During the period covered by these accounts, the properties in the United States South returned -6.9%. The decline in value was due to fire damage at Corrigan in June 2011 and reduced timber prices. The second half of the year showed signs of improvement with an increase in the value of the US South of 0.9%.

After the completion of the two land sales in the United States, the remaining holding is comprised of 15,100 acres located in Georgia. This represents core industrial North American timberland with a maturing forest that will provide for sustainable yield and exposure to improving building product markets.

Brazil

The properties in Brazil represent 43% of net assets. For the year, the assets produced a -0.9% return. The decline in the first half of the year was primarily attributable to a decrease in the land value of a portion of the property in Minas Gerais. In the second six months of the year, the Brazilian properties provided a 4.3% increase in value due primarily to biological growth of the young plantations and land appreciation.

We currently have 18,270 planted acres in Brazil. 69% of the plantable acres owned by the Company have been established. For the year, we planted 3,700 acres with approximately 1.6 million seedlings. To date, we have planted approximately 8.2 million seedlings.

We are currently marketing for sale a portion of the unplanted land in Brazil. This will represent the last anticipated large land sale for Cambium. Upon completion of the land sale the percentage of planted land would be 90%.

This year, Cambium is planting 900,000 seedlings on an additional 2,200 acres. This will complete the planting program for the Company.

Australia

The asset in Australia represents 9% of the net asset value of the Company. For the year, the return was 0.0%. This was due to a decline in the second half of the year of -1.8%. The decline was primarily due to tree mortality on approximately 150 acres. The remaining 5,300 acres of plantation is healthy and has received above average rainfall to sustain growth. Underlying land prices remain unchanged from the last appraisal. Due to the long duration growth cycle of this forest we anticipate modest NAV accretion from the property as the timber continues to mature.

Hawaii

The Hawaii assets represent 11% of the portfolio. For the year, the assets declined in value -5.6% due to lower prices for export logs to China. Due to the mature age class of the timber, this asset will experience greater volatility as export log prices fluctuate. The properties continue to benefit from biological growth.

We are currently preparing for the harvesting of this asset. In June of 2011, we shipped logs from Hawaii to China for testing by various end users. In August 2011, we met with the end users and received favorable outlook for the wood quality. We are now on a timeline to begin harvesting and exporting the logs in 2013. Road construction is commencing on the Pinnacle plantation which will allow harvesters access to the timber. We are also working on developing harvest capabilities as well as working with the port authorities.

Conclusion
We believe Cambium has positive momentum in each of the geographies that it is invested in. The United States South property is located in a region with multiple end users of timber and is well situated to take advantage of building material markets as they improve. The planting program will be completed in Brazil, which provides investors with exposure to some of the best biological growth rates in the world as well as developed end use markets. We will begin harvesting and exporting logs from the Hawaii plantations and we look forward to updating you on the portfolio's progress in next year's reports.

CP Cogent Asset Management
Date: 31 July 2012

Board of Directors

Donald Lindsay Adamson (aged 53), Independent Non-executive Chairman
Donald Adamson has many years' experience in fund management, corporate finance and private equity. He acts as director or chairman of a number of listed and privately held investment companies including The Lindsell Train Investment Trust Plc, Invesco Leveraged High Yield Fund Limited and other companies. He holds an MA (Hons) from University College, Oxford in History and Economics and carried out postgraduate research at Nuffield College, Oxford in private equity investment. He is a member of the Chartered Institute for Securities & Investment and Chairman of the Offshore Committee of the Association of Investment Companies.

Martin Willaume Richardson (aged 64), Independent Non-executive Director
Martin Richardson was a partner of the Jersey practice of Rawlinson & Hunter between 1987 and 2009 and continues as a consultant to the firm, specialising in trust and mutual fund administration services to the financial services sector. He is a director of Real Estate Opportunities Limited and a number of other companies. He has a BA in Science Engineering from the Royal Military College of Science, Shrivenham and served in the Royal Engineers between 1968 and 1977. On leaving the army, he qualified as a Chartered Accountant with Coopers & Lybrand, Jersey for whom he worked from 1976 to 1981.

Colin Sean McGrady (aged 41), Non-executive Director
Colin McGrady is a founding partner of Cogent and is head of its asset management business. Colin is a director of Cogent GP, LLC and Cogent Partners Investment, LLC. Prior to co-founding Cogent, Colin was a member of the eight-person investment team at The Crossroads Group, a US$2 billion private equity fund of funds in Dallas, Texas. Prior to Crossroads, Colin spent three years at Bain & Company in the USA and Japan. Colin earned an MBA from Harvard Business School, received a BA in Economics from Brigham Young University and is a Chartered Financial Analyst.

Robert James Rickman (aged 54), Independent Non-executive Director
Robert Rickman is a director of and adviser to a number of forestry and forest industry companies in the UK and internationally. He is a founding partner of the Rockley Group, making and managing technology-based investments worldwide. From 2001 until 2007 he was a director and latterly chairman of the AIM quoted Highland Timber Plc, with forestry operations in the UK and New Zealand. He is a non-executive director of The Schroder Mid Cap Investment Trust Limited and of Carclo plc, a diversified manufacturing group, both listed on the LSE. Robert was a non-executive director of Bookham Technology Plc from 1994 to 2004, during which time the company was listed on the LSE and NASDAQ. He has held various non-executive and executive positions with a number of forestry companies (including until 1999, FIM Services Limited) and was an economist for the Government of St. Lucia. He is a current member of the UK Institute of Chartered Foresters. Robert has a MA in Agriculture and Forest Science and an MSc in Forestry and its relation to Land Management from the University of Oxford.

William Taylor Spitz (aged 61), Independent Non-executive Director
William Spitz is a principal and director of Diversified Trust Company and is also vice-chancellor for Investments Emeritus for Vanderbilt University. Prior to his retirement after 22 years of service, he was responsible for the management of the University's US$3.5 billion endowment as well as its treasury and technology transfer operations. During that period, he served on a number of advisory committees for timber, private equity and real estate funds and was the recipient of several significant awards given to prominent members of the endowment community. In addition to Cambium Global Timberland Limited, William serves as a director of MassMutual Financial Group and Acadia Realty. Previously, he served as a director of the Bradford Fund and was chair of the board of The Common Fund. Prior to joining Vanderbilt University in 1985, he was an officer of several investment management firms in New York. William is a Chartered Financial Analyst and holds an MBA from the University of Chicago.

Directors' Report
The Directors present their annual report and the audited consolidated financial statements (the "Financial Statements") of the Group, which comprises Cambium Global Timberland Limited (the "Company") and entities under its control (together the "Group"), for the year ended 30 April 2012.

Business of the Company
The Company was incorporated as a closed-ended Jersey registered investment company with limited liability on 19 January 2007. The shares were successfully admitted to the Alternative Investment Market ("AIM"), a market of the London Stock Exchange, with a dual listing on the Channel Islands Stock Exchange ("CISX"). The Company has received a certificate from, and is regulated by, the Jersey Financial Services Commission under the Collective Investment Funds (Jersey) Law 1988, as amended.

The Company operates a portfolio of geographically diverse timberland assets located both in mature and developing markets. The Company's portfolio consists of pine plantations in the Southern United States, fast-grown eucalyptus in Brazil, long-rotation eucalyptus in Australia, and eucalyptus sawlogs in Hawaii. The Company is currently fully invested, but may invest in other regions on an opportunistic basis, as determined by the Investment Manager with the approval of the Board. The Company's strategy is to generate superior total returns to investors by effectively managing an optimised portfolio of timberland properties and timberland-related investments diversified by location, age class and species. Each of the assets is managed on an environmentally and socially sustainable basis. Assets are managed for timber production with exposure to emerging environmental markets.

A review of business during the year and future developments is contained in the Chairman's Statement and Investment Manager's Report.

Results and dividends
The results of the Group are stated on page 15. The Directors proposed a final dividend of 3 pence per share (2011: 3 pence per share) in respect of the financial year ended 30 April 2011 and this was paid to shareholders on 20 October 2011. The Board is considering the question of the payment of dividends as part of its strategic review into the future of the Company, and will report to shareholders on this matter in due course.

The Board
The Board currently consists of five Directors. The Chairman is Donald Adamson who is independent of the Investment Manager. Colin McGrady, as the only non-independent Director, stands for re-election every year. The Board considers that, with the exception of Colin McGrady, the Directors are independent of the Investment Manager.

It is required that Directors shall retire and stand for re-election at regular intervals of no more than three years. Each Director, with the exception of Colin McGrady, is appointed for a three-year term subject to the performance evaluation carried out by the Remuneration Committee each year. The Board will agree whether it is appropriate for a Director to seek an additional term. There is no set notice period and no provision for compensation upon early termination of appointment. During the forthcoming year Donald Adamson will reach the end of his current three-year term and will therefore retire and stand for re-election.

Directors
The Directors of the Company, who held office during the year and at the date of this report, are detailed below:

	Appointed
Donald Adamson	19 January 2007
Colin McGrady	13 February 2007
Martin Richardson	19 January 2007
Robert Rickman	13 February 2007
William Spitz	13 February 2007

No Directors resigned during the year.

Directors' interests
The following Directors had interests in the shares of the Company at 30 April 2012:

	Number of shares	% held
Donald Adamson	550,000	0.54
Colin McGrady	300,000	0.29
Martin Richardson	150,000	0.15
Robert Rickman	25,000	0.02
William Spitz	100,000	0.10

Colin McGrady is a founding partner of CP Cogent Asset Management LP who acts as the Investment Manager for the Company.

Substantial shareholdings
Shareholders with holdings of more than 3% of the issued shares of the Company as at 3 July 2012 were as follows:

Name of investors	Number of shares	% held
Baillie Gifford	17,130,000	16.77
Stafford Timberland	11,141,157	10.91
British Steel Pensions	10,000,000	9.79
Investec Wealth & Investment	9,499,339	9.30
Artemis Investment Management	6,506,208	6.37
SVM Asset Management	6,200,000	6.07
AXA Framlington Investment Managers	3,589,667	3.51
Co-operative Asset Management	3,465,000	3.39
West Yorkshire PF	3,150,000	3.08

Corporate governance
As a Jersey incorporated Company and under the AIM Rules for companies, it is not a requirement for the Company to comply with the UK Corporate Governance Code published by the Financial Reporting Council (the “FRC Code”).

The Company has voluntarily chosen to adopt the principles and recommendations of the Association of Investment Companies ('AIC') Code of Corporate Governance (the ‘AIC Code’) by reference to the AIC Corporate Governance Guide for Investment Companies (the "AIC Guide"). A framework of best practice for Jersey domiciled Member companies was issued by the AIC in October 2010 and a Statement of Support was given by the Jersey Financial Service Commission (“JFSC”) in relation to the adoption of the AIC Code by Jersey domiciled investment companies. The AIC Code, as explained by the AIC Guide, addresses all the principles set out in Section 1 of the FRC Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company.

On 2 April 2012, the Jersey Financial Services Commission issued Codes of Practice for Certified Funds (the "CF Codes") issued pursuant to the Collective Investment Funds (Jersey) Law 1988. The CF Codes have been prepared and issued for the purpose of establishing sound principles and providing practical guidance in respect of any Jersey certified fund or any Regulation or Order made under it. The Company has carefully considered the eight fundamental principles of the CF Codes and has adopted certain policies in order to comply with the new regulation.

