

4 August 2011

**Cambium Global Timberland Limited (the "Company")
Annual Report and Audited Financial Statements for the year ended 30 April 2011**

The Company announces that the Annual Report and Audited Financial Statements for the year ended 30 April 2011 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

Since its inception, Cambium's goal has been to deliver its investors a total return from a diversified timberland portfolio. Over a period marked by very difficult timber markets, the Company has taken several steps to enhance value and reshape the portfolio to the changing economic landscape. The active rebalancing initiative resulted in several transactions that enhanced the portfolio's value and positioned the Company for continued investment in the highest returning opportunities. These strategic transactions began with a loan taken out against the North American properties at favorable long-term rates, reducing net exposure to the Dollar while freeing capital to continue the planting activities in the greenfield plantations in Brazil.

In November, to reduce exposure to the North American timber markets, the Company closed a sale of 14,270 acres of timberland in Corrigan, TX, at 97% of net asset value and 111% of the Company's cost basis in the land. A sale of the Renwick property in New Zealand was closed in February at 118% of net asset value and 120% of the cost basis. And finally, a sale of the remaining 7,270 acres of timberland in Corrigan, TX was announced in June and will close shortly.

The financial results for the Company reflect the difficult market environment that exists in the global timber markets, and those markets' impact on timberland valuations. For the period, after adding back the dividend distribution, the Company's net asset value declined 11% from 91 pence per share to 81 pence per share including the 3 pence dividend. This loss was the result of downward adjustments in property valuations and losses from the now discontinued currency hedging.

Soft lumber demand in North America and a weak land market impacted the remaining North American properties. While the housing market has been depressed in North America for the past few years, the effect of that weakened demand impacted valuations in earnest this year. Cambium's North America property valuations were adjusted downward by 9.1% in local currency terms during the period.

Cambium's valuations were not without their bright spots. The second half of the year saw the Brazilian property valuations increase 6% in local currency terms. The upward trend in valuation was especially pronounced in the first acreage planted in 2008, which was revised upwards 15% in local currency terms. The Company is excited to see the successful establishment and accomplishment of targeted growth more fully reflected in the valuations, as the valuation firms migrate the established acreage from cost accounting that underestimates the value to discounted cash flow analysis that more fully reflects the economic value of the properties. The Company believes that the valuation trend evident in the first planting will spread to the additional established acreage in the succeeding periods.

Besides the efforts to rebalance the portfolio, the Company has also reacted to the negative impact the hedging was having on the portfolio value. Following consultation with shareholders a plan was approved to suspend currency hedging. The

cost of the options will not be a drag on performance in the future though the net asset value will be more heavily impacted by foreign exchange movements.

The Board is proposing a final dividend of 3 pence per share.

While the results for the year are disappointing, the Board is confident that the portfolio is positioned to deliver attractive long-term timber returns for investors. Current timber values reflect the new economic reality and the investments are positioned to deliver the targeted returns from their current levels. It is anticipated the value created in the successful establishment of the Brazilian plantations will continue to be reflected in the valuation increases as established acreage is valued based on the value of the timber instead of standardized costs. The Company monitors the share price and remains concerned about the wide discount. With recent land sales there is more balance sheet flexibility for any potential share repurchases.

Donald Adamson
Chairman
3 August 2011

Investment Manager's Report

There were a number of activities that occurred during the period covered by these reports that impacted Cambium's portfolio. In May 2010 we entered into a loan agreement at favorable terms. In November 2010 we reduced our exposure in the United States by selling 14,270 acres of land in East Texas at 97% of net asset value. In February 2011 we closed on the sale of the property in New Zealand at 118% of net asset value. Additionally, in June 2011 we entered into an agreement to sell the remaining 7,270 acres in East Texas. These activities provided needed liquidity to continue the investment program of the Company. We also reduced developed market exposure and shifted more to higher returning geographies notably in Brazil.

Total returns for the year were -11.2%. The majority of the decrease was felt in the first half of the year (-8.9%). Components of return over the year were the performance of the investments at -5.6%, the impact of foreign exchange and hedging at -4.2%, and administrative expenses of -1.5%. While returns in the second half were still negative we did see a broad based stabilization of values across the portfolio. Emerging market returns were as expected while land prices in mature markets continued to decrease. We feel like land prices are accurately portrayed in the appraisals and evidenced by the large transaction we were able to enter into in June 2011 at a premium to net asset value.

The second half of the year saw improvements in the value of the properties in Brazil. This was due to increases in land prices as well as more favorable reflections in value of our young plantations. While our new plantations are still valued at 90% of cost, we saw the one-year-old plantation advance in value by 6.3% and the two-year-old plantation advance 15%. As the land in Brazil becomes a larger component of the portfolio and relatively older it is our view that it will dominate most of the net asset value progression over the next couple of years.

Below is a recap of each of the areas that the Company has investments in.

US South

Approximately 38% of the value of the portfolio is located in North America. When the land sale that was announced on 1 June 2011 closes, the US South will represent 30% of the portfolio. During the period covered by these accounts the US South assets returned -9.1%. About 50% of this decline occurred in the second half of the year. The property values have been impacted by both the poor performance of the building products markets and decreases in underlying land values. It is our view that we are now at a point in which the values of the US assets have stabilized and do not anticipate additional significant declines in valuations.

During the year the US properties contributed \$1,667,000 from the harvest of timber and recreational leases. The timber sales were primarily from pulpwood thinning harvests. Additionally we sold 308 acres of non-strategic land in Texas which generated \$470,000. This sale generated a price at a premium to the fair value as of 30 April 2010. We also completed the sale of 14,270 acres located in Texas for proceeds of approximately \$18,100,000 representing 97% of the 30 April 2010 net asset value.

In June we entered into an agreement to sell the remaining 7,270 acres of land around Corrigan, Texas for \$12,500,000. During the weekend of 18-19 June 2011 a portion of the Corrigan plantation was involved in a fire. The "Bearing Fire" was one of the largest in East Texas history and impacted over 20,000 acres. Approximately 3,500 acres were owned by Cambium. Salvage operations are being conducted for stands that were heavily impacted by the fire. After the completion of salvage operations a purchase price adjustment will be made. It is currently anticipated that the adjustment will be in the range of 8-10% of the purchase price and that the transaction will complete in September 2011. After both land sales and the anticipated purchase price adjustment the Corrigan investment will be sold for 105% of the cost basis.

Brazil

The Brazil properties represent 40% of net assets. For the year these assets produced a 4.2% return. The decline we reported in the interim report was more than offset by the gain that we experienced in the second half of the year. As the planted timber continues to grow, biological growth will add value and drive net asset value gains.

The properties in Brazil are being developed to capitalize on the high biological growth rate potential that is inherent in this region. The markets for charcoal have improved since the 2009 downturn and it is anticipated that additional plantations will need to be established to supply future demand. Brazil continues to expand its capacity to produce pulp and paper and is now the fourth largest pulp producer in the world. As with charcoal, additional plantations will need to be established to meet the growing pulp and paper sector demand.

Cambium's ongoing investment in Brazil continues to be high priority and we planted 2.6 million seedlings on 5,950 acres in fiscal year 2011. We now have established 6.4 million seedlings on 14,200 acres which represents 51% of the plantable acres. The remainder of the property will be established over the next two planting seasons. We anticipate that harvest will begin on these properties in 2015. We continue to work on the certification of these properties which we anticipate achieving next year.

