Cambium Global Timberland Limited

Annual Report and Audited Consolidated Financial Statements

For the year ended 30 April 2014

Cambium Global Timberland Limited

Contents

Cambium Global Timberland Limited

Chairman's Statement

The Company's Net Asset Value ("NAV") as of 30 April 2014 is 40p per share compared with 59p as at 30 April 2013. Currency movements accounted for 38% of this change. Changes to the valuation of the timber assets and related provisions accounted for 48% of the change. Net expenditure on forestry and other costs accounted for the remaining 14%.

In line with the strategy of orderly realisation of the Company's assets, the sales of the two Georgia properties were announced on 24 April 2014 and 14 May 2014, after a competitive bidding process. Net consideration after costs of both sales amounted to approximately US$17.6 million. Of this amount, some US$6.2 million was used to discharge indebtedness associated with these properties.

Asset realisation within the stated timeframe continues to be pursued. Pöyry Capital ("Pöyry") is advising the Company on the sale of its two Brazilian assets. Pöyry has prepared a detailed investment memorandum describing Minais Gerais, which is the larger of the two, and initiated a marketing process for it. The Australian asset is attracting interest from potential buyers at current valuation levels. The attention of shareholders is drawn to the fact that asset sales will incur legal and advisory fees and may result in tax and other costs not reflected in current valuations. Sterling proceeds will also be influenced by currency movements and the level of competition amongst buyers for the assets.

For the year ended 30 April 2014, total costs, including finance costs, amounted to £3.1 million, as compared with £4.8 million for the previous year. Further progress on costs reduction is anticipated for the next year as assets are sold. Additional savings are being sought wherever these can be achieved without damage to the value of the remaining assets. An example of this activity is the resolution contained within the Annual General Meeting ("AGM") notice to delist the Company from the Channel Islands Securities Exchange in order to eliminate associated costs.

The Steering Group, comprising Svante Adde and Robert Rickman, continued to work closely with the Manager and the Company's other advisors in executing the sales in Georgia and in supervising the Management of the remaining assets. The Board has continued its active supervision of the affairs of the Company, meeting formally nine times in the course of the year under review, in addition to an equal number of informal meetings. Fortnightly activity reports are produced by the Manager and circulated to all Board members.

The regulatory breach described in my Statement of 31 January 2014 has been the subject of detailed and continuing discussions with the Company's regulator, the Jersey Financial Services Commission ("JFSC"). At the time of writing, this breach has not been resolved. Accordingly, the Board, after consultation with a number of major shareholders and with its advisors, is recommending to shareholders that new management arrangements are adopted and the existing arrangements are terminated. A notice of termination, reserving all the Company's rights, has been served on the Manager, which will take effect if shareholders approve the appointment of Robert Rickman as Operations Manager as described below. A resolution to approve the proposed new arrangements is contained within the notice for the forthcoming AGM. These arrangements centre on the appointment of Robert Rickman, currently a non-executive Director of the Company, an experienced and qualified forester and member of the Steering Group, as Operations Manager of the Company with effect from the date of the AGM. A summary of the key commercial terms of the proposed Operations Manager contract is set out in the Explanatory Notes which accompany the AGM Notice. In view of the resolution being proposed to approve the appointment of Robert Rickman as Operations Manager, Mr Rickman will not be standing for re-election as a Director of the Company. The JFSC has provided its in principle consent to these arrangements, subject to shareholders' approval of the appointment and satisfaction by Mr Rickman of certain regulatory due diligence requirements. These new arrangements are expected to result in a significant reduction in corporate costs after adjusting for a modest increase in third party administration expenses.

I have previously commented on the matter of the outstanding lien on the 3R Tocantins property, further details of which are given in note 30 to the consolidated financial statements. The Board has determined that the provision of £2.0 million taken in the interim financial statements to 31 October 2013 be increased to £3.2 million, representing the whole amount of the lien potentially outstanding to Banco da Amazonia as at 30 April 2014. On advice of Brazilian counsel, a commercial advisor has been engaged to assist in resolving this matter. Possible remedies against third parties remain under review.

Careful consideration has also been given as to the composition and size of the Board in light of the sales achieved and targeted in the future by the Company. If the resolution appointing Robert Rickman is approved, Martin Richardson will retire from the Board. He will be replaced as Audit Committee Chairman by Roger Lewis. This will reduce the Board to three members. During this period of significant change for the Company, I will remain as Chairman to provide continuity, but will step down and be replaced in advance of the 2015 AGM.

Donald Adamson
Chairman
4 August 2014

Cambium Global Timberland Limited

Investment Manager's Report
For the year ended 30 April 2014

Total returns for the period covered by these financial statements were -32.8%. Of the total decline, foreign exchange losses due to sterling appreciation contributed -12.4%. Returns from the portfolio contributed -18.3% to the total return with administrative expenses contributing the remaining -2.1%. The portfolio returns were primarily impacted by a write-down of the timber value in Australia, a decrease in the value of the Hawaii plantations and a provision at 3R Tocantins in Brazil. During the period there was positive movement in the underlying land and timber values in Brazil, albeit this was largely offset by currency movements.