The Board considers that it is appropriate to report against the principles and recommendations of the AIC Code by reference to the AIC Guide within this Annual Report and Financial Statements and to report against the principles of the CF Codes. The Directors believe that the Company has complied throughout the accounting period, except where noted below. The Board will continue to consider the Company's corporate governance practices, periodically at Board meetings, so as to remain satisfied with the degree of compliance with the Principles as set out in the AIC and CF Codes. The following describes how the relevant principles of governance are applied to the Company.

Board meetings
The Board meets at least four times a year and between these formal meetings there is regular contact between the Investment Manager, Nominated Advisor, Broker, Administrator, Sub-Administrator, Delegate Company Secretary and Company Secretary. The Directors are kept fully informed of investment and financial controls and other matters that are relevant to the business of the Company. The Directors have access, where necessary in the furtherance of their duties, to independent professional advice at the expense of the Company.

Any matters that should be brought to the Directors' attention are provided in an agenda and all items are considered by the Board and its advisers at the Company's quarterly meetings. Sufficient notice is provided to all the Board members and the Investment Manager prior to any formal meeting. Focus is given to a review of the Company's investment performance, approval of financial statements, approval of borrowings by the Company and its Group, as well as associated matters such as investor relations, industry and market conditions and the overall strategy of the Company. A set of papers containing quarterly reporting is circulated to the Board in advance of the meeting and the Directors may request any agenda items to be added that they consider appropriate for Board discussion. All Directors are able to request relevant financial and regulatory information from its engaged parties and should expect to receive such items within a timely manner. Additionally, each Director is required to inform the Board of any potential or actual conflicts of interest prior to Board discussion.

Contractual agreements are not entered into without full and proper consideration by the Board and their contracts are reviewed on an annual basis by its Remuneration Committee. The remuneration of each appointment is carefully considered in line with the quality and experience of the provider and measured against the work they undertake for the Company.

The Board has agreed investment guidelines with the Investment Manager and the overall strategy and actions of the Company are not without due consideration to these remits. The Board monitors the guidelines in relation to repurchasing of shares and cash management.

The Board considers its share price discount at every Board meeting and will, if thought fit and proper, take action to address any imbalance in the supply and demand for Company shares.

Committees of the Board
Audit Committee
The Board operates an Audit Committee which comprises Donald Adamson, Martin Richardson, Robert Rickman and William Spitz. Martin Richardson serves as Chairman of the Committee. The Audit Committee operates within defined terms of reference as agreed by the Board which are available from the Company Secretary upon request. The Audit Committee function is to ensure the Company's financial performance is properly reported on and monitored. The Committee meets at least twice a year and considers the items below, the list is not exhaustive:

- the annual and interim financial statements;
- internal control systems and procedures;
- accounting policies of the Company;
- the Auditor's effectiveness and independence;
- announcements; and
- the Auditor's remuneration and engagement, as well as any non-audit services provided by them.

When required the Audit Committee meetings are also attended by the Administrator and the Company's Auditors.

Remuneration Committee
The Board operates a Remuneration Committee which comprises all independent Directors. Either Martin Richardson or Donald Adamson acts as chair. The Committee operates within defined terms of reference agreed by the Board which are available from the Company Secretary upon request. The Committee meets at least once a year. The main duties of the Committee are outlined below, but the list is not exhaustive.

- reviewing the performance and remuneration of the Board and of the Chairman;
- reviewing the performance and remuneration of the Investment Manager; and
- reviewing the performance and engagement terms of third party service providers including the Company Secretary and administration.

As part of the evaluation process the Committee will evaluate the composition and balance of the Board. The experience, skills and effectiveness of each Director are also considered before recommendation of their individual re-election.

Details of the skills and experience of the Directors are disclosed in the biography section on page 6.

The Chairman leads the performance evaluation of the Board and the Directors lead the evaluation of the Chairman. The Board, as a whole, evaluates its own performance and that of its committees and third party advisers. This evaluation ensures that the Chairman continues to remain independent from the Investment Manager and his integrity and judgement does not conflict with his own interests and those of the shareholders.

Committee of Independent Directors
On 21 May 2012, Stafford Timberland V Investment Nominees Limited, representing 10.91% of the current issued share capital of the Company, served a requisition notice requiring the Board to requisition a general meeting of members of the Company to seek the permission of the Jersey Financial Services Commission to remove the Investment Manager and replace them with Stafford Timberland Limited. On 15 May 2012, the Board resolved to form an Independent Committee, comprising all the independent Directors, to deal with items relating to, and/or actions arising from, the Requisition Notice. The Committee would consider all formal proposals presented to the Company. Following the defeat of the resolutions at the EGM held on 6 July 2012, the Committee is continuing with a strategic review of the Company and its future direction.

Meeting attendance
All members of the Board are expected to attend each Board meeting and to arrange their schedules accordingly, although non-attendance is unavoidable in certain circumstances.

The table below shows the number of meetings held during the year ended 30 April 2012 and the number of Board and committee meetings attended by each Director:

	Board meetings		Audit Committee meetings		Remuneration Committee meetings		Other meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Donald Adamson	6	6	2	2	2	2	1	1
Colin McGrady	6	6	N/A	N/A	N/A	N/A	N/A	N/A
Martin Richardson	6	5	2	2	2	2	1	1
Robert Rickman	6	6	2	2	2	2	N/A	N/A
William Spitz	6	5	2	2	2	2	N/A	N/A

Board responsibilities
The Directors meet at least four times a year to consider, as appropriate, such matters as:

- the overall objectives for the Company;
- risk assessment and management, including reporting, monitoring, governance and control;
- any shifts in strategy that may be appropriate in light of changes in market conditions;
- the appointment and ongoing monitoring, through regular reports and meetings, of the Investment Manager, Administrator and other service providers;
- the Company's investment performance;
- share price performance;
- statutory obligations and public disclosure;
- the shareholder profile of the Company; and
- transactional and other general matters affecting the Company.

The Board has been continually engaged in a review of the Company's strategy with the Investment Manager and Broker to ensure the employment of appropriate strategies under prevailing market, political and economic conditions at any particular time, within the overall investment restrictions of the Company.

To support the review of the strategy, the Board has focused at Board meetings on a review of individual investments and returns, country exposure, the overall portfolio performance and associated matters such as gearing and pipeline investment opportunities. Additionally a strong focus of attention is given to marketing, investor relations, risk management and compliance, peer group information and industry issues.

These matters are discussed by the Board to clearly demonstrate the seriousness with which the Directors take their fiduciary responsibilities and as an ongoing means of measuring and monitoring the effectiveness of their actions.

The Board has engaged external companies to undertake the investment management, administrative activities of the Company and the production of the Annual Report and Financial Statements, which are independently audited. Clearly documented contractual arrangements are in place between these firms that define the areas where the Board has delegated responsibility to them. Whilst the Board delegates responsibility, it retains accountability for the functions it delegates and is responsible for the systems of internal control.

Relations with shareholders
The Board monitors the trading activity and shareholder profile on a regular basis and places importance on effective communication with shareholders. Both the Broker and Investment Manager maintain dialogue with major shareholders and feedback is reported at least quarterly to the Board. In addition the Company reports formally to shareholders twice a year, by way of the Annual Report and interim report. All shareholders have the opportunity to attend the AGM of the Company where a Director is present to meet shareholders and answer any questions.

The Board has involvement in reviewing the content of communication to shareholders and the Chairman, from time to time, may meet with major shareholders to listen to their views. Current information is provided to shareholders on an on going basis through the Company's website: www.cambiumfunds.com.

Shareholder sentiment can also be gauged by the careful monitoring of the premium or discount that the Company's shares are traded at in the market when compared to those experienced by similar companies. The Board ensures that shareholders have sufficient information for them to understand the risk/reward balance to which they are exposed by holding the shares.

Internal controls
The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place for the year under review and up to the date of approval of this Annual Report and Financial Statements. In line with general market practice for investment companies, the Directors do not conduct a formal annual review of the internal controls. However, the Board does conduct an annual review of the financial reporting procedures and corporate governance controls and feels that the procedures employed by the service providers adequately mitigate the risks to which the Company is exposed.

The key procedures which have been established to provide effective internal controls are as follows:

- Praxis Fund Services Limited, under a novation deed dated 6 June 2011, is responsible for the sub-administration and delegate company secretarial duties of the Company;
- Bedell Fund Services Limited, under an Administration Agreement, dated 3 February 2011, is responsible for the administration and company secretarial duties of the Company;
- the Directors of the Company clearly define the duties and responsibilities of their agents and advisers in the terms of their contracts;
- the Board reviews financial information produced by the Investment Manager on a regular basis;
- the Company does not have an internal audit department. All of the Company's management functions are delegated to independent third parties and it is therefore felt that there is no need for the Company to have an internal audit facility; and
- on an ongoing basis, independently prepared compliance reports are provided at each Board meeting.

The internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against misstatement and loss.

Bribery Act
The Bribery Act came into force on 1 July 2011. The Company undertakes a review of its asset administrators and reviews the reporting on a quarterly basis. The Company ensures that adequate procedures are in place to prevent acts of bribery by assessing the risks.

Foreign Account Tax Compliance Act ("FATCA")
The objective of FATCA is to identify U.S. persons who may be evading tax through investment into offshore investment vehicles. FATCA will be applicable to offshore funds and investment structures which receive U.S. income and hold U.S. investments. Although there remains, at this time, some uncertainty regarding the detail implantation of the new regime there is sufficient information to begin planning an approach to be FATCA compliant. The Company will ensure that adequate measures are taken to comply prior to the deadline of registration on 30 June 2013.

Directors' responsibilities with regards to financial reporting
The Directors are responsible for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards. 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 Group and of the profit or loss of the Group for that period. In preparing these 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

Auditor
The auditor of the Company, KPMG Channel Islands Limited, has expressed its willingness to continue in office and a resolution giving authority to reappoint KPMG Channel Islands Limited will be proposed at the forthcoming AGM.

Directors' remuneration report
An ordinary resolution for approval of this report will be put to shareholders at the forthcoming AGM.

Policy on Directors' fees
The Board's policy is that the remuneration of the Directors should reflect the experience of each Board Member and the Board as a whole. It is ensured that the remuneration of each Director, save for Colin McGrady, reflect their duties, responsibilities and time spent to be fair and comparable to that of similar size funds, with similar regulation and structure. The level of remuneration should be sufficient to retain the Directors to oversee the Company properly and to reflect its specific circumstances. It is intended that this policy will continue for the year ending 30 April 2013 and subsequent years.

Furthermore, the fees for the Directors are determined within limits set out in the Company's Articles of Association. The present limit is the aggregate of £200,000 per annum. The Directors are not eligible for bonuses or incentive schemes. Details of the Directors' remuneration during the year are disclosed below.

During the year the Directors received the following remuneration in the form of fees from the Company:

	2012	2011
	£	£
Donald Adamson	**40,000**	40,000
Martin Richardson	**25,000**	25,000
Robert Rickman	**25,000**	25,000
William Spitz	**25,000**	25,000
	115,000	115,000

Colin McGrady waived his Director's fees for the year (2011: £nil).

The Chairman and Directors have not increased their remuneration since the Company's launch.

The Board has a breadth of experience relevant to the Company and has access to independent professional advice at the Company's expense where they deem it necessary to discharge their responsibility as Directors. The Board, with assistance of its Committees, can identify the need of any new appointments and consideration will be given as to whether a formal induction process is appropriate and if any relevant training needs to be offered for the role. Directors believe that any changes to the Board's composition can be managed without undue disruption.