Hawaii

The Hawaii properties comprise 10% of the portfolio. These assets produced a -11% return for the year. All of the negative return occurred in the first six months of the year and can be attributed to the write down of the Pahala asset due to the sulfur dioxide emissions from a volcanic vent that began emitting after the asset was acquired. During the second six months of the year the assets produced a positive return and it is our view that this will continue with additional biological growth. We do not anticipate further reductions from the volcanic gas in the future.

The properties in Hawaii are influenced by the wood chip and log export markets in the Pacific Rim. Japan continues to be the world's largest importer of wood chips. China's demand for wood chips in 2010 was more than four times that of 2007. The major supplying countries are Australia, Vietnam, Chile, Indonesia and Thailand. The Hawaii assets are well located to serve these growing end-use markets. The logs from these assets are currently being marketed to a mix of end users including pulp and paper, building products and energy users. As a part of this marketing effort we have containerized some sample logs from the Pahala plantation and in July they were shipped to various end users in China for testing.

Australia/New Zealand

The asset in Australia represents 8% of the Cambium portfolio. The property generated AU\$1,850,000 in proceeds from the sale of non-strategic land during the period. The sale was completed at the net asset value as of 30 April 2010. The planting has been completed on this asset and maintenance activities are minimal.

End-use markets for logs and chips into Asia are robust. During the past six months, exports to China and India have increased 70% and 30% respectively. Saw log prices in New Zealand have continued to increase. In Australia, eucalyptus log production was significantly higher than the same quarter last year.

During the period we sold the asset that Cambium held in New Zealand. The sale closed 25 February 2011 and proceeds were approximately NZ\$7.8 million. The proceeds equated to 120% of the Company's cost basis.

CP Cogent Asset Management Investment Manager

3 August 2011

Board of Directors

Donald Lindsay Adamson (aged 52), 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 63), 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 Diversified Portfolios Fund Limited, The Equity Partnership Investment Company Plc, 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 40), 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 53), 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. 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, and during the year was appointed non-executive director of The Schroder Mid Cap Investment Trust Limited, which is listed on the LSE. 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 an 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 60), 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.

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 2011.

Business of the Company

The Company was incorporated as a closed-ended Jersey registered investment company with limited liability on 19 January 2007. The ordinary shares were successfully admitted to the AIM, a market of the London Stock Exchange, with a dual listing on the Channel Islands Stock Exchange ("CISX").

The Company aims to establish a portfolio comprising geographically diverse assets located both in mature markets and in developing markets where potentially higher returns may be generated but with commensurately higher risks. The Company has initially targeted investments in North and South America and the Asia-Pacific region (including Australia and New Zealand), 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 establishing an optimised portfolio of timberland properties and timberland-related investments diversified by location, age class and species. The Company will invest in a global portfolio of forestry-based properties which can be managed on an environmentally and socially sustainable basis. Assets will be managed for timber production, environmental credit production or both.

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 1. The Directors proposed a final dividend of 3 pence per share (2010: 3 pence per share) in respect of the financial year ended 30 April 2011. An ordinary resolution will be put to shareholders at the forthcoming Annual General Meeting ("AGM") on 12 October 2011 to approve the final dividend. It is anticipated that the ex-dividend date will be 10 August 2011 and the record date associated with this dividend will be 12 August 2011. The proposed payment date of the dividend is 20 October subject to shareholder approval.

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.

Directors

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

	<i>Appointed</i>
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 2011:

	<i>Number of shares</i>	<i>% held</i>	<i>Purchased in year</i>
Donald Adamson	550,000	0.53	500,000
Colin McGrady	300,000	0.29	250,000
Martin Richardson	150,000	0.14	100,000
Robert Rickman	25,000	0.02	25,000
William Spitz	100,000	0.10	50,000

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

Substantial shareholdings

Shareholders with holdings of more than 3% of the issued shares of the Company as at 6 July 2011 were as follows:

<i>Name of investors</i>	<i>Number of shares</i>	<i>% held</i>
Baillie Gifford	17,130,000	16.45
Investec Wealth & Investment	10,164,933	9.76
British Steel Pensions	10,000,000	9.60
SVM Asset Management	6,200,000	5.95
Stafford Timberland	6,181,311	5.94
Artemis Investment Management	5,576,286	5.36
Deutsche Bank Private Wealth Management	4,166,112	4.00
AXA Investment Managers	3,648,667	3.50
Co-operative Asset Management	3,465,000	3.33
Seven Investment Management	3,416,256	3.28
West Yorkshire PF	3,150,000	3.03

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 Combined Code on Corporate Governance published by the Financial Reporting Council (the "2010 FRC Code"). In May 2010 the FRC issued a new edition of the Code which will apply for financial years beginning 29 June 2010 and it is the Company's policy to comply with best practice on good corporate governance that is applicable to investment companies.

The Company has voluntarily chosen to adopt the principles and recommendations of the Association of Investment Companies Code of Corporate Governance (the "AIC Code") by reference to the Association of Investment Companies Corporate Governance Guide for Investment Companies (the "AIC Guide"). A framework of best practice for Jersey domiciled member companies was issued by the Association of Investment Companies ("AIC") in October 2010 and a Statement of Support was given by the Jersey Financial Services 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 Combined Code and sets out additional principles and recommendations on issues that are of specific relevance 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 has appointed a Remuneration Committee which comprises all Non-executive Directors. Either Martin Richardson or Donald Adamson act 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 and is responsible for reviewing annually the remuneration of the Directors and reviewing the performance and remuneration of the Investment Manager and other engaged third-party service providers. The Committee met once in March 2011 and the report was approved by the Board of Directors. The main duties of the Committee are outlined below but the list is not exhaustive.

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

As part of the evaluation process the Board will evaluate its composition and balance. 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 of the Annual Report and consolidated Financial Statements.

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 judgment does not conflict with his own interests and those of the shareholders.

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 2011 and the number of Board and committee meetings attended by each Director:

	Board meetings		Audit Committee meetings		Other meetings	
	Held	Attended	Held	Attended	Held	Attended
Donald Adamson	6	6	2	2	2	2
Colin McGrady	6	6	2	N/A	2	N/A
Martin Richardson	6	4	2	2	2	2
Robert Rickman	6	6	2	2	2	2
William Spitz	6	5	2	2	2	2

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 consolidated 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 consolidated 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 third party review of its asset administrators and reviews the reporting on a quarterly basis. The Company will ensure that adequate procedures are in place to prevent acts of bribery by assessing the risks.

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, reflects 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 2012 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 can be found within the annual report and financial statements.

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

	2011 £	2010 £
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 (2010: £nil).

Policy on Directors' fees (continued)

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 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
3 August 2011

Martin Richardson
3 August 2011

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

We have audited the Group Financial Statements of Cambium Global Timberland Limited (the "Company") together with its subsidiaries (the "Group") for the year ended 30 April 2011 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 13, 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 consolidated 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 2011 and of the Group's loss 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

3 August 2011

Consolidated Statement of Comprehensive Income

For the year ended 30 April 2011

	Notes	30 April 2011 £	30 April 2010 £
Revenue	6	1,144,765	1,368,526
Cost of sales		(849,366)	(777,912)
Gross profit		295,399	590,614
Increase in fair value of investment property and plantations	16	215,157	289,467
Administrative expenses	7	(1,482,597)	(1,805,122)
Forestry management expenses		(1,418,851)	(796,398)
Loss on sale of plantations	17	(503,787)	—
Other operating forestry expenses	8	(1,779,603)	(2,319,404)
Revaluation of buildings, plant and equipment	18	—	(78,575)
Profit/(loss) on disposal of buildings, plant and equipment	19	20,205	(16,221)
		(5,164,633)	(5,015,720)
Operating loss		(4,654,077)	(4,135,639)
Loss on foreign currency options and forward currency contracts	25	(2,247,180)	(1,349,948)
Finance income	9	40,887	56,674
Finance costs	10	(646,744)	(13,498)
Net foreign exchange losses		(495,947)	(586,245)
Net finance costs		(3,348,984)	(1,893,017)
Loss before taxation		(8,003,061)	(6,028,656)
Taxation charge	12	(1,165,955)	(779,314)
Loss for the year attributable to shareholders		(9,169,016)	(6,807,970)
Other comprehensive income			
Foreign exchange (losses)/gains on translation of foreign operations	25	(1,216,860)	3,138,214
Increase in fair value of intangible assets	20	—	10,003
Loss on disposal of intangible asset	21	(78,420)	—

Deferred tax effect on other comprehensive income	21	23,535	(13,859)
Other comprehensive income for the period, net of taxation charge		(1,271,745)	3,134,358
Total comprehensive loss for the year attributable to the shareholders		(10,440,761)	(3,673,612)
Basic and diluted loss per share	14	(8.81) pence	(6.53) 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 consolidated financial statements.

Consolidated Statement of Financial Position

At 30 April 2011

	Notes	30 April 2011 £	30 April 2010 £
Non-current assets			
Investment property	16	43,838,060	58,062,195
Plantations	16	36,308,775	36,873,332
Buildings, plant and equipment	18	139,423	431,245
Intangible assets	20	—	162,511
Deferred tax assets	12	7,768	32,031
		80,294,026	95,561,314
Current assets			
Cash and cash equivalents	26	14,566,269	3,087,414
Trade and other receivables	22	2,898,127	559,461
Financial assets held at fair value through profit and loss	24	—	1,294,939
		17,464,396	4,941,814
Total assets		97,758,422	100,503,128
Current liabilities			
Trade and other payables	27	1,688,291	1,384,438
Tax payable		238,357	—
		1,926,648	1,384,438
Non-current liabilities			
Deferred tax liabilities	12	4,785,470	4,085,170
Bank loan	23	9,577,445	—
		14,362,915	4,085,170
Total liabilities		16,289,563	5,469,608
Net assets	28	81,468,859	95,033,520
Equity			
Stated capital	30	2,000,000	2,000,000
Distributable reserve	31	92,806,700	95,930,600
Translation reserve	31	19,209,483	20,426,343
Revaluation reserve	31	6,603	61,488
Retained loss		(32,553,927)	(23,384,911)
Total equity		81,468,859	95,033,520
Net asset value per share	15	0.78	0.91

These financial statements were approved and authorised for issue on 3 August 2011 by the Board of Directors.

Donald Adamson

Martin Richardson

The notes form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 April 2011

	Stated capital £	Distributable reserve £	Translation reserve £	Revaluation reserve £	Retained loss £	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 losses on translation of foreign operations (note 28)	—	—	(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 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

	Stated capital £	Distributable reserve £	Translation reserve £	Revaluation reserve £	Retained earnings £	Total £
At 30 April 2009	2,000,000	99,219,500	17,288,129	65,344	(16,576,941)	101,996,032
Total comprehensive loss for the year						
Loss for the year	—	—	—	—	(6,807,970)	(6,807,970)
Other comprehensive income						
Foreign exchange gains on translation of foreign operations	—	—	3,138,214	—	—	3,138,214
Increase in fair value of intangible assets	—	—	—	10,003	—	10,003
Deferred tax effect on other comprehensive income	—	—	—	(13,859)	—	(13,859)
Total other comprehensive income	—	—	3,138,214	(3,856)	—	3,134,358
Transactions with owners of the Company recognised directly in equity						
Dividends	—	(3,130,500)	—	—	—	(3,130,500)
Share buy-back	—	(158,400)	—	—	—	(158,400)
At 30 April 2010	2,000,000	95,930,600	20,426,343	61,488	(23,384,911)	95,033,520

The notes form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 April 2011

	Note	30 April 2011 £	30 April 2010 £
Cash flows from operating activities			
Operating loss for the year		(4,654,077)	(4,135,639)
Adjustments for:			
– Increase in fair value of investment property and plantations	16	(215,157)	(289,467)
– Depreciation	18	1,810	1,629
– Loss on sale of land and plantations	17	503,787	—
– Revaluation of buildings, plant and equipment	18	—	78,575
– (Profit)/loss on sale of buildings, plant and equipment	19	(20,205)	16,221
– Increase in trade and other receivables		(66,854)	(364,788)
– Increase in trade and other payables		383,058	349,083

		586,439	(208,747)
Tax paid		(137,672)	—
Net cash used in operating activities		(4,205,310)	(4,344,386)
Cash flows from investing activities			
Purchase of buildings, plant and equipment	18	—	(1,157)
Purchase of land and plantations	16	—	(2,518,890)
Net proceeds from sale of plantation	17	16,185,080	—
Net proceeds from sale of buildings, plant and equipment	19	323,180	—
Net proceeds from sale of intangible assets	21	59,468	—
Harvested timber	16	849,366	—
Cost capitalised to land and plantations	16	(5,551,078)	(8,338,898)
Net cash from/(used in) investing activities		11,866,016	(10,858,945)
Cash flows from financing activities			
Share buy-back		—	(158,400)
Dividend paid	13	(3,123,900)	(3,130,500)
Bank loan received		11,706,203	—
Repayment of bank loan		(2,393,585)	—
Foreign currency options acquired		(5,270,630)	(2,654,264)
Gain/(loss) on foreign exchange contracts		313,292	(881,129)
Finance income	9	40,887	57,611
Finance costs	10	(620,572)	(13,498)
Received on exercising foreign currency options		2,096,228	—
Net cash from/(used in) financing activities		2,747,923	(6,780,180)
Net increase/(decrease) in cash and cash equivalents		10,408,629	(21,983,511)
Foreign exchange movements		1,070,226	1,381,536
Balance at the beginning of the year		3,087,414	23,689,389
Balance at the end of the year	26	14,566,269	3,087,414

The notes form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 30 April 2011

1 General information

The Company and its subsidiaries, including special purpose vehicles ("SPVs") controlled by the Company (together the "Group"), were established to invest in a global portfolio of forestry based properties which can be managed on an environmentally and socially sustainable basis. Assets may be managed for timber production, environmental credit production or both. 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 Financial Statements were approved and authorised for issue on 3 August 2011 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 Annual Report for the year ended 30 April 2011 has been prepared in accordance with International Financial Reporting Standards ("IFRSs"), issued and adopted 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 consolidated Financial Statements have been prepared in Sterling, which is the presentational currency and functional currency of the Company, and under the historical cost convention, except for investment property, plantations, buildings, intangible assets 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 consolidated 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 consolidated Financial Statements. If in the future such estimates and assumptions, which are based on the Directors'

best judgement at the date of the consolidated financial statements, deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

In preparing these consolidated Financial Statements, significant judgements, estimates and assumptions are made by management in applying the Group's accounting policies. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated Financial Statements is included in note 4.

New, revised and amended standards

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

- IAS 24 (amended), "Related Party Disclosures" (effective for periods commencing on or after 1 January 2011);
- IAS 12 (amended), "Income Taxes" (effective for periods commencing on or after 1 January 2012);
- IFRS 7 (amended), "Financial Instruments: Disclosures" (effective for periods commencing on or after 1 July 2011); IFRS 9, "Financial Instruments - Classification and Measurement" (effective for periods commencing on or after 1 January 2013);
- 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); IFRIC 19, "Extinguishing Financial Liabilities with Equity Instruments" (effective for periods commencing on or after 1 July 2010).