Directors' service contracts
It is the Board's policy that Directors do not hold service contracts but each new Director will be provided with a letter of appointment. The terms of the Directors' appointments provide that Directors should retire and be subject to reappointment at the AGM after their appointment. Directors are obliged to offer themselves for re-election by shareholders at least every three years. Colin McGrady, as a non-independent Director, stands for re-election every year. The Board considers that, with the exception of Colin McGrady, the Directors are independent of the Investment Manager.

The Board will agree whether it is appropriate for a Director to seek an additional term. There is no set notice period and no provision for compensation upon early termination of appointment.

Company performance
The Board is responsible for the Company's investment strategy and performance, although the management of the Company's investment portfolio is delegated to the Investment Manager. An ordinary resolution for approval of the investment strategy of the Company will be put to shareholders for approval at the forthcoming AGM.

On behalf of the Board

Donald Adamson *31 July 2012*

Martin Richardson *31 July 2012*

Independent Auditor's report
to the members of Cambium Global Timberland Limited

We have audited the Group Financial Statements (the "Financial Statements") of Cambium Global Timberland Limited (the "Company") together with its subsidaries (the "Group") for the year ended 30 April 2012 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards.

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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 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 Statement of Directors' Responsibilities set out on page 12, 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, and express an opinion on, 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 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 Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; 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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements
In our opinion the Financial Statements:

- give a true and fair view of the state of the Group's affairs as at 30 April 2012 and of the Group's result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Dermot A Dempsey
for and on behalf of KPMG Channel Islands Limited
Chartered Accountants
31 July 2012

Consolidated Statement of Comprehensive Income
For the year ended 30 April 2012

	Notes	**30 April 2012 £**	30 April 2011 £
Revenue	6	**1,356,561**	1,144,765
Cost of sales		**(1,626,392)**	(849,366)
Gross (loss)/profit		**(269,831)**	295,399
Profit/(loss) on sale of investment property and plantations	17	**686,730**	(503,787)
Increase in fair value of investment property and plantations	16	**1,592,252**	2,387,853
Impairment loss on plantations due to fire damage	16	**(1,451,208)**	(2,172,696)
		827,774	(288,630)
Administrative expenses	7	**(1,507,079)**	(1,482,597)
Forestry management expenses	8	**(809,576)**	(866,500)
Other operating forestry expenses	9	**(1,732,843)**	(2,331,954)
Revaluation of buildings, plant and equipment	18	**(87,950)**	—-
Profit on disposal of buildings, plant and equipment		**—**	20,205
		(4,137,448)	(4,660,846)
Operating loss		**(3,579,505)**	(4,654,077)
Loss on foreign currency options and forward currency contracts		**—**	(2,247,180)
Finance income	10	**65,258**	40,887
Finance costs	11	**(619,839)**	(646,744)
Net foreign exchange losses		**(58,796)**	(495,947)
Net finance costs		**(613,377)**	(3,348,984)
Loss before taxation		**(4,192,882)**	(8,003,061)
Taxation charge	12	**(304,269)**	(1,165,955)
Loss for the year attributable to shareholders		**(4,497,151)**	(9,169,016)
Other comprehensive income/(loss)			
Foreign exchange losses on translation of foreign operations	21	**(4,586,730)**	(1,216,860)
Loss on disposal of intangible asset		**—**	(78,420)
Revaluation of buildings taken to revaluation reserve	18	**(6,603)**	—
Deferred tax effect on other comprehensive income		**—**	23,535
Other comprehensive loss for the year, net of taxation charge		**(4,593,333)**	(1,271,745)
Total comprehensive loss for the year		**(9,090,484)**	(10,440,761)
Basic and diluted loss per share	14	**(4.35) pence**	(8.81) pence

All items in the above statement are derived from continuing operations. All income is attributable to the equity holders of the parent company. There are no minority interests.

The notes form an integral part of these Financial Statements.

Consolidated Statement of Financial Position
At 30 April 2012

	Notes	**30 April 2012 £**	30 April 2011 £
Non-current assets			
Investment property	16	**35,839,567**	43,838,060

	Note	2012	2011
Plantations	16	**37,333,035**	36,308,775
Buildings, plant and equipment	18	**255,756**	139,423
Deferred tax assets	12	**—**	7,768
		73,428,358	80,294,026
Current assets			
Cash and cash equivalents	22	**7,079,156**	14,566,269
Trade and other receivables	19	**236,156**	2,898,127
		7,315,312	17,464,396
Total assets		**80,743,670**	97,758,422
Current liabilities			
Trade and other payables	23	**990,282**	1,688,291
Tax payable		**23,705**	238,357
		1,013,987	1,926,648
Non-current liabilities			
Deferred tax liabilities	12	**4,646,929**	4,785,470
Bank loan	20	**6,922,019**	9,577,445
		11,568,948	14,362,915
Total liabilities		**12,582,935**	16,289,563
Net assets	15	**68,160,735**	81,468,859
Equity			
Stated capital	26	**2,000,000**	2,000,000
Distributable reserve	27	**88,589,060**	92,806,700
Translation reserve		**14,622,753**	19,209,483
Revaluation reserve		**—**	6,603
Retained loss		**(37,051,078)**	(32,553,927)
Total equity		**68,160,735**	81,468,859
Net asset value per share	15	**0.67**	0.78

These Financial Statements were approved and authorised for issue on 31 July 2012 by the Board of Directors.

Donald Adamson **Martin Richardson**

The notes form an integral part of these Financial Statements.

Consolidated Statement of changes in equity

For the year ended 30 April 2012

	Stated capital £	Distributable reserve £	Translation reserve £	Revaluation reserve £	Retained loss £	Total £
At 30 April 2011	**2,000,000**	**92,806,700**	**19,209,483**	**6,603**	**(32,553,927)**	**81,468,859**
Total comprehensive loss for the year						
Loss for the year	—	—	—	—	(4,497,151)	(4,497,151)
Other comprehensive loss						
Foreign exchange losses on translation of foreign operations (note 21)	—	—	(4,586,730)	—	—	(4,586,730)
Revaluation of buildings, plant & equipment	—	—	—	(6,603)	—	(6,603)
Deferred tax effect on other comprehensive income	—	—	—	—	—	—
Total comprehensive loss	—	—	(4,586,730)	(6,603)	—	(4,593,333)
Transactions with owners of the Company recognised directly in equity						
Dividends	—	(3,123,900)	—	—	—	(3,123,900)
Share buy-backs (see note 26)	—	(1,093,740)	—	—	—	(1,093,740)
At 30 April 2012	**2,000,000**	**88,589,060**	**14,622,753**	**—**	**(37,051,078)**	**68,160,735**

	Stated capital £	Distributable reserve £	Translation reserve £	Revaluation reserve £	Retained earnings £	Total £
At 30 April 2010	2,000,000	95,930,600	20,426,343	61,488	(23,384,911)	95,033,520
Total comprehensive loss for the year						
Loss for the year	—	—	—	—	(9,169,016)	(9,169,016)
Other comprehensive loss						
Foreign exchange gains on translation of foreign operations	—	—	(1,216,860)	—	—	(1,216,860)
Disposal of intangible asset	—	—	—	(78,420)	—	(78,420)
Deferred tax effect on other comprehensive income	—	—	—	23,535	—	23,535
Total other comprehensive loss	—	—	(1,216,860)	(54,885)	—	(1,271,745)

Transactions with owners of the Company recognised directly in equity						
Dividends	—	(3,123,900)	—	—	—	(3,123,900)
At 30 April 2011	2,000,000	92,806,700	19,209,483	6,603	(32,553,927)	81,468,859

The notes form an integral part of these Financial Statements.

Consolidated Statement of Cash Flows
For the year ended 30 April 2012

	Note	**30 April 2012** **£**	30 April 2011 £
Cash flows from operating activities			
Operating loss for the year		**(3,579,505)**	(4,654,077)
Adjustments for:			
Increase in fair value of investment property and plantations	16	**(1,592,252)**	(215,157)
Impairment loss on plantations due to fire damage	16	**1,451,208**	-
Harvested timber	16	**1,621,124**	849,366
Depreciation	18	**1,717**	1,810
(Profit)/loss on sale of land and plantations	17	**(686,730)**	503,787
Revaluation of buildings, plant and equipment	18	**87,950**	—
Profit on sale of buildings, plant and equipment		**—**	(20,205)
Decrease/(increase) in trade and other receivables		**359,174**	(66,854)
(Decrease)/increase in trade and other payables		**(698,009)**	383,058
		(3,035,323)	(3,218,272)
Tax paid		**(82,899)**	(137,672)
Net cash used in operating activities		**(3,118,222)**	(3,355,944)
Cash flows from investing activities			
Net proceeds from sale of plantation	17	**5,707,920**	16,185,080
Net proceeds from sale of buildings, plant and equipment		**—**	323,180
Net proceeds from sale of intangible assets		**—**	59,468
Cost capitalised to land and plantations	16	**(4,614,500)**	(5,551,078)
Net cash from investing activities		**1,093,420**	11,016,650
Cash flows from financing activities			
Share buy-back	26	**(1,093,740)**	—
Dividend paid	13	**(3,123,900)**	(3,123,900)
Bank loan received		**—**	11,706,203
Repayment of bank loan	20	**(2,655,426)**	(2,393,585)
Foreign currency options acquired		**—**	(5,270,630)
Gain on foreign exchange contracts		**—**	313,292
Finance income	10	**65,258**	40,887
Finance costs	11	**(590,575)**	(620,572)
Proceeds from exercise of foreign currency options	19	**2,302,797**	2,096,228
Net cash (used in)/from financing activities		**(5,095,586)**	2,747,923
Net (decrease)/increase in cash and cash equivalents		**(7,120,388)**	10,408,629
Foreign exchange movements		**(366,725)**	1,070,226
Balance at the beginning of the year		**14,566,269**	3,087,414
Balance at the end of the year	22	**7,079,156**	14,566,269

The notes form an integral part of these Financial Statements.

Notes to the Financial Statements
For the year ended 30 April 2012

1 General information
The Company and its subsidiaries, including special purpose vehicles ("SPVs") controlled by the Company (together the "Group"), own a global portfolio of forestry based properties which are managed on an environmentally and socially sustainable basis. Assets are managed for timber production, with exposure to emerging environmental markets. As at the year end date the Group owned forestry assets located in Australia, Hawaii, Brazil and the Southern United States.

The Company is a closed-ended company with limited liability, incorporated in Jersey, Channel Islands on 19 January 2007. The address of its registered office is 26 New Street, St Helier, Jersey JE2 3RA.

These consolidated Financial Statements ("the Financial Statements") were approved and authorised for issue on 31 July 2012 and signed by Martin Richardson and Donald Adamson on behalf of the Board.

The Company has a dual listing on the AIM, a market of the London Stock Exchange, and on the CISX.

2 Basis of preparation

The consolidated financial information included in the Financial Statements for the year ended 30 April 2012 has been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee. They give a true and fair view and are in compliance with applicable legal and regulatory requirements of the Companies (Jersey) Law 1991.

The Financial Statements have been prepared in Sterling, which is the functional currency of the Company and the presentational currency of the Company and Group, and under the historical cost convention, except for investment property, plantations, buildings and certain financial instruments, which are carried either at fair value, fair value less cost to sell or fair value less subsequent accumulated depreciation and subsequent accumulated impairment loss.