In addition the IASB completed its third annual improvements project in May 2010. This project amended a number of existing standards and interpretations effective for accounting periods commencing between 1 July 2010 and 1 January 2011.

The Directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the Financial Statements of the Group.

The following new standards, amendments and interpretations, none of which has had a material effect on the Group, have been applied for the first time in these Financial Statements.

- Amendment to IAS 27 "Consolidated and Separate Financial Statements": This amendment affects in particular the treatment of non-wholly-owned subsidiaries. Transactions which increase or decrease the Group's interest in a subsidiary without altering control will no longer give rise to changes in the carrying value of the subsidiary's assets or liabilities (including its associated goodwill) and will not give rise to a gain or loss. Any difference between the consideration paid or received and the adjustment to the carrying value of the non-controlling interest will be recognised directly in equity. In addition, total comprehensive income must now be attributed to owners of the parent and to the non-controlling interests even if this results in the non-controlling interest having a deficit balance. Previously, unfunded losses in such subsidiaries would be attributed entirely to the group.
- Revised IFRS 3 "Business Combinations": Much of the basic approach to business combination accounting required under the previous version of IFRS 3 "Business Combinations" has been retained in this revised version of the standard. However, in some respects the revised standard may result in very significant changes to the accounting treatments previously adopted, including: The requirement to write off all acquisition costs to profit or loss instead of including them in the cost of investment (which will have a consequent effect on the value of goodwill recognised); the requirement to recognise an intangible asset even if it cannot be reliably measured; and an option to gross up the Statement of Financial Position for goodwill attributable to non-controlling interests (known formerly as "minority interests") on a combination-by-combination basis.

There are also significant changes in the disclosure requirements of the revised standard. Contingent consideration in an IFRS 3(R) business combination will also now fall within the scope of IAS 39 and be measured initially and subsequently at fair value with remeasured differences being recognised in profit or loss. Changes in value of contingent consideration in a business combination falling within the scope of the old IFRS 3 continue to be treated as adjustments to goodwill.

The revised standard does not require the restatement of previous business combinations and, in consequence, the Group is currently unaffected by the revision.

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 consolidated 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 2011. 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 consolidated 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 consolidated 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 foreign currency translation reserve (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.

Rates are applied at the year ends referred to below to convert to Sterling:

	30 April 2011	30 April 2011	30 April 2010	30 April 2010
	Closing rate	Average rate	Closing rate	Average rate
Australian Dollar	1.5230	1.6404	1.6522	1.8494
Brazilian Real	2.6322	2.6767	2.6567	2.9368
Hungarian Forint	298.0690	325.0321	309.0236	308.4517
New Zealand Dollar	2.0628	2.1157	2.1008	2.3272
United States Dollar	1.6707	1.5649	1.5274	1.6015

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, stamp duty, founders fees, initial valuation fees and due diligence fees.

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, improvements and intangible assets 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

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, Texas (United States), Delaware (United States), Brazil, British Virgin Islands and Hungary.

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 consolidated 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 valuations 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.

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 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. Inventory is carried at the lower of the value at which it was transferred or net realisable value.

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.

Intangible assets

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost and subsequently measured at fair value. Any resultant gains are recognised in other comprehensive income through the revaluation reserve. Any resultant losses are recognised directly in the statement of comprehensive income unless there have been previous gains on that asset which have been taken through the revaluation reserve, in which case these are cleared before the balance is taken to the statement of comprehensive income.

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. Although the Group uses derivative financial instruments in economic hedges of currency, it does not hedge account for these transactions. 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) Financial Assets at fair value through profit or loss

This category comprises only forward foreign currency contracts and currency options. The fair value of forward exchange contracts and currency options are based on their listed market price, if available.

If a listed market price for forward foreign currency contracts is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds). Forward currency contracts are recorded as an asset or liability at the forward contract rate. The asset or liability is subsequently measured to fair value with the resulting gain or loss being recognised in the statement of comprehensive income as part of net foreign exchange gains/losses.

The foreign currency options are initially recognised at the cost of the premium to acquire the foreign currency option. The asset is subsequently measured to fair value with the resulting gain or loss being recognised in the statement of comprehensive income, as gain or loss on foreign currency options. The fair value of the foreign currency options is based on their listed market price.

d) 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 ordinary 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 Group's 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 administrate and register the ultimate holding company.

Segment capital expenditure is the total cost incurred during the period 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. 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 (refer to note 16).

Valuation of intangible asset

The water licence has initially been recognised at purchase cost and is revalued to a value calculated by URS Australia Pty Ltd, an external valuer.

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.

Fair value of forward foreign currency contracts

The Group estimates fair values of derivative contracts by reference to current market conditions compared to the terms of contracts using the results of an appraisal process carried out by the counterparty.

Fair value of foreign currency options

The Group estimates fair values of foreign currency options by reference to current market conditions using the results of an appraisal process carried out by the counterparty.

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 is the CODM. They have 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 Company 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 allocations 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 identified as operating segments and one non-operating segment, Jersey. Timberlands are located in New Zealand, New South Wales (Australia), Texas, north-western Florida and south-western Georgia (United States), Hawaii and Brazil.

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 done.

	Jersey	New Zealand	Australia	North America	Hawaii	Brazil	Total
	£	£	£	£	£	£	£
30 April 2011							
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

	Jersey	New Zealand	Australia	North America	Hawaii	Brazil	Total
	£	£	£	£	£	£	£
30 April 2010							
Total assets	2,778,561	3,054,384	8,856,576	48,107,940	10,529,042	27,176,625	100,503,128
Total liabilities	69,024	155,428	810,334	1,496,341	764,168	2,174,313	5,469,608

	Jersey	New Zealand	Australia	North America	Hawaii	Brazil	Total
	£	£	£	£	£	£	£
30 April 2011							
Segment revenue	—	1,162	—	1,071,761	71,842	—	1,144,765
Segment gross profit	—	1,162	—	222,395	71,842	—	295,399
Increase in fair value of investment property and plantations	—	—	(338,539)	(2,372,801)	(319,514)	3,246,011	215,157
Forestry management expenses	—	43,178	187,913	363,578	211,021	613,161	1,418,851
Other operating forestry expenses	—	5,298	280,101	528,277	153,761	812,166	1,779,603

	Jersey	New Zealand	Australia	North America	Hawaii	Brazil	Total
	£	£	£	£	£	£	£
30 April 2010							
Segment revenue	—	2,148	101,315	1,003,675	261,388	—	1,368,526
Segment gross profit	—	2,148	101,315	225,763	261,388	—	590,614
Increase in fair value of investment property and plantations	—	299,411	(63,721)	(4,562,829)	733,057	3,883,549	289,467
Forestry management expenses	—	27,011	102,048	402,348	85,664	179,327	796,398
Other operating forestry expenses	—	54,858	320,265	533,018	312,387	1,098,875	2,319,403

The Group owns nine 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 and exposure to potential environmental markets.

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 period since the reporting date, the Group owns 7,270 acres of land in Texas and another 29,100 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 another 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 Geras, 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

2011

2010

	£	£
Sales-harvested timber and stumpage	991,723	1,113,804
Sales-right of way	—	11,856
Lease income	153,042	159,055
Grant income	—	83,811
	1,144,765	1,368,526

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.

The grant income was received from Border Rivers-Gwydir Catchment Management Authority (an Australian Government Authority) on signature of a Property Vegetation Plan ("PVP") in connection with the Tarrangower property. The PVP covers conservation management, regeneration of the area, natural revegetation and plantation and allows for income receipts of up to a total of AU\$960,000 (approximately £630,000) on certification of certain milestones having been achieved by the landholder. The PVP is for a term of 15 years and is governed by the laws of New South Wales.