The preparation of the Financial Statements requires Directors to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the Financial Statements. If in the future such estimates and assumptions, which are based on the Directors' best judgement at the date of the Financial Statements, deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

New, revised and amended standards
At the date of authorisation of these Financial Statements, the following standards and interpretations, which have not been applied in these Financial Statements, were in issue but not yet effective:

- IAS 1 (amended), "Presentation of Financial Statements" (effective for periods commencing on or after 1 July 2012);
- IAS 12 (amended), "Income Taxes" (effective for periods commencing on or after 1 January 2012);
- IAS 27 (revised) "Separate Financial Statements" (revised version effective for periods commencing on or after 1 January 2013 on adoption of IFRS 10, IFRS 11 and IFRS 12);
- IAS 28 (revised) "Investments in Associates and Joint Ventures" (revised version effective for periods commencing on or after 1 January 2013 on adoption of IFRS 10, IFRS 11 and IFRS 12);
- IAS 32 (amended) "Financial Instruments: Presentation" (effective for periods commencing on or after 1 January 2014);
- IFRS 7 (amended), "Financial Instruments: Disclosures" (various amendments effective for periods commencing on or after 1 July 2011, 1 January 2013 and 1 January 2015);
- IFRS 9, "Financial Instruments - Classification and Measurement" (effective for periods commencing on or after 1 January 2015);
- IFRS 10, "Consolidated Financial Statements" (effective for periods commencing on or after 1 January 2013);
- IFRS 11, "Joint arrangements" (effective for periods commencing on or after 1 January 2013);
- IFRS 12, "Disclosure of Interest in Other Entities" (effective for periods commencing on or after 1 January 2013);
- IFRS 13, "Fair Value Measurement" (effective for periods commencing on or after 1 January 2013).

In addition the IASB completed its most recent annual improvements project in May 2012. This project amended a number of existing standards and interpretations effective for accounting periods commencing 1 January 2013.

The Directors anticipate that the adoption of these standards and interpretations in future periods (except for IAS 12 (amended)) will not have a material impact on the Financial Statements of the Group. A formal assessment has not been undertaken by the Directors to assess if the adoption of IAS 12 in future periods will or will not have a material impact on the Financial Statements of the Group.

New accounting policies effective and adopted
The following new standard, which has had no material effect on the Group, has been applied for the first time in these Financial Statements.

- IAS 24 (amended), "Related Party Disclosures" has revised the definition of related parties.

3 Significant accounting policies
A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

The preparation of financial statements in conformity with IFRS requires the use of critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. The areas involving high degree of judgement or complexity, or areas where the assumptions and estimates are significant to financial statements are disclosed in note 4.

Basis of consolidation
The Financial Statements incorporate the financial statements of the Company and its subsidiaries, including special purpose entities ("SPEs") controlled by the Company, made up to 30 April 2012. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefit from its activities.

a) Subsidiaries
Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the Financial Statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

b) Special purpose entities
The Group has established a number of SPEs for trading and investment purposes. The Group does not have any direct or indirect shareholdings in these entities. An SPE is consolidated if, based on an evaluation of the substance of its relationship with the Group and the SPE's risks and rewards, the Group concludes that it controls the SPE. SPEs controlled by the Group were established under terms that impose strict limitations on the decision-making powers of the SPEs' management and that result in the Group receiving the majority of the benefits related to the SPEs' operations and net assets, being exposed to the majority of risks incident to the SPEs' activities, and retaining the majority of the residual or ownership risks related to the SPEs or their assets.

c) Transactions eliminated on consolidation
When necessary, adjustments are made to the financial statements of subsidiaries and SPEs to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Revenue and other income
Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be measured reliably. Revenues are accounted for on an accruals basis.

Revenue comprises:
a) Sales - harvested timber or right of way
Where revenue is obtained by the sale of harvested timber or right of way, it is recognised when the significant risks and returns have been transferred to the buyer. In the case of harvested timber, this is generally on unconditional exchange. For conditional exchanges, sales are recognised when the conditions are satisfied.

b) Lease income
Lease income is recognised over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which benefit use derived from the leased asset is diminished.

c) Grant income
Government grants are recognised on receipt of funds or earlier if there is reasonable assurance that the conditions of the grant will be met. They are accounted for in the Statement of Comprehensive Income at fair value.

Finance income and finance costs
Finance income comprises interest income on funds invested and changes in the fair value of financial assets at fair value through profit or loss.

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable.

Finance costs comprise changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets and interest on the bank loan.

Foreign currency gains and losses are reported on a net basis.

Foreign currencies
a) Functional and presentational currency
Items included in the financial statements of each of the Group entities are measured in the currency of the primary economic environment in which the entity operates (the "functional currency"). The Financial Statements are presented in Sterling, which is the Company's functional and presentational currency.

b) Transactions and balances
Transactions in currencies other than Sterling are recorded at the rates of exchange prevailing on the dates of transactions. At each period end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the year end date. Non-monetary assets and liabilities that are carried at fair value and denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised in other comprehensive income.

c) Group companies
The results and financial position of all the Group entities that have a functional currency different from the presentational currency of the Company are translated into the presentational currency of the Company as follows:

(i) assets and liabilities in each Statement of Financial Position presented are translated at the closing rate at the reporting date;
(ii) income and expenses in the Statement of Comprehensive Income are translated at the average exchange rate prevailing in the period; and
(iii) all resulting exchange differences are recognised in other comprehensive income and presented in the translation reserve.

On consolidation, the exchange differences arising from the translation of the net investment in foreign entities are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in other comprehensive income as part of the gain or loss on sale.

The following exchange rates have been applied in these Financial Statements to convert foreign currency balances to Sterling:

	30 April 2012 closing rate	**30 April 2012 average rate**	30 April 2011 closing rate	30 April 2011 average rate
Australian Dollar	**1.5566**	**1.5278**	1.5230	1.6404
Brazilian Real	**3.1001**	**2.7374**	2.6322	2.6767
Hungarian Forint	**351.6730**	**335.7950**	298.0690	325.0321
New Zealand Dollar	**1.9834**	**1.9701**	2.0628	2.1157
United States Dollar	**1.6234**	**1.5937**	1.6707	1.5649

Operating profit/loss
Operating profit or loss includes net gains and losses on revaluation and disposal of investment property and plantations, as increased by revenue less administrative expenses and operating costs and excludes finance costs and income.

Expenses

All expenses are accounted for on an accruals basis and include fees and other expenses paid to the administrators, the Investment Manager and the Directors. Expenses which are incidental to the acquisition of an investment property or plantation are included within the cost of that property and plantation; for example this will include legal fees, due diligence fees and other expenses associated with acquisitions that are capitalised.

The presentation of forestry management expenses and other operating forestry expenses has been amended in the current financial year, and accordingly the corresponding prior year expenses have been reclassified to conform with this new presentation.

Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income using the effective interest method.

Impairment

The carrying amount of the Group's non-financial assets, other than investment property and plantations, buildings and improvements are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists the asset's recoverable amount is estimated. Any impairment loss is recognised in the Statement of Comprehensive Income whenever the carrying amount of an asset exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped together at the lowest levels for which there are separately identifiable cash flows.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount, after the reversal, does not exceed the amount that has been determined, net of applicable depreciation, if no impairment loss had been recognised.

Taxation

The Company is subject to Jersey corporate tax rate of 0%. No charge to Jersey taxation arises on capital gains. The Group is liable to foreign tax arising on activities in the overseas subsidiaries. The Company has subsidiary operations in Australia, Brazil, British Virgin Islands, Hungary and the United States.

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit or net loss as reported in the Statement of Comprehensive Income because it excludes items of income and expense that are taxable or deductible in other years or that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the reporting date.

Deferred tax is the tax arising on differences on the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the near future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Investment property and plantations

a) Investment property

Land is classified as investment property as it is held for capital appreciation. Investment property is recognised as an asset when it is probable that the future economic benefits that are associated with the property will flow to the enterprise and the cost of the property can be reliably measured. Investment property is initially measured at cost, including transaction costs.

Investment property is remeasured at fair value, which is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. The fair values are determined by professional valuers on a six monthly basis. Gains or losses arising from changes in the fair value of investment property are included in the Statement of Comprehensive Income. The same accounting treatment applies when investment property is derecognised or impaired.

b) Plantations

Plantations are recognised as biological assets when the Group controls the asset as a result of past events, it is probable that future economic benefits will flow to the Group and the fair value or cost of the asset can be measured reliably. Plantations are measured on initial recognition and at each reporting date at fair value less cost to sell. Fair value less cost to sell is determined by professional valuers on a six monthly basis. Any changes in fair values and any gains on disposals are recognised in the Statement of Comprehensive Income. Agricultural produce harvested from plantations are classified as harvested timber. Plantations can be divided in two classifications:

i) Pre-merchantable timber

Agricultural produce that has not matured to an age and class to be sold as harvested product is classified within this asset class. Pre-merchantable timber is carried at fair value less cost to sell. Once the pre-merchantable trees mature they are transferred to merchantable timber at fair value less cost to sell at the time of transfer.

ii) Merchantable timber
Plantations are classified as merchantable timber when they mature to an age that the trees can be traded actively in the markets. This asset class does not include harvested trees. The age at which trees are transferred into this class can differ by type of tree. Currently the majority of trees owned by the Group are transferred at the age of 15 years. Merchantable timber is carried at fair value less cost to sell.

c) Harvested timber
Plantations harvested are measured at fair value less point of sale costs as at the date of harvest and are reclassified to inventory if the harvest has not been sold at date of reporting.

Buildings, plant and equipment
Buildings and improvements are initially recognised at purchase price plus any directly attributable costs and subsequently revalued to fair value. The fair value of property is determined on a six monthly basis by independent external appraisal. Revaluation gain is recognised in the Statement of Comprehensive Income to the extent that it reverses an impairment loss on the same property previously recognised in the Statement of Comprehensive Income, with any remaining gain recognised in equity through the revaluation reserve. Any revaluation loss is recognised directly in equity through revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect of that property, with any remaining loss recognised immediately in the Statement of Comprehensive Income.

Subsequent costs are included in the carrying amount of buildings, when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Motor vehicles and furniture and fittings are recognised at purchase cost less accumulated depreciation and any recognised impairment losses. Depreciation is provided at the rate of 12.5% per annum on motor vehicles on a diminishing balance basis. Depreciation is provided at the rate of 10% per annum on furniture and fittings on a straight-line basis.

Financial instruments
Financial assets and financial liabilities are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. The Group offsets financial assets and financial liabilities if the Group has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

Financial assets
The Group's financial assets fall into the categories below, with the allocation depending to an extent on the purpose for which the asset was acquired. The Group has not classified any of its financial assets as held to maturity.

Unless otherwise indicated, the carrying amounts of the Group's financial assets are a reasonable approximation of their fair values.

a) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise through deposits on new acquisitions and also incorporate other types of contractual monetary assets. They are included in current assets, except for maturities greater than twelve months after the reporting date which are classified as non-current assets.

Trade and other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. The effect of discounting on these financial instruments is not considered to be material.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, such impairments directly reduce the carrying amount of the impaired asset and are recognised against the relevant income category in the Statement of Comprehensive Income.

b) Cash and cash equivalents
Cash and cash equivalents are carried at cost and comprise cash in hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

c) De-recognition of financial assets
A financial asset (in whole or in part) is de-recognised either when the Group has transferred substantially all the risks and rewards of ownership; or when it no longer has control over the asset or a portion of the asset; or when the contractual right to receive cash flows from the asset has expired.

Financial liabilities
a) Financial liabilities at amortised cost
Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method. The effect of discounting on these financial instruments is not considered to be material.