Physical revenue

	2011	2010
	tonnes	tonnes
Pine sawtimber	5,882	3,088
Pine chip and saw	7,367	15,879
Pine pulpwood	93,023	92,172
Poles	196	1,312
Hardwood sawtimber	3,545	—
Hardwood pulpwood	2,704	135
	112,717	112,586

7. Administrative expenses

	2011	2010
	£	£
Investment Manager's fees	884,247	978,874
Directors' fees	115,000	115,000
Auditor's fees	59,257	61,717
Other professional fees	309,987	314,485
Administration of subsidiaries	114,106	335,046
	1,482,597	1,805,122

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

8. Other operating forestry expenses

	2011	2010
	£	£
Property management fees	444,708	527,347
Property management costs	95,901	371,121
Property costs	405,765	571,494
Lease payments	127,043	118,076
Property taxes	334,753	280,503
Pest control	180,871	43,189
Trials and research	10,959	85,208
Forest protection and insurance	29,487	55,354
Depreciation	1,810	1,490
Selling and marketing expenses	129,324	126,799
Other	18,982	138,823
	1,779,603	2,319,404

9. Finance income

	2011	2010
	£	£
Bank interest	40,887	56,674

10. Finance costs

	2011	2010
	£	£
Bank interest paid	—	13,498
Interest paid on bank loan and amortisation of loan arrangement fee(note 23)	646,744	—
	646,744	13,498

11. Net unrealised gains and losses on financial assets and liabilities at fair value through profit and loss

	2011	2010
	£	£
Net change in unrealised appreciation on financial assets held at fair value through profit or loss:		
-currency options	—	(80,646)
-forward foreign currency exchange contracts	—	313,303
	—	232,657

12. Taxation

Taxation on profit on ordinary activities

The Group's tax expense for the year comprises:

	2011	2010
	£	£
Current taxation		
New Zealand at 30%	183,042	—
United States at 15%-35% *	192,987	—
	376,029	—
Deferred taxation		
New Zealand at 30%	(98,802)	89,823
Australia at 30%	38,047	387,420
Brazil at 33.29%	1,073,249	1,306,292
United States at 15%-35% *	(222,567)	(1,004,221)
	789,927	779,314
	1,165,955	779,314

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

	2011	2010
	£	£
Tax expense reconciliation		
Loss for the year	(8,003,061)	(6,028,656)
Less: income non-taxable	(17,557)	(31,265)
Add: expenditure non-deductible	3,939,016	3,364,640
Add: deferred tax assets not provided	7,686,193	5,207,459
Taxable profit for the year	3,604,591	2,512,178

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.

Tax losses not recognised in the Financial Statements

	2011	2010
	£	£
Balance at beginning of the year	7,754,812	2,748,855
Losses utilised in the year	(786,734)	-
Tax losses not provided	4,215,202	4,256,825
Exchange movements	75,176	749,132
Balance at the end of the year	11,258,456	7,754,812

The value of deferred tax assets not recognised in regard to the operational losses amounted to £3,660,370 (2010: £2,502,268).

Deferred taxation

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

Assets	Liabilities	Balance
2011	2011	2011

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)

	Assets 2010 £	Liabilities 2010 £	Balance 2010 £
2010			
At the beginning of the year	219,143	(3,340,386)	(3,121,243)
Movements			
Increase in fair value of investment property and plantations	(136,141)	124,692	(11,449)
Revaluation on buildings, land, plant and equipment	(15,897)	40,929	25,032
Accelerated tax depreciation	—	(3,884)	(3,884)
Capitalised assets deducted	—	(419,516)	(419,516)
Capitalised liabilities taxed	(45,123)	—	(45,123)
Deferred tax assets not recognised on revaluation of land and plantations	—	(323,617)	(323,617)
Revaluation of intangible assets	—	(30,596)	(30,596)
Other	(429)	(327)	(756)
Total movements for the year	(197,590)	(612,319)	(809,909)
Exchange differences	10,478	(132,465)	(121,987)
Balance at the end of the year	32,031	(4,085,170)	(4,053,139)

13 Dividend

Dividend reference period	Shares	Dividend per share £	Paid £	Date
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:

	2011 £	2010 £
Loss for the purposes of basic and diluted earnings per share being net loss for the year	(9,169,016)	(6,807,970)

Number of ordinary shares

Number of ordinary shares for basic and diluted earnings per share:

	2011	2010
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	104,130,000	104,205,945
Basic and diluted loss per share	(8.81) pence	(6.53) pence

15. Net asset value

	2011 £	2010 £
Total assets	97,758,422	100,503,128
Total liabilities	16,289,563	5,469,608
Net asset value	81,468,859	95,033,520

Number of shares in issue	104,130,000	104,130,000
Net asset value per share	0.78	0.91

16. Investment property and plantations

	Pre-		Total plantations	Land	Total
	Merchantable timber	merchantable timber			
2011	£	£	£	£	£
Fair value opening balance of plantations 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)	—
Costs capitalised	—	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 adjustments on price gains/(losses) on land and plantation	1,636,429	477,661	2,114,090	(1,008,769)	1,105,321
Fair value adjustments on growth gains on land and plantation	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

	Pre-		Total plantations	Land	Total
	Merchantable timber	merchantable timber			
2010	£	£	£	£	£
Fair value opening balance of plantations at 1 May 2009	14,246,698	16,708,863	30,955,561	50,472,805	81,428,366
Land acquired in the year	—	—	—	1,052,801	1,052,801
Plantations acquired in the year	—	1,466,089	1,466,089	—	1,466,089
Acquisition costs capitalised	578	2,534,677	2,535,255	5,803,643	8,338,898
Harvested timber	(777,912)	—	(777,912)	—	(777,912)
Transfer to merchantable timber	7,580,089	(7,580,089)	—	—	—
	21,049,453	13,129,540	34,178,993	57,329,249	91,508,242
Fair value adjustments on price gains/(losses) on land and plantation	870,227	1,900,076	2,770,303	(2,507,486)	262,817
Fair value adjustments on growth gains/(losses) on land and plantation	690,181	—	690,181	—	690,181
Fire, hazardous weather and other damages (impairment)	(663,531)	—	(663,531)	—	(663,531)
Increase/(decrease) in fair value of investment property and plantations	896,877	1,900,076	2,796,953	(2,507,486)	289,467
Foreign exchange effect	(112,904)	10,290	(102,614)	3,240,432	3,137,818
Fair value as at 30 April 2010	21,833,426	15,039,906	36,873,332	58,062,195	94,935,527

No harvested timber was held at the end of the year (30 April 2010: nil).

The land and plantations are carried at their fair value as at 30 April 2010 and 30 April 2011, as measured by external independent valuers American Forest Management Inc., James W. Sewall Company, Pöyry Forest Industry, Timberland Appraisal Services, LLC, Conusfor Advisory & Research and Holtz Consultoria LTDA. Each of the valuers uses similar methodologies, though this can vary depending on the type of investment and local practices.

The appraisals for the Corrigan and South Atlantic States properties in the United States were undertaken by American Forest Management Inc. and Timberland Appraisal Services, LLC respectively. These appraisals conform to Uniform Standards of Professional Appraisal Practice in the United States. For these valuations, three valuation approaches were considered: the cost approach; the sales comparison approach; and the income approach. Each approach selected as being applicable and necessary to produce credible results 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 James W. Sewall Company in accordance with IFRS. For these valuations the sales

comparison approach and the income capitalisation approach were considered. Each approach selected as being applicable and necessary to produce credible results is believed to have been applied appropriately.

Pöyry Forest Industry 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, Pöyry has applied a combination of the cost approach and the income approach to value the assets.

The 3R Tocantins property in Brazil was valued by Holtz Consultoria LTDA. 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 standard costs 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 asset in New Zealand was sold at the year end so had no carrying value (see note 17).

The discount rates used in these appraisals range in value from 6% to 10% (2010: 6.25% to 10.25%).

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. The Group also insures itself against natural disasters such as floods and hurricanes.

17. Sale of land and plantations

	New Zealand £	Corrigan £	Tarrangower £	Total £
Proceeds from sale	3,686,688	12,071,760	736,775	16,495,223
Fair value at 30 April 2010	(3,046,467)	(13,306,397)	(671,538)	(17,024,402)
Cost to sell	(62,222)	(232,619)	(15,302)	(310,143)
Foreign exchange effect	21,492	318,864	(4,821)	335,535
Profit/(loss) on disposal	599,491	(1,148,392)	45,114	(503,787)

18. Buildings, plant and equipment

	Furniture and fittings £	Buildings £	Improvements £	Motor vehicles £	Total £
2011					
Cost/valuation	2,118	355,284	62,342	15,699	435,443
Accumulated depreciation	(175)	—	—	(4,023)	(4,198)
Balance as at 30 April 2010	1,943	355,284	62,342	11,676	431,245
Movements					
Disposals	—	(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

Furniture

Motor

Total

2010	and fittings £	Buildings £	Improvements £	vehicles £	£
Cost/valuation	707	358,138	130,602	13,349	502,796
Accumulated depreciation	(36)	—	—	(2,533)	(2,569)
Balance as at 30 April 2009	671	358,138	130,602	10,816	550,227
Movements					
Assets acquired in year	1,157	—	—	—	1,157
Reclassification to land	—	—	(70,775)	—	(70,775)
Disposal	—	(1,081)	(15,140)	—	(16,221)
Revaluation	—	(76,241)	(2,334)	—	(78,575)
Depreciation for the year	(139)	—	—	(1,490)	(1,629)
Foreign exchange effect	254	74,468	19,989	2,350	97,061
	1,272	(2,854)	(68,260)	860	(68,982)
Carrying value					
Balance as at 30 April 2010	1,943	355,284	62,342	11,676	431,245

The buildings and improvements are carried at their fair value as at 30 April 2011 and 30 April 2010, as measured by external independent valuers Pöyry Forest Industry. 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. The carrying value should buildings and improvements be depreciated would amount to £110,309 (2010: £355,284) and £16,416 (2010: £62,341) respectively. The motor vehicles and furniture and fittings are carried at cost less accumulated depreciation.

19. Disposal of buildings, plant and equipment

	Buildings £	Improvements £	Total £
Proceeds from sale	278,241	51,797	330,038
Fair value at 30 April 2010	(253,601)	(47,210)	(300,811)
Cost to sell	(5,779)	(1,079)	(6,858)
Foreign exchange effect	(1,825)	(339)	(2,164)
Profit on disposal	17,036	3,169	20,205

20. Intangible assets

	2011 £	2010 £
Water licence at fair value	162,511	122,650
Revaluation	—	10,003
Disposal (see note 21)	(162,511)	—
Foreign exchange effect	—	29,858
	—	162,511

21. Disposal of intangible assets

	Total £
Proceeds from sale	60,961
Fair value at 30 April 2010	(162,511)
Cost to sell	(1,493)
Loss to deferred tax	(23,535)
Foreign exchange effect	48,158
Loss on disposal to revaluation reserve	(78,420)

The Tarrangower property had approximately 4 kilometres of frontage to the Severn River and had attached to it a water licence administered by the Department of Natural Resources in Australia ("DNR"). The 105 mega litre surface irrigation license (Number 90SL100620) has rights attached to it allowing an annual allocation of 48 mega litres A class and 57 mega litres B class from Pindari Dam, which is located 11 kilometres further up stream. The licence is renewable on a five year basis and at a small administration cost to the Group.

In the year ended 30 April 2011 this water licence was disposed of along with the property it was related to.

22. Trade and other receivables

	2011 £	2010 £

Currency forward exchange contract receivable	—	313,291
Currency option receivable	2,302,797	—
Goods and services tax receivable	252,286	44,343
Trade receivables	66,793	155,887
Prepaid expenses	276,251	45,940
	2,898,127	559,461

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables is disclosed in note 34.

23. Bank borrowings

	2011	2010
	£	£
Metropolitan Life Insurance Company	9,577,445	—

The loan is secured on approximately 36,392 acres of timber and timberland assets located in multiple tracts in the states of Texas, Florida and Georgia. The fair value of these assets at the period end was £28,073,108.

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. Metropolitan Life holds US\$1,407,130 as security on the loan

The Group has a forward exchange currency facility with UBS AG in the amount of £1,800,000. The term date of this facility is 25 December 2050, however this facility will be reviewed by UBS on 5 April 2012.

24. Financial assets and liabilities held at fair value through profit and loss

	2011	2010
	£	£
Forward foreign currency contracts:		
-at forward rate	—	313,292
-profit	—	11
-at market rate	—	313,303
Currency options:		
-premium paid	—	1,062,282
-loss	—	(80,646)
-fair value	—	981,636
Total financial assets held at fair value through profit and loss	—	1,294,939

Forward exchange currency contracts and currency options were used to hedge against foreign exchange exposure arising from investing in foreign operations and foreign currency transactions. The Group incurred a loss of £2,247,180 (2010: £1,917,774) in the year on the foreign exchange currency contracts and currency options. It is not the policy of the Group to perform hedge accounting under the terms of IAS 39 and therefore the effect of changes in exchange rates for foreign operations are recognised directly in other comprehensive income. The gain on exchange differences recognised directly in other comprehensive income for the year amounted to £1,216,860 (2010: loss of £3,138,214). The Company has suspended its currency hedging programme and no further systematic currency hedges will be entered into and existing positions were all closed on 29 April 2011.

As at 30 April 2011 there was no forward foreign currency contract or currency options held by the Company.

Forward exchange currency contracts held by the Group at their forward exchange rates are listed below.

	2011	2011	2010	2010
	US\$	£	US\$	£
Forward exchange currency contracts to sell United States Dollar	—	—	40,477,770	26,856,092
	£	US\$	£	US\$
Forward exchange currency contracts to sell Pounds Sterling	—	—	26,542,800	40,477,770

25. Foreign exchange effect

Comparison of movement in translation reserve and hedging loss:

			Movement in		
	Beginning	Ending	translation	Hedging	Difference
	period spot	period spot	reserve	(loss)/profit	profit/(loss)
Australian Dollar	1.5230	1.6404	562,551	(352,790)	209,761
Brazilian Real	2.6322	2.6767	456,927	(1,907,735)	(1,450,808)
New Zealand Dollar	2.0628	2.1157	59,801	(239,596)	(179,795)
United States Dollar	1.6707	1.5649	(2,296,139)	252,941	(2,043,198)

(1,216,860) (2,247,180) (3,464,040)

26. Cash and cash equivalents

	2011	2010
	£	£
Cash held at bank	14,438,925	3,017,328
Cash held at broker	127,344	70,086
	14,566,269	3,087,414

Cash held at broker is held with MF Global (United Kingdom) Limited and an amount of £127,344 (30 April 2010: £70,086) is held as security for the forward exchange contracts. This was released as cash to the Company on 25 May 2011.