Borrowings are recognised initially at fair value. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Comprehensive Income over the period of the borrowings on an effective interest basis.

b) De-recognition of financial liabilities
A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

c) Stated capital
Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's shares are classified as equity instruments. For the purposes of the disclosures given in note 31 the Group considers all its stated capital and all other reserves as equity. The Company is not subject to any externally imposed capital requirements.

d) Effective interest method
The effective interest rate method is a method of calculating the amortised cost of a financial asset or liability and of allocating interest income and expense over relevant periods. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or liability or where appropriate, a shorter period.

Dividends
A dividend is recognised as a liability in the Financial Statements in the period in which it becomes an obligation of the Company.

Determination and presentation of operating segments
The Group determines and presents operating segments based on the information that is provided internally to the Board of Directors by the Investment Manager.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Board of Directors is the Chief Operating Decision Maker ("CODM"). Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Jersey segment comprises mainly corporate assets and corporate expenses to administer and register the ultimate holding company.

Segment capital expenditure is the total cost incurred during the year to acquire property, buildings, plant and equipment and intangible assets.

4 Significant accounting judgements and key sources of estimation uncertainty
The Group makes estimates and assumptions concerning the future. The resulting accounting estimate will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and deferred taxes
The Group is subject to income and capital gains taxes in numerous jurisdictions. Significant judgement is required in determining the total provision for income and deferred taxes. There are many transactions and calculations for which the ultimate tax determination and timing of payment are uncertain. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due and at what rates those taxes will be calculated. Where the final tax outcome of these matters is different from the amounts that were initially recorded such differences will impact the income and deferred tax provisions in the period in which the determination is made.

Valuation of investment property and plantations
The Group normally uses the valuation performed by its independent valuers as the fair value of its property and plantations. The valuation is based on assumptions. The valuers also make reference to market evidence of transaction prices for similar transactions, where available and appropriate (refer to note 16).

Valuation of buildings
The Group normally uses the valuation performed by its independent valuers as the fair value of its buildings. As described in note 18 the valuation is based on assumptions. The valuers also make reference to market evidence of transaction prices for similar transactions, where available and appropriate.

5 Operating segments
The Board of Directors is charged with setting the Company's investment strategy in accordance with the Prospectus. The Board of Directors, as the CODM, has delegated the day to day implementation of this strategy to its Investment Manager but retain responsibility to ensure that adequate resources of the Company are directed in accordance with their decisions. The investment decisions of the Investment Manager are reviewed on a regular basis to ensure compliance with the policies and legal responsibilities of the Board.

The Investment Manager has been given full authority to act on behalf of the Company for transactions of up to 10% of the Group's NAV, including the authority to purchase and sell timberland and other investments on behalf of the Group and to carry out other actions as appropriate to give effect thereto. Whilst the Investment Manager may make the investment decisions on a day to day basis regarding the allocation of funds to different investments, any changes to the investment strategy or major allocation decisions have to be approved by the Board, even though they may be proposed by the Investment Manager.

The Board therefore retains full responsibility as to the major allocation decisions made on an ongoing basis.

The Investment Manager will always act under the terms of the Prospectus which cannot be radically changed without the approval of the Board of Directors and Shareholders. Details of the investment restrictions are set out in part 3 of the Admission Document and the Investment Strategy, available on www.cambiumfunds.com.

The Group operates in five distinctly separate geographical locations, which the CODM has identified as one non-operating segment, Jersey, and four operating segments. Timberlands are located in Australia, Southern United States, Hawaii and Brazil. There are not considered to be any major customers within these operating segments.

The accounting policies of each operating segment are the same as the accounting policies of the Group, as stated in note 3. Therefore no reconciliation was performed.

30 April 2012	**Jersey £**	**New Zealand £**	**Australia £**	**North America £**	**Hawaii £**	**Brazil £**	**Total £**
Total assets	**4,374,071**	**870**	**8,355,199**	**23,422,170**	**9,689,791**	**35,143,422**	**80,985,523**
Total liabilities	**130,507**	**—**	**1,228,531**	**7,146,706**	**1,262,875**	**3,056,169**	**12,824,788**

30 April 2011	Jersey £	New Zealand £	Australia £	North America £	Hawaii £	Brazil £	Total £
Total assets	9,177,484	3,929,610	7,832,040	31,727,262	9,224,935	35,867,091	97,758,422
Total liabilities	112,151	632,394	940,693	10,328,347	969,700	3,306,278	16,289,563

30 April 2012	**Jersey £**	**New Zealand £**	**Australia £**	**North America £**	**Hawaii £**	**Brazil £**	**Total £**
Segment revenue	**—**	**—**	**35,454**	**1,298,708**	**—**	**22,399**	**1,356,561**
Segment gross profit/(loss)	**—**	**—**	**35,454**	**(327,684)**	**—**	**22,399**	**(269,831)**
Increase in fair value of investment property and plantations	**—**	**—**	**368,307**	**140,124**	**169,417**	**914,404**	**1,592,252**
Forestry management expenses	**—**	**—**	**117,120**	**252,828**	**107,010**	**332,618**	**809,576**
Other operating forestry expenses	**—**	**—**	**119,042**	**437,704**	**327,209**	**848,888**	**1,732,843**

30 April 2011	Jersey £	New Zealand £	Australia £	North America £	Hawaii £	Brazil £	Total £
Segment revenue	—	1,162	—	1,071,761	71,842	—	1,144,765
Segment gross profit	—	1,162	—	222,395	71,842	—	295,399
Increase/(decrease) in fair value of investment property and plantations	—	—	(338,539)	(2,372,801)	1,853,182	3,246,011	2,387,853
Forestry management expenses	—	34,492	138,319	370,093	86,856	236,740	866,500
Other operating forestry expenses	—	14,853	338,087	479,929	296,374	1,202,711	2,331,954

The Group owns eight distinct parcels of land across four main geographical areas.

The Group owns approximately 16,500 acres in Ashford, New South Wales, Australia. This land was previously being used for cattle grazing and is now being planted with high-value commercial and non-commercial species with a view to longer-term revenue from plantations.

The second strategy consists of buying established plantations in the southern United States. Established plantations with a balanced age class distribution are suitable for long and short-term sustainable yield. Marketable products include sawtimber and pulp, which can be sold into healthy forest product markets that exist in this geography. These properties also generate revenue from hunting leases and non-strategic land sales. After a land sale completed during the year, the Group owns 29,000 acres of land spread across Florida and Georgia dedicated to this strategy.

The third investment strategy involves the development of fast-growth eucalyptus plantations to serve either export log markets in Asia or developing markets in Hawaii. The Group has a leasehold interest in two plantations on the Big Island of Hawaii dedicated to this strategy. Pahala consists of 3,350 acres and Pinnacle is approximately 4,725 acres of maturing eucalyptus trees.

The Group has a fourth investment strategy of converting bare land to eucalyptus plantation for conversion to charcoal to serve pig iron markets or for emerging pulp and paper markets in Brazil. The Group owns one property in Tocantins, Brazil of approximately

25,600 acres and three properties in Minas Gerias, Brazil totalling 29,400 acres dedicated to this strategy. It is anticipated that the eucalyptus will be grown on a rotation length of seven years.

6 Revenue

	2012 £	2011 £
Sales-harvested timber and stumpage	**1,205,031**	991,723
Lease income	**151,530**	153,042
	1,356,561	1,144,765

The lease income is mainly from hunting leases which are for a term of two to three years. The income is recognised in the period it relates to on an accruals basis.

Physical revenue

	2012 tonnes	2011 tonnes
Pine sawtimber	**15,624**	5,882
Pine chip and saw	**82,006**	7,367
Pine pulpwood	**112,400**	93,023
Poles	**1,869**	196
Hardwood sawtimber	**888**	3,545
Hardwood pulpwood	**8,660**	2,704
	221,447	112,717

7 Administrative expenses

	2012 £	2011 £
Investment Manager's fees	**816,417**	884,247
Directors' fees	**115,000**	115,000
Auditor's fees	**74,895**	59,257
Professional & other fees	**387,186**	309,987
Administration of subsidiaries	**113,581**	114,106
	1,507,079	1,482,597

Administration of subsidiaries includes statutory fees, accounting fees and administrative expenses in regard to the asset holding subsidiaries.

8 Forestry management expenses

	2012 £	2011 £
Asset management fees	**692,026**	725,033
Appraisal fees	**113,296**	106,118
Other	**4,254**	35,349
	809,576	866,500

9 Other operating forestry expenses

	2012 £	2011 £
Property management fees	**673,309**	1,218,742
Property taxes	**158,169**	29,980
Lease payments	**137,838**	128,514
Fertilisation	**244,750**	37,251
Repairs and maintenance	**27,574**	36,186
Trials, inventory and research	**32,976**	49,377
Pest control, forest protection and insurance	**184,428**	283,517
Depreciation	**1,717**	1,810
Selling and marketing expenses	**87,902**	131,642
Other	**184,180**	414,935
	1,732,843	2,331,954

10 Finance income

	2012 £	2011 £
Bank interest	**65,258**	40,887

11 Finance costs

	2012 £	2011 £
Interest charged on bank loan (note 20)	**512,391**	620,572
Other finance costs	**107,448**	26,172
	619,839	646,744

12 Taxation

Taxation on profit/(loss) on ordinary activities

The Group's tax expense for the year comprises:

	2012 £	2011 £
Current taxation		
New Zealand at 30%	**22,595**	183,042
United States at 15%-35%*	**—**	192,987
	22,595	376,029
Deferred taxation		
New Zealand at 30%	**—-**	(98,802)
Australia at 30%	**126,908**	38,047
Brazil at 34%	**343,592**	1,073,249
United States at 15%-35%*	**(188,826)**	(222,568)
	281,674	789,926
Tax charge and effective tax rate for the year – 31.90% (30 April 2011: 32.35%)	**304,269**	1,165,955

* Marginal corporate income taxes in the United States vary between 15% and 35% depending on the size of the profits.

	2012 £	2011 £
Tax expense reconciliation		
Loss for the year	**(4,192,882)**	(8,003,061)
Less: income non-taxable	**(1,224,425)**	(17,557)
Add: non-deductible expenditure	**3,041,043**	3,939,016
Add: deferred tax assets not provided	**3,202,066**	7,686,193
Change in tax rate	**127,734**	—
Taxable profit for the year	**953,536**	3,604,591

At the year end date the Group has unused tax losses. No deferred tax asset has been recognised in respect these losses due to the unpredictability of future taxable profits available against which they can be utilised. Tax losses arising in the United States can be carried forward for up to 20 years; those arising in Brazil and Australia can be carried forward indefinitely.

Tax losses not recognised in the Financial Statements

	2012 £	2011 £
Balance at beginning of the year	**11,258,456**	7,754,812
Losses utilised in the year	**—**	(786,734)
Tax losses not provided	**1,009,477**	4,215,202
Exchange movements	**(392,022)**	75,176
Balance at the end of the year	**11,875,911**	11,258,456

The value of deferred tax assets not recognised in regard to the operational losses amounted to £3,847,360 (2011: £3,660,370).

Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon:

2012	**Assets 2012 £**	**Liabilities 2012 £**	**Balance 2012 £**
At the beginning of the year	**7,768**	**(4,785,470)**	**(4,777,702)**
Movements			
Increase in fair value of investment property and plantations	**—**	**(175,388)**	**(175,388)**
Revaluation on buildings, plant and equipment	**—**	**(80,567)**	**(80,567)**
Accelerated tax depreciation	**—**	**4,887**	**4,887**
Capitalised assets deducted	**—**	**(17,407)**	**(17,407)**
Capitalised liabilities taxed	**—**	**(5,456)**	**(5,456)**
Other	**(7,744)**	**—**	**(7,744)**
Total movements for the year	**(7,744)**	**(273,931)**	**(281,675)**
Exchange differences	**(24)**	**412,472**	**412,448**
Balance at the end of the year	**—**	**(4,646,929)**	**(4,646,929)**

2011	Assets 2011 £	Liabilities 2011 £	Balance 2011 £
At the beginning of the year	32,031	(4,085,170)	(4,053,139)
Movements			
Increase in fair value of investment property and plantations	—	(731,465)	(731,465)
Revaluation on buildings, land, plant and equipment	—	(24,759)	(24,759)
Accelerated tax depreciation	—	8,792	8,792
Capitalised assets deducted	—	(23,641)	(23,641)
Capitalised liabilities taxed	(23,785)	—	(23,785)
Revaluation of intangible assets	—	33,191	33,191
Other	(485)	—	(485)
Total movements for the year	(24,270)	(737,882)	(762,152)
Exchange differences	7	37,582	37,589

Balance at the end of the year	7,768	(4,785,470)	(4,777,702)

13 Dividend

Dividend reference period	Shares	Dividend per share £	Paid £	Payment Date
Year ended 30 April 2011	104,130,000	0.03	3,123,900	20/10/2011
Year ended 30 April 2010	104,130,000	0.03	3,123,900	11/08/2010

14 Basic and diluted loss per share

The calculation of the basic and diluted loss per share is based on the following data:

	2012 £	2011 £
Loss for the purposes of basic and diluted earnings per share being net loss for the year	**(4,497,151)**	(9,169,016)

	2012	2011
Weighted average number of shares		
Issued shares at 1 May	**104,130,000**	104,130,000
Effect of share buy-backs during the year (note 26)	**(837,227)**	-
Weighted average number of shares at 30 April	**103,292,773**	104,130,000
Basic and diluted loss per share	**(4.35) pence**	(8.81) pence

15 Net asset value

	2012 £	2011 £
Total assets	**80,743,670**	97,758,422
Total liabilities	**12,582,935**	16,289,563
Net asset value	**68,160,735**	81,468,859
Number of shares in issue (note 26)	**102,130,000**	104,130,000
Net asset value per share	**0.67**	0.78

16 Investment property and plantations

2012	**Merchantable timber £**	**Pre-merchantable timber £**	**Total plantations £**	**Land £**	**Total £**
Fair value as at 1 May 2011	**19,515,224**	**16,793,551**	**36,308,775**	**43,838,060**	**80,146,835**
Reclassification to buildings	**—**	**—**	**—**	**(244,679)**	**(244,679)**
Capitalised costs	**—**	**4,597,682**	**4,597,682**	**16,818**	**4,614,500**
Harvested timber	**(1,621,124)**	**—**	**(1,621,124)**	**—**	**(1,621,124)**
Disposals	**(932,698)**	**(250,206)**	**(1,182,904)**	**(3,606,868)**	**(4,789,772)**
Transfer to merchantable timber	**63,451**	**(63,451)**	**—**	**—**	**—**
	17,024,853	**21,077,576**	**38,102,429**	**40,003,331**	**78,105,760**
Fair value price gains/(losses) on land and plantations	**66,886**	**1,942,813**	**2,009,699**	**(870,006)**	**1,139,693**
Fair value growth gains on plantations	**452,559**	**—**	**452,559**	**—**	**452,559**
Fire, hazardous weather and other damages (impairment)	**(1,387,203)**	**(64,005)**	**(1,451,208)**	**—**	**(1,451,208)**
(Decrease)/increase in fair value of investment property and plantations	**(867,758)**	**1,878,808**	**1,011,050**	**(870,006)**	**141,044**
Foreign exchange effect	**588,811**	**(2,369,255)**	**(1,780,444)**	**(3,293,758)**	**(5,074,202)**
Fair value as at 30 April 2012	**16,745,906**	**20,587,129**	**37,333,035**	**35,839,567**	**73,172,602**

2011	Merchantable timber £	Pre-merchantable timber £	Total plantations £	Land £	Total £
Fair value as at 1 May 2010	21,833,426	15,039,906	36,873,332	58,062,195	94,935,527
Reclassification of land	—	3,251,420	3,251,420	(3,251,420)	—
Capitalised costs	—	5,538,436	5,538,436	12,642	5,551,078
Harvested timber	(849,366)	—	(849,366)	—	(849,366)
Disposals	(3,532,639)	(4,555,188)	(8,087,827)	(8,936,575)	(17,024,402)
Transfer to merchantable timber	3,075,517	(3,075,517)	—	—	—
	20,526,938	16,199,057	36,725,995	45,886,842	82,612,837
Fair value price gains/(losses) on land and plantations	1,636,429	477,661	2,114,090	(1,008,769)	1,105,321
Fair value growth gains on plantations	1,282,532	—	1,282,532	—	1,282,532
Fire, hazardous weather and other damages (impairment)	(2,172,696)	—	(2,172,696)	—	(2,172,696)
Increase/(decrease) in fair value of investment property and plantations	746,265	477,661	1,223,926	(1,008,769)	215,157
Foreign exchange effect	(1,757,979)	116,833	(1,641,146)	(1,040,013)	(2,681,159)
Fair value as at 30 April 2011	19,515,224	16,793,551	36,308,775	43,838,060	80,146,835

No harvested timber was held at the end of the year (30 April 2011: nil).

The land and plantations are carried at their fair value as at 30 April 2012, as measured by external independent valuers Timberland Appraisal Services LLC, Consufor Advisory & Research, URS Australia Pty Limited, and Indufor Asia Pacific Limited. Each of the valuers uses similar methodologies, though this can vary depending on the type of investment and local practices.

The valuer for the South Atlantic States property in the United States was Timberland Appraisal Services LLC. The appraisal conforms to Uniform Standards of Professional Appraisal Practice in the United States. For this valuation, three valuation approaches were considered: the cost approach; the sales comparison approach; and the income capitalisation approach. Each of the three valuation approaches are used and the final valuation is derived from a reconcilation of the three approaches and is believed to have been applied appropriately.

The properties in Hawaii, Pahala and Pinnacle, are leasehold interests without any ownership of the underlying land. These investments were valued by URS Australia Pty Limited in accordance with IFRS. For these valuations the income capitalisation approach was selected as being applicable and necessary to produce credible results. This approach is believed to have been applied appropriately.

Indufor Asia Pacific Limited valued the Tarrangower investment in Australia consistent with the local equivalent of IFRS. There is little comparable transaction evidence to determine the value of land for forestry purposes in the region. Therefore, Indufor has applied a combination of the cost approach and the income capitalisation approach to value the assets.

The 3R Tocantins property in Brazil was valued by Consufor Advisory & Research. The method applied for the bare land appraisal was the sales comparison approach. The analysis considered the bare land price from comparable transactions, soil quality, topography of the land, access and distance from cities and the proportion of the property which could be used for cultivation. The method applied for valuing the young tree crop is based on the income capitalisation approach.

The three properties in Minas Gerias were valued by Consufor Advisory & Research by first determining the highest and best use of the subject property. This analysis helps the appraiser identify comparable properties and identify the use that would produce the maximum income to the property. After determining the best use of the subject property, the appraiser analysed the value of the property using the cost approach, the sales comparison approach and the income capitalisation approach. The method applied for valuing the young tree crop is based on the income capitalisation approach. The method applied for the bare land appraisal was the sales comparison approach.

The discount rates used in these appraisals range in value from 6.0% to 9.5% (2011: 6.0% to 10.0%).

The Group is exposed to a number of risks related to its tree plantations:

Regulatory and environmental risks
The Group is subject to laws and regulations in various countries in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

Supply and demand risk
The Group is exposed to risks arising from fluctuations in the price and sales volume of trees. When possible the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses to ensure that the Group's pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with the expected demand.

Climate and other risks
The Group's plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys.

17 Sale of land and plantations

2012	**South Atlantic £**	**Corrigan £**	**Total £**
Proceeds from sale	**189,353**	**5,741,357**	**5,930,710**
Fair value	**(134,210)**	**(4,655,562)**	**(4,789,772)**
Cost to sell	**(52,283)**	**(170,507)**	**(222,790)**
Foreign exchange effect	**(6,484)**	**(224,934)**	**(231,418)**
(Loss)/profit on disposal	**(3,624)**	**690,354**	**686,730**

2011	Tarrangower £	New Zealand £	Corrigan £	Total £
Proceeds from sale	736,775	3,686,688	12,071,760	16,495,223
Fair value	(671,538)	(3,046,467)	(13,306,397)	(17,024,402)
Cost to sell	(15,302)	(62,222)	(232,619)	(310,143)
Foreign exchange effect	(4,821)	21,492	318,864	335,535
Profit/(loss) on disposal	45,114	599,491	(1,148,392)	(503,787)

18 Buildings, plant and equipment

2012	**Furniture and fittings £**	**Buildings £**	**Improvements £**	**Motor vehicles £**	**Total £**
Cost/valuation	**2,131**	**110,309**	**16,415**	**16,576**	**145,431**
Accumulated depreciation	**(515)**	**—**	**—**	**(5,493)**	**(6,008)**
Balance as at 1 May 2011	**1,616**	**110,309**	**16,415**	**11,083**	**139,423**

Movements					
Reclassification from investment property	**—**	**244,679**	**—**	**—**	**244,679**
Impairment loss	**—**	**(84,735)**	**(9,818)**	**—**	**(94,553)**
Depreciation for the year	**(332)**	**—**	**—**	**(1,385)**	**(1,717)**
Foreign exchange effect	**(206)**	**(31,484)**	**(173)**	**(213)**	**(32,076)**
	(538)	**128,460**	**(9,991)**	**(1,598)**	**116,333**
Carrying value					
Balance as at 30 April 2012	**1,078**	**238,769**	**6,424**	**9,485**	**255,756**

2011	Furniture and fittings £	Buildings £	Improvements £	Motor vehicles £	Total £
Cost/valuation	2,118	355,284	62,342	15,699	435,443
Accumulated depreciation	(175)	—	—	(4,023)	(4,198)
Balance as at 1 May 2010	1,943	355,284	62,342	11,676	431,245
Movements					
Disposal	—	(253,601)	(47,210)	—	(300,811)
Depreciation for the year	(340)	—	—	(1,470)	(1,810)
Foreign exchange effect	13	8,626	1,283	877	10,799
	(327)	(244,975)	(45,927)	(593)	(291,822)
Carrying value					
Balance as at 30 April 2011	1,616	110,309	16,415	11,083	139,423

The buildings and improvements are carried at their fair value as at 30 April 2012, as measured by external independent valuers. The buildings and structural improvements have been valued as part of the land on the sales comparison method. The buildings and structural improvements were physically inspected to verify their condition and valued as an added value to the overall land by reference to direct comparison to sales in the district. The motor vehicles and furniture and fittings are carried at cost less accumulated depreciation.

19 Trade and other receivables

	2012 £	2011 £
Currency option receivable	**—**	2,302,797
Goods and services tax receivable	**19,153**	252,286
Trade receivables	**171,412**	66,793
Prepaid expenses	**45,591**	276,251
	236,156	2,898,127

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables is disclosed in note 29.