27. Trade and other payables

	2011	2010
	£	£
Accruals	250,703	116,502
Trade creditors	411,373	785,947
Retentions held *	367,647	363,353
Goods and services tax and withholding tax payable	658,568	—
Advances held	—	118,636
	1,688,291	1,384,438

* 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, to support any liability associated with the previous ownership.

Advances held comprise of timber sale proceeds received in advance.

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 33.

28. Net asset value reconciliation

	£	£
Net asset value at 30 April 2010 and 31 January 2011	95,033,520	82,698,827
Translation of foreign exchange differences	(1,216,860)	(358,870)
Profit on revaluation of property and plantation	215,157	2,796,174
Profit on sale of plantations	(503,787)	(783,414)
Finance costs	(646,744)	(161,434)
Revaluation reserve movement-sale of intangible asset	(54,885)	—
Loss on currency options	(2,247,180)	216,946
Net foreign exchange loss	(495,947)	(294,938)
Profit and loss before above items	(5,490,515)	(2,644,432)
Dividend paid	(3,123,900)	—
Net asset value at 30 April 2011	81,468,859	81,468,859

29. 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-Apr
Cambium New Zealand Holdings Limited	Jersey	100%	30-Apr
Cambium Pahala Holdings Limited	British Virgin Islands	100%	30-Apr
Cambium Pinnacle Holdings Limited	British Virgin Islands	100%	30-Apr
Cambium Holdings Limited	British Virgin Islands	100%	30-Apr
Corrigan Holdings Limited	British Virgin Islands	100%	30-Apr
Cambium Minas Gerias Holdings Limited	British Virgin Islands	100%	30-Apr
Cambium MG Holdings Limited	British Virgin Islands	100%	30-Apr
Cambium South Atlantic Holdings Limited	British Virgin Islands	100%	30-Apr
Indirect			
Pahahla Hungary Holdings Kft	Hungary	100%	30-Apr
Cambium Hawaii Hungary Holdings Kft	Hungary	100%	30-Apr
Cambium Hungary Holdings Kft	Hungary	100%	30-Apr

Corrigan Hungary Holdings Kft	Hungary	100%	30-Apr
Cambium South Atlantic Hungary Holdings Kft	Hungary	100%	30-Apr
Cambium Australia Trust (Unit Trust)	Australia	100%	30-Apr
Cambium Pahala Inc	United States	100%	30-Apr
Cambium Pinnacle Inc	United States	100%	30-Apr
Cambium South Atlantic Inc	United States	100%	30-Apr
Cambium Corrigan Limited Partnership	United States	100%	30-Apr
Cambium Brazil MG Investments Florestais Ltda	Brazil	100%	30-Apr
3R Tocantina Investments Florestais Ltda	Brazil	100%	30-Apr

30. Stated capital

	2011	2010
	£	£
Balance as at 30 April	2,000,000	2,000,000

The total authorised share capital of the Company is 250 million ordinary shares of no par value with 104,350,000 shares issued at 100 pence each on initial placement. Ordinary shares carry no automatic rights to fixed income but the Company may declare dividends from time to time to which ordinary 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.

Pursuant to the authority granted by shareholders of the Company on 15 August 2008 to make market purchases of its own shares, the Company on 4 September 2009 purchased 220,000 ordinary shares for cancellation at a price of 0.72 pence per share for a total consideration of £158,400. This distributable reserve was utilised to make the share buy-back. The Company renewed authority granted by shareholders of the Company to make market purchases of its own shares on 4 October 2010.

Shares in issue

	2011	2010
In issue at 1 May	104,130,000	104,350,000
Buy-back	—	(220,000)
In issue at 30 April-fully paid	104,130,000	104,130,000

31. Reserves

The movements in the reserves for the Group are shown on page 18.

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 intangible assets and 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 can be utilised if the entity wishes to purchase its own shares and for the payment of dividends.

32. Operating leases

The maturity of prepaid operating leases is as follows:

	2011	2010
	£	£
Between one and two years	222,667	130,665
Between two and five years	247,174	408,012
Over five years	—	72,511
	469,841	611,188

The leases are for 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.

33. 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
- Forward exchange currency contracts
- Trade and other payables
- Currency options
- 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

	2011	2010
Current financial assets		
Financial assets at fair value through profit or loss		
Forward exchange currency contracts	—	313,303
Currency options	—	981,636
Loans and receivables		
Trade and other receivables	2,898,127	559,461
Cash and cash equivalents	14,566,269	3,087,414
Current financial liabilities		
Financial liabilities measured at amortised cost		
Trade and other payables	1,688,291	1,384,438
Non-current financial liabilities		
Financial liabilities measured at amortised cost		
Bank loans	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 and 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 table below shows the maximum exposure to risk of the major counterparties at the balance sheet date:

2011	Credit rating	Carrying amount
Counterparty	agency	Rating
		£
Investec Bank (Channel Islands) Limited	Fitch	F3
AIB Bank (Channel Islands) Limited	Fitch	F1
Royal Bank of Scotland International PLC	Fitch	F1+
MF Global (United Kingdom) Limited	Fitch	F2
National Australia Bank Limited	Fitch	F1+
ANZ National Bank Limited	Fitch	F1+
First America Trust, FSB	Fitch	A1-
UBS AG	Fitch	A+
Morgan Stanley	Fitch	F1
Deutsche Bank AG	Fitch	F1+
BNP Paribas	Fitch	F1+
UniCredit S.p.A.	Fitch	F1
Banco Itau BBA S.A.	Fitch	F2
Midland Loan Services PNC	Fitch	SPS1
Regions Bank	S & P	A2
Bank of America Corporation	S & P	A1
Citibank	S & P	A1

Credit risk

	< 1 month	1-3 months	3 months-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	1,796,155	—	—
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	—	—

2010	Credit rating		Carrying amount
Counterparty	agency	Rating	£
Investec Bank (Channel Islands) Limited	Fitch	F3	71,358
AIB Bank (Channel Islands) Limited	Fitch	F1	1,005,226
Royal Bank of Scotland International PLC	Fitch	F1+	5,862
MF Global (United Kingdom) Limited	Fitch	F2	383,377
National Australia Bank Limited	Fitch	F1+	198,657
Regions Bank	S & P	A2	756,338
Bank of America Corporation	S & P	A1	117,825
Citibank	S & P	A1	793,425

	< 1 month	1-3 months	3 months-1 year
	£	£	£
Maturities of these financial assets			
Investec Bank (Channel Islands) Limited	71,358	—	—
AIB Bank (Channel Islands) Limited	1,005,226	—	—
Royal Bank of Scotland International PLC	5,862	—	—
MF Global (United Kingdom) Limited	313,291	—	70,086
National Australia Bank Limited	198,657	—	—
Regions Bank	756,338	—	—
Bank of America Corporation	117,825	—	—
Citibank	793,425	—	—

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 £9,577,445 from MetLife which is secured on approximately 36,392 acres of timber and timberland assets located in multiple tracts in the states of Texas, Florida and Georgia. The fair value of these assets at the period end was £28,073,108. 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.

Liquidity risk

Foreign exchange contracts and currency options had been put in place so as to manage the potential foreign exchange exposure arising from investing in assets in foreign jurisdictions. On 14 April 2011 the Group's hedging policy was suspended as it was decided the cost to hedge was too great.

Under the Group's hedging policy, hedging was only employed once timber assets were acquired. Therefore all hedging liabilities were matched with an associated asset so as to keep risk to a minimum. The hedging policy was reviewed quarterly by the Board and it was decided in the year to suspend the Company's systematic currency hedging programme and the proposal was agreed and passed at an extraordinary general meeting ("EGM") on 14 April 2011. The Group finished implementing this change on 29 April 2011 and no forward exchange contracts or currency options were held at the year end.