20 Bank borrowings

	2012 £	2011 £
Metropolitan Life Insurance Company ('Metropolitan Life')	**6,922,019**	9,577,445

The loan is secured on approximately 29,000 acres of timber and timberland assets located in multiple tracts in the states of Florida and Georgia. The fair value of these assets at the year end was £21.5 million (2011: £28.0 million).

The loan term is ten years, with a termination date of 15 October 2020 and interest rate fixed at 5.75% over the life of the loan. During the year, following the final disposal of the Corrigan property, the Group repaid US$4.4 million of the loan and Metropolitan Life released US$1.4 million previously held as security on the loan.

21 Foreign exchange effect

The translation reserve movement in the year has arisen as follows:

	Exchange rate at 30 April 2012	Exchange rate at 30 April 2011	Translation reserve movement
Australian Dollar	**1.5566**	1.5230	(155,332)
Brazilian Real	**3.1001**	2.6322	(5,561,052)
New Zealand Dollar	**1.9834**	2.0628	89,556
United States Dollar	**1.6234**	1.6707	1,040,098
			(4,586,730)

22 Cash and cash equivalents

	2012 £	2011 £
Cash held at bank	**5,538,100**	11,800,530
Cash held in Escrow	**1,541,056**	2,638,395
Cash held at broker	**—**	127,344
	7,079,156	14,566,269

The cash held in Escrow is held as security against the loan payable to Metropolitan Life Insurance Company (see note 20).

23 Trade and other payables

	2012 £	2011 £
Accruals	**294,352**	250,703
Trade creditors	**383,773**	411,373
Retentions held*	**312,157**	367,647
Goods and services tax and withholding tax payable	**—**	658,568
	990,282	1,688,291

* The Company's Brazilian subsidiary, 3R Tocantins Florestais Ltda., retained approximately 6% of the purchase price of the 3R Tocantins property for a period of five years from October 2008, to support any liability associated with the previous ownership.

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 29.

24 Net asset value reconciliation

	2012 £	2011 £
Net asset value brought forward	**81,468,859**	95,033,520
Translation of foreign exchange differences	**(4,586,730)**	(1,216,860)
Profit on revaluation of property and plantation	**1,592,252**	215,157
Impairment loss on plantations due to fire damage	**(1,451,208)**	—
Profit on sale of plantations	**686,730**	(503,787)
Loss on revaluation of buildings	**(87,950)**	—
Finance costs	**(619,839)**	(646,744)
Revaluation reserve movement	**(6,603)**	(54,885)
Loss on currency options	**—**	(2,247,180)
Net foreign exchange loss	**(58,796)**	(495,947)
Profit and loss before above items	**(4,558,340)**	(5,490,515)
Share buy backs	**(1,093,740)**	—
Dividend paid	**(3,123,900)**	(3,123,900)
Net asset value carried forward	**68,160,735**	81,468,859

25 Investment in Subsidiaries

The Financial Statements of the Group consolidate the results, assets and liabilities of the subsidiary companies listed below:

Name	Country of Incorporation	Beneficial interest	Financial year end
Direct			
Cambium Tarrangower Holdings Limited	Jersey	100%	30 April
Cambium New Zealand Holdings Limited	Jersey	100%	30 April
Cambium Pahala Holdings Limited	British Virgin Islands	100%	30 April
Cambium Pinnacle Holdings Limited	British Virgin Islands	100%	30 April
Cambium Holdings Limited	British Virgin Islands	100%	30 April
Corrigan Holdings Limited	British Virgin Islands	100%	30 April
Cambium Minas Gerias Holdings Limited	British Virgin Islands	100%	30 April
Cambium MG Holdings Limited	British Virgin Islands	100%	30 April
Cambium South Atlantic Holdings Limited	British Virgin Islands	100%	30 April
Indirect			
Pahala Hungary Holdings Kft	Hungary	100%	30 April
Cambium Hawaii Hungary Holdings Kft	Hungary	100%	30 April
Cambium Hungary Holdings Kft	Hungary	100%	30 April
Corrigan Hungary Holdings Kft	Hungary	100%	30 April
Cambium South Atlantic Hungary Holdings Kft	Hungary	100%	30 April
Cambium Australia Trust (Unit Trust)	Australia	100%	30 April
Cambium Pahala Inc.	United States	100%	30 April
Cambium Pinnacle Inc.	United States	100%	30 April
Cambium South Atlantic Inc.	United States	100%	30 April
Cambium Corrigan Limited Partnership	United States	100%	30 April
Cambium Brazil MG Investments Florestais Ltda	Brazil	100%	30 April
3R Tocantins Investments Florestais Ltda	Brazil	100%	30 April

26 Stated capital

	2012 £	2011 £
Balance as at 30 April	**2,000,000**	2,000,000

The total authorised share capital of the Company is 250 million shares of no par value. On initial placement 104,350,000 shares were issued at 100 pence each. shares carry no automatic rights to fixed income but the Company may declare dividends from time to time to which shareholders are entitled. Each share is entitled to one vote at meetings of the Company.

On 22 February 2007 a special resolution was passed by the Company to reduce the stated capital account from £104,350,000 to £2,000,000. Approval was sought from the Royal Court of Jersey and was granted on 29 June 2007. The balance of £102,350,000 was transferred to a distributable reserve on that date.

The Company was granted authority by shareholders on 15 August 2008 to make market purchases of its own shares, an authority which was renewed on 4 October 2010 and on 12 October 2011. Pursuant to this authority, during the year the Company has purchased 2,000,000 of its own shares for cancellation at a total cost of £1,093,740, which has been taken to the distributable reserve:

Shares in issue

	2012 Number	2011 Number
In issue at 1 May	**104,130,000**	104,130,000
Buy-backs	**(2,000,000)**	—
In issue at 30 April fully paid	**102,130,000**	104,130,000

27 Reserves

The movements in the reserves for the Group are shown in the Consolidated Statement of Changes in Equity on page 17.

Translation reserve
The translation reserve contains exchange differences arising on consolidation of the Group's foreign operations.

Revaluation reserve
The revaluation reserve arises from the revaluation of buildings, plant and equipment.

Distributable reserve
The Company reduced its stated capital account and a balance of £102,350,000 was transferred to distributable reserves. This reserve is utilised if the Company wishes to purchase its own shares and for the payment of dividends.

28 Operating leases
The maturity of prepaid operating leases is as follows:

	2012 £	2011 £
Between one and two years	**107,743**	222,667
Between two and five years	**254,376**	247,174
Over five years	**—**	—
	362,119	469,841

The leases relate to the Hawaiian plantations. The lease terms expire in March and December 2015; the Group has the right to extend these for a further five years and it is expected that the leases will both be renewed.

29 Financial instruments risk exposure and management

In common with other businesses, the Group is exposed to risks that arise from use of financial instruments. The notes below describe the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these Financial Statements.

Principal financial instruments
The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Bank loan

The Board of Directors and Investment Manager are responsible for overseeing the measurement and control of all aspects of risk management and hold regular meetings in order to do so.

Various risk management models are in place which help to identify and monitor key risks both at individual investment level and at a Group level. The risk management policies apply equally to the Group. Further details regarding these policies are set out below.

Categories of financial assets and financial liabilities

	2012	2011
Loans and receivables		
Trade and other receivables	**236,156**	2,898,127
Cash and cash equivalents	**7,079,156**	14,566,269
Current financial liabilities		
Financial liabilities measured at amortised cost		
Trade and other payables	**990,282**	1,688,291
Non-current financial liabilities		
Financial liabilities measured at amortised cost		
Bank loans	**6,922,019**	9,577,445

Credit risk
Credit risk is the risk that the counterparty to a financial instrument will fail to meet obligations, causing a loss to the Group.

Cash and cash equivalents represent the majority of the Group's financial assets. The credit risk associated with the holding of cash and cash equivalents is managed under the Group's cash management policy. This policy states that the Group must spread cash between the Group's bankers, each of whom at any given time should hold an approximate maximum of the lower of either £5 million or 10% of the net asset value. The cash management policy will be reviewed on an annual basis by the Board of Directors and the Investment Manager.

The Group has receivables which have been reviewed for credit quality and all receivables are due within 45 days. There are no bad debts or items that are past due but not impaired.

The table below shows the maximum exposure to risk of the major counterparties at the year end date:

2012 **Counterparty**	**Credit rating agency**	**Rating**	**Carrying amount £**
Investec Bank (Channel Islands) Limited	**Fitch**	**F3**	**112,833**
AIB Bank (Channel Islands) Limited	**Fitch**	**F2**	**795**
Royal Bank of Scotland International Limited	**Fitch**	**F1**	**4,405**
National Australia Bank Limited	**Fitch**	**F1+**	**134,394**
UBS AG	**Fitch**	**F1**	**2,175,761**
Morgan Stanley	**Fitch**	**F1**	**61,555**
Deutsche Bank AG	**Fitch**	**F1+**	**2,000,902**
BNP Paribas	**Fitch**	**F1+**	**544**
UniCredit S.p.A.	**Fitch**	**F2**	**48,474**
Banco Itau BBA S.A.	**Fitch**	**F2**	**6,751**
Midland Loan Services PNC	**Fitch**	**CPS1**	**794**
Regions Bank	**Fitch**	**F3**	**1,830,835**
Bank of America Corporation	**Fitch**	**F1**	**68,748**
HSBC	**Fitch**	**F1+**	**341,171**
Banco da Amazonia	**Fitch**	**F2**	**3,133**
Citibank	**Fitch**	**F1**	**288,061**

2012	**Less than 1 month £**	**1 to 3 months £**	**3 months to 1 year £**	**More than 1 year £**
Maturities of these financial assets				
Investec Bank (Channel Islands) Limited	**112,833**	**—**	**—**	**—**
AIB Bank (Channel Islands) Limited	**795**	**—**	**—**	**—**
Royal Bank of Scotland International	**4,405**	**—**	**—**	**—**
National Australia Bank Limited	**134,394**	**—**	**—**	**—**
UBS AG	**2,175,761**	**—**	**—**	**—**
Morgan Stanley	**61,555**	**—**	**—**	**—**
Deutsche Bank AG	**2,000,902**	**—**	**—**	**—**
BNP Paribas	**544**	**—**	**—**	**—**
UniCredit S.p.A.	**48,474**	**—**	**—**	**—**
Banco Itau BBA S.A.	**6,751**	**—**	**—**	**—**
Midland Loan Services PNC	**794**	**—**	**—**	**—**
Regions Bank	**290,857**	**—**	**307,996**	**1,231,982**
Bank of America Corporation	**68,748**	**—**	**—**	**—**
HSBC	**341,171**	**—**	**—**	**—**
Banco da Amazonia	**3,133**	**—**	**—**	**—**
Citibank	**288,061**	**—**	**—**	**—**
	5,539,178	**—**	**307,996**	**1,231,982**

2011 Counterparty	Credit rating agency	Rating	Carrying amount £
Investec Bank (Channel Islands) Limited	Fitch	F3	3,523,786
AIB Bank (Channel Islands) Limited	Fitch	F1	372,085
Royal Bank of Scotland International PLC	Fitch	F1+	3,813
MF Global (United Kingdom) Limited	Fitch	F2	127,344
National Australia Bank Limited	Fitch	F1+	25,351
ANZ National Bank Limited	Fitch	F1+	650,555
First America Trust, FSB	Fitch	A1-	1,796,155
UBS AG	Fitch	A+	2,368,749
Morgan Stanley	Fitch	F1	492,654
Deutsche Bank AG	Fitch	F1+	2,944,975
BNP Paribas	Fitch	F1+	304,952
UniCredit S.p.A.	Fitch	F1	4,287
Banco Itau BBA S.A.	Fitch	F2	4,888
Midland Loan Services PNC	Fitch	SPS1	842,240
Regions Bank	S & P	A2	766,727
Bank of America Corporation	S & P	A1	40,060
Citibank	S & P	A1	297,648

2011	Less than 1 month £	1 to 3 months £	3 months to 1 year £	More than 1 year £
Maturities of these financial assets				

Investec Bank (Channel Islands) Limited	3,523,786	—	—	—
AIB Bank (Channel Islands) Limited	372,085	—	—	—
Royal Bank of Scotland International PLC	3,813	—	—	—
MF Global (United Kingdom) Limited	127,344	—	—	—
National Australia Bank Limited	25,351	—	—	—
ANZ National Bank Limited	650,555	—	—	—
First America Trust, FSB	-	—	299,276	1,496,879
UBS AG	2,368,749	—	—	—
Morgan Stanley	492,654	—	—	—
Deutsche Bank AG	2,944,975	—	—	—
BNP Paribas	304,952	—	—	—
UniCredit S.p.A.	4,287	—	—	—
Banco Itau BBA S.A.	4,888	—	—	—
Midland Loan Services PNC	-	—	842,240	—
Regions Bank	766,727	—	—	—
Bank of America Corporation	40,060	—	—	—
Citibank	297,648	—	—	—
	11,927,874	—	1,141,516	1,496,879

The Group has assets and liabilities at several counterparties and therefore has no specific concentration risk.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet financial liability obligations as they fall due. The Group's liquidity risk is managed by the Investment Manager in accordance with policies and procedures established by the Board.

The Group has a loan of £6.9 million (2011: £9.6 million) from Metropolitan Life which is secured on approximately 29,000 acres of timber and timberland assets located in multiple tracts in the states of Florida and Georgia. The fair value of these assets at the year end was £21.5 million (2011: £28.0 million). The loan term is for ten years. The interest rate is fixed at 5.75% over the life of the loan. The loan has a termination date of 15 October 2020.

The tables below analyse the Group's financial liabilities and derivative liabilities, which will be settled on a net basis, into relevant maturity groupings based on the remaining period at the year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows including interest payments. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

Contract maturities of financial liabilities

2012	**Carrying amount**	**Contractual cashflows**	**Less than 1 year £**	**1 to 2 years £**	**2 to 5 years £**	**More than 5 years £**
Trade and other payables	**990,282**	**990,282**	**990,282**	**—**	**—**	**—**
Bank borrowings	**6,922,019**	**8,713,100**	**3,552,445**	**209,622**	**629,441**	**4,321,592**
Total	**7,912,301**	**9,703,382**	**4,542,727**	**209,622**	**629,441**	**4,321,592**

2011	Carrying amount	Contractual cashflows	Less than 1 year £	1 to 2 years £	2 to 5 years £	More than 5 years £
Trade and other payables	1,688,291	1,688,291	1,688,291	—	—	—
Bank borrowings	9,577,445	14,304,314	559,881	558,352	1,676,585	12,069,377
Total	11,265,736	15,992,605	2,248,172	558,352	1,676,585	12,069,377

Market risk

The sensitivity analyses in this note, relating to interest and exchange rates, are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur and changes in some of the assumptions may be correlated, for example, change in interest rates and change in market values.

Foreign exchange currency risk

The Group is exposed to currency risk through investing in assets held in currencies other than the functional currency. As a result, the Group is exposed to the risk that the exchange rates of its currency relative to other foreign currencies may fluctuate and have an adverse affect on the Group's performance. The Group operates in various parts of the world and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Sterling, Australian Dollar, Brazilian Real and United States Dollar. Foreign exchange risk arises from future commercial transactions, recognised monetary assets and liabilities and net investments in foreign operations.

The Group froze its hedging policy following a recommendation from the Board from 15 April 2011 and with effect from this date the Group bears the risk of currency fluctuation. At the year end the Group had a facility of £1.8 million with UBS to conduct FX margin trading, however this facility has never been used and the Group does not intend to do so.

The tables below summarise the exposure the Group has to foreign exchange risk in regards to financial assets and financial liabilities.

2012	**Monetary assets £**	**Monetary liabilities £**	**Net exposure £**
Australian Dollar	**207,655**	**45,998**	**161,657**
Brazilian Real	**697,565**	**530,800**	**166,765**

New Zealand Dollar	**870**	**—**	**870**
United States Dollar	**1,996,372**	**7,196,157**	**(5,199,785)**
Hungarian Forint	**12,607**	**—**	**12,607**
	2,915,069	**7,772,955**	**(4,857,886)**

2011	Monetary assets £	Monetary liabilities £	Net exposure £
Australian Dollar	90,271	104,271	(14,000)
Brazilian Real	545,778	693,200	(147,422)
New Zealand Dollar	3,929,610	632,394	3,297,216
United States Dollar	3,721,251	9,962,077	(6,240,826)
Hungarian Forint	4,348	61	4,287
	8,291,258	11,392,003	(3,100,745)

The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency with cash generated from their own operations in that currency.

At the reporting date the Group's exposure to foreign currency in regards to all foreign operations, including all assets and liabilities, was as follows:

	2012 £	2011 £
Australian Dollar	**7,130,481**	6,895,226
Brazilian Real	**32,087,253**	32,560,813
New Zealand Dollar	**870**	3,297,216
United States Dollar	**24,751,469**	30,232,194
Hungarian Forint	**12,607**	4,287
	63,982,680	72,989,736

The Group is subject to concentration risk in relation to its exposure to US Dollars and Brazilian Real. The Group holds 36% (2011: 37%) of its net assets in US Dollars and 47% (2011: 40%) of its net assets in Brazilian Real.

At 30 April 2012, had Sterling strengthened by 15% in relation to all currencies, with all other variables held constant, the net asset value would have decreased by the amounts shown below:

	2012 £	2011 £
Australian Dollar	**(1,069,572)**	(1,034,284)
Brazilian Real	**(4,813,088)**	(4,884,122)
New Zealand Dollar	**(131)**	(494,582)
United States Dollar	**(3,712,720)**	(4,534,829)
Hungarian Forint	**(1,891)**	(632)
	(9,597,402)	(10,948,449)

A 15% weakening of Sterling against the above currencies would have resulted in an equal but opposite effect on the net asset value and the comprehensive profit/(loss) of the Group, on the basis that all other variables remain constant.

Cash flow and fair value interest rate risk

Interest rate risk arises in the Group predominantly from the holding of cash and cash equivalents and its bank loan. The Board have established a cash management policy to ensure the best return from the Group's bankers and to mitigate interest rate risk arising from the holding of cash. Cash is predominantly held on short-term deposit and the Board reviews interest rates on a quarterly basis. The Group's interest rate profile is shown in the tables below.

Interest rate profile As at 30 April 2012	**Rate %**	**Amount £**
Weighted average interest rate		
Loans and receivables		
Non-interest bearing	**0.00**	**236,156**
Cash and cash equivalents		
Variable	**0.28**	**7,079,156**
Financial liabilities at amortised cost - trade and other payables		
Non-interest bearing	**0.00**	**990,282**
Bank loans		
Fixed rate	**5.75**	**6,922,019**

Interest rate profile As at 30 April 2011	Rate %	Amount £
Weighted average interest rate		
Loans and receivables		
Non-interest bearing	0.00	2,898,127
Cash and cash equivalents		
Variable	0.28	14,566,269
Financial liabilities at amortised cost - trade and other payables		
Non-interest bearing	0.00	1,688,291
Bank loans		

Fixed rate	5.75	9,577,445

For the Group, an increase of 100 basis points in interest yields would increase pre-tax profit and the net asset value of the Group by £70,792 (2011: £145,663). A decrease of 25 basis points in interest yields would decrease pre-tax profit and the net asset value of the Group by £17,698 (2011: £36,416).

Fair values

	30 April 2012	
	Carrying amount £	**Fair value £**
Assets carried at amortised cost		
Trade and other receivables	**236,156**	**236,156**
Cash and cash equivalents	**7,079,156**	**7,079,156**
	7,315,312	**7,315,312**
Liabilities carried at amortised cost		
Trade and other payables	**990,282**	**990,282**
Bank loan	**6,922,019**	**6,639,819**
	7,912,301	**7,630,101**

The fair values of the Group's assets and liabilities carried at amortised cost are not significantly diifferent from their carrying amounts.

	30 April 2011	
	Carrying amount £	Fair value £
Assets carried at amortised cost		
Trade and other receivables	2,898,127	2,898,127
Cash and cash equivalents	14,566,269	14,566,269
	17,464,396	17,464,396
Liabilities carried at amortised cost		
Trade and other payables	1,688,291	1,688,291
Bank loan	9,577,445	9,287,945
	11,265,736	10,976,236

30 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. Capital consists of ordinary shares, distributable reserves and retained earnings.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell net assets.

In order to ensure that the Group will be able to continue as a going concern, management continuously monitors forecast and actual cash flows and attempts to match the maturity profiles of assets and liabilities. The Company entered into a loan agreement on 26 May 2010, the proceeds of which have been used to provide working capital for the Company, to fund the ongoing investment programme and provide liquidity for further share buy-backs.

There were no changes to the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries were subject to externally imposed capital requirements as at 30 April 2012.

31 Contingent liability

There is a security interest on the 3R Tocantins property to cover a liability, amounting to BRL5.8 million (approximately £1.9 million), between the previous owners and Banco da Amazonia, a financial institution which lent money to the previous owners who used the property as collateral. 3R Tocantins Florestais Ltda. holds a security interest of superior value on another property of the previous owner to cover this potential liability in the event it materialises. The last valuation, in December 2008, on the security interest property amounted to BRL 6.9 million (£2.2 million). The security interest the Company holds will only be released after Banco da Amazonia releases the security interest on the 3R Tocantins property.

32 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. CP Cogent Asset Management LP is the Investment Manager to the Company under the terms of the Investment Management Agreement and is thus considered a related party of the Company.

During the year £816,417 (2011: £884,247) was paid to CP Cogent Asset Management LP in respect of management fees.

In addition to the management fees the Investment Manager is also entitled to receive a performance fee for an amount payable by reference to the increase in net asset value ("NAV") per share over the course of the financial year. The performance fee hurdle is the NAV at the start of the financial year increased at a rate of 8% per annum, but adjusting by subtracting the amount in pence per share of any dividend paid made during the period, and is subject to a high watermark. The high watermark of the Fund is currently the launch price of £1 per share. If the performance test is met and the high watermark exceeded, the performance fee will be 20% of the excess of the NAV per share multiplied by the weighted average of the number of shares in issue. No performance fee was paid in the year.

Colin McGrady is a director of CP Cogent Asset Management LP, which acts as Investment Manager. He is also a Director of the Company and has waived his Director's fees for the year.

33 Events after the reporting period

On 31 May 2012 the Group completed the sale of 13,810 acres of timberland in Florida for a gross consideration of US$16.0 million, which is also the carrying value.

On 7 June 2012 Matrix Corporate Capital LLP ("Matrix") was appointed as nominated adviser to the Company, replacing PricewaterhouseCoopers LLP. Amongst other duties, Matrix will assist with a strategic review into the future of the Group.

On 6 July 2012, in an EGM requisitioned by Stafford Timberland Limited, resolutions to remove CP Cogent Asset Management LP as manager, and to appoint Stafford Timberland Limited in its place, were defeated.

Other than that mentioned above the Group had no significant events after reporting period end that require disclosure in these Financial Statements.