The table below analyses 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 balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

2011	< 1 month £	1-3 months £	3 months-1 year £
Contract maturities of financial liabilities			
Trade and other payables	—	(1,688,291)	—

2010	< 1 month £	1 - 3 months £	3 months - 1 year £
Contract maturities of financial liabilities			
Trade and other payables	—	(1,384,438)	—

Market risk

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 rate 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 recommendation from the board from 15 April 2011 and will bear the risk of currency fluctuation going forward.

At the reporting date the Group had the following currency exposure in regards to foreign operations:

	2011 £	2010 £
Australian Dollar	6,895,226	8,046,242
Brazilian Real	32,560,813	25,002,312
New Zealand Dollar	3,297,216	2,898,956
United States Dollar	30,232,194	56,381,314
Hungarian Forint	4,287	4,216

The following table summarises the Group's exposure to foreign currency risk at 30 April. The Group's monetary assets and monetary liabilities at carrying amounts are included in the table, categorised by the currency and the underlying principal amount of the forward exchange contracts.

Market risk

2011	Monetary assets £	Monetary liabilities £	Forward exchange contracts £	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

2010	Monetary assets £	Monetary liabilities £	Forward exchange contracts £	Net exposure £
Australian Dollar	356,474	46,655	8,800,000	(8,490,181)

Brazilian Real	824,142	666,658	27,000,000	(26,842,516)
New Zealand Dollar	7,926	55,923	3,170,000	(3,217,997)
United States Dollar	974,709	546,178	59,000,000	(58,571,469)
Hungarian Forint	4,283	67	—	4,216

The table above summarises the exposure the Group has to foreign exchange risk in regards to financial assets and financial liabilities. The Group has in prior periods used foreign currency options and foreign currency exchange contracts to minimise exposure to foreign currency fluctuations in its foreign operations. The table below summarises the Group's exposure to foreign currency in regards to all foreign operations which include all assets and liabilities. The exposure is a measure of the net asset value exposed to specific currencies.

On 14 April 2011 at the Company's EGM the proposed resolution to authorise the Board to suspend the Company's systematic currency hedging programme was duly passed. The Group implemented this change and no forward currency contracts or currency options are held at the year end.

	Net asset value	Forward exchange contracts	Net exposure
	£	£	£
2011			
Australian Dollar	6,895,226	—	6,895,226
Brazilian Real	32,560,813	—	32,560,813
New Zealand Dollar	3,297,216	—	3,297,216
United States Dollar	30,232,194	—	30,232,194

	Net asset value	Forward exchange contracts	Net exposure
	£	£	£
2010			
Australian Dollar	8,046,242	8,800,000	(753,758)
Brazilian Real	25,002,312	27,000,000	(1,997,688)
New Zealand Dollar	2,898,956	3,170,000	(271,044)
United States Dollar	56,381,314	59,000,000	(2,618,686)

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.

The Group is subject to concentration risk in relation to its exposure to US Dollars and Brazilian Real. The Group holds 37% (2010: 61%) of its net assets in US Dollars and 40% (2010: 26%) of its net assets in Brazilian Real.

Market risk

At 30 April 2011, had the 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:

	2011	2010
	£	£
Australian Dollar	(1,034,284)	(1,049,510)
Brazilian Real	(4,884,122)	(3,261,171)
New Zealand Dollar	(494,582)	(378,125)
United States Dollar	(4,534,829)	(7,354,084)
Hungarian Forint	(632)	(550)
	(10,948,449)	(12,043,440)

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

The sensitivity analyses in this note, both 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.

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 table below:

Interest rate profile	Group	Group
As at 30 April 2011	%	£
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 payables		
Non-interest bearing	0.00%	1,688,291
Bank loans		
Fixed rate	5.75%	9,577,445

Interest rate profile	Group	Group
As at 30 April 2010	%	£
Weighted average interest rate		
Loans and receivables		
Non-interest bearing	0.00%	559,461
Cash and cash equivalents		
Variable	0.42%	3,087,414

Cash flow and fair value interest rate risk

	Group	Group
	%	£
Financial assets at fair value through profit and loss		
Foreign exchange contracts		
Fixed-payable	0.00%	11
Fixed-receivable	0.00%	313,292
Currency options	0.00%	981,636
Financial liabilities at amortised cost-trade and other payables		
Non-interest bearing	0.00%	1,384,438

For the Group, an increase in 100 basis points in interest yields would result in a pre-tax profit of £48,537 (2010: £567). A decrease in 100 basis points in interest yields would result in a pre-tax loss for the year of £48,537 (2010: £567).

Fair values

	30 April 2011	
	Carrying amount	Fair value
	£	£
Assets carried at fair value		
Financial assets and liabilities held at fair value through profit and loss	—	—
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
Liabilities carried at amortised cost		
Trade and other payables	1,688,291	1,688,291
Bank loan	9,577,445	9,577,445

	30 April 2010	
	Carrying amount	Fair value
	£	£
Assets carried at fair value		
Financial assets and liabilities held at fair value through profit and loss	1,294,939	1,294,939
Assets carried at amortised cost		

Trade and other receivables	559,461	559,461
Cash and cash equivalents	3,087,414	3,087,414
Liabilities carried at amortised cost		
Trade and other payables	1,384,438	1,384,438

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value hierarchy

	Level 1	Level 2	Level 3
As at 30 April 2011	£	£	£
Forward foreign currency contracts	—	—	—

	Level 1	Level 2	Level 3
As at 30 April 2010	£	£	£
Forward foreign currency contracts	—	313,303	—
Currency options	—	981,636	—
	—	1,294,939	—

34. 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.

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 will be used to provide working capital for the Company, to fund the ongoing investment programme and provide liquidity for potential 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 2011.

35. Contingent liability

There is a security interest on the 3R Tocantins property to cover a liability, amounting to BRL5,781,038 (approximately £2,196,276), 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 on the security interest property amounted to BRL6,942,578 (£2,637,557). The security interest the Company holds will only be released after Banco da Amazonia releases the security interest on the 3R Tocantins property.

36. 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 period £884,247 (2010: £978,874) 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 ordinary 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 ordinary share of any dividend paid made during the period. A high watermark must also be exceeded. If the performance test is met and the high watermark exceeded, the performance fee will be 20% of the excess of the NAV per ordinary share multiplied by the weighted average of the number of ordinary 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.

37. Events after the reporting period

On the weekend of 18-19 June 2011 a portion of the Corrigan plantation was involved in a fire. The "Bearing Fire" was one of the largest in East Texas history and impacted over 20,000 acres. Approximately 3,500 acres were owned by Cambium. The property that was impacted by the fire is part of the 7,270 acre property that is being sold. The completion of the purchase and sale contract will be delayed.

Salvage operations are being conducted for stands that were heavily impacted by the fire. After the completion of salvage operations a disposal price adjustment will be made. The impact to the expected net proceeds of \$10.9 million that was announced on 1 June 2011 is currently anticipated to be in the range of 8-10%. This transaction was anticipated to be accretive to net asset value in the financial year ending 30 April 2012 by approximately \$700,000 and now is estimated to be equal to net asset value. The transaction is expected to complete on 31 August 2011.

The Corrigan property was acquired in June of 2007 and a portion was sold in November 2010. In the 1 June 2011 announcement proceeds from the two land sales were anticipated to equate to 108% of the original purchase price and now are estimated to be 105% of the original purchase price.

Other than that mentioned above the Group had no significant events after reporting period end.