Below is a summary of the results by geographic area.

United States
The properties located in the southern United States comprise 27% of the total net assets. During the period, the total returns were -11.1% in local currency. The disposition of the properties located in the southern United States was completed as of 22 June 2014. Total proceeds net of closing costs and the payoff of the remaining principal associated with the MetLife loan were US$11.3 million.

Brazil
The properties in Brazil represent 59% of the total net assets. Total returns during the period were -8.3% in local currency, inclusive of a BRL12.1 million provision related to the 3R Tocantins property as discussed in note 30. The result was positively impacted by increased land and timber values as well as the biological growth of the forest.

The plantations have continued to mature and approach harvest with approximately 80% of the planted area attaining an age that is at least half way through its six-year rotation cycle.

As noted in the Interim Report, the market for timberland in Brazil continues to be illiquid with very few transactions occurring in the previous 12 months.

Hawaii
The lease properties in Hawaii represent 12% of the total net assets. Total returns for the year were -37.2%. The decline in value is due to lower forecast log export prices and higher input costs for harvesting and hauling used in the valuation process. Due to the mature nature of the timber, the valuations will continue to be most sensitive to log prices. The forests continue to add value through biological growth.

Australia
The asset in Australia represents 2% of the total net assets. For the year the return was -79.8%. The negative return was due to a write down of the timber located on the asset and a decrease in the underlying land value. The write-down, which was noted in the Interim Report, was due to the poor performance of the timber, the long distance to end-use facilities and long rotation length of the timber. The land value was impacted by an additional cost included in the valuation to revert the land back to grazing/agriculture quality. The activities associated with the reversion include the removal of the trees from the site.

The major land use in the region of this asset is grazing and agriculture. The combination of a prolonged drought in the region and few land transactions continues to put downward pressure on regional land values.

The land is currently being marketed by a Landmark Harcourt real estate sales representative. The marketing campaign includes advertising in land publications with circulation throughout Australia as well as via the web. Additionally the information memorandum for Cambium's Australian property has been distributed to all the major Landmark Harcourt offices in Australia.

Conclusion
The necessary investments needed to maintain the health and vigour of the forests will continue to be made to protect shareholders' interests. Operating expenses at the property level will be minimised as the realisation process continues. Following the sale and liquidation of the southern United States property, all costs associated with Timber Investment Management Organisations have been eliminated from each of the properties resulting in reductions in costs.

CP Cogent Asset Management
Investment Manager
4 August 2014

Cambium Global Timberland Limited

Board of Directors

Donald Lindsay Adamson (aged 55), 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 Perpetual Enhanced Income 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.

Svante Adde (aged 58), Independent Non-executive Director
Svante Adde studied at the Stockholm School of Economics to take his BA degree in 1979. He joined Citibank in Stockholm that year as an account officer and moved with Citicorp to London in 1983 to work in M&A and corporate finance. Svante joined Lazard Brothers in London in 1989 to head up their Nordic business which he led until 2003 as a managing director/partner. During this period Lazard acquired its Stockholm office for which Svante was the managing director until 2003. Since 2003 he has worked as CFO of Ahlstrom in Helsinki, managing director of Compass Advisers, and from 2007 until 2013 was the managing director and a senior adviser of Pöyry Capital. Svante is currently a non-executive board member of Konecranes and chairman of Rörvik Timber, a Swedish saw milling business.

Roger Lewis (aged 67), Independent Non-executive Director
Roger Lewis has extensive experience in the property sector, most recently as a director of Berkeley Group Holdings Plc for over 15 years, the last eight of which was as chairman, a position from which he retired at the end of July 2007. He subsequently acted as a consultant to the Berkeley Group until December 2012 and is a director of three Jersey based subsidiaries of the Berkeley Group as well as being a director of the States of Jersey Development Company Limited. Prior to this, he was UK Group chief executive officer of Crest Nicholson Group PLC from 1983 to 1991. He is also currently a director of Grand Harbour Marina Plc (Malta), a director of Camper and Nicholsons Marina Investments Limited and a director of Picton Property Income Limited.

Martin Willaume Richardson (aged 66), 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 a number of mutual funds and 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 1976. On leaving the army, he qualified as a chartered accountant with Coopers & Lybrand, Jersey for whom he worked from 1976 to 1981.

Robert James Rickman (aged 56), Independent Non-executive Director
Robert Rickman is a director of and adviser to a number of forestry and forest industry companies in the UK and internationally. He is a founding partner of the Rockley Group, making and managing technology-based investments worldwide. From 2001 until 2007 he was a director and latterly chairman of the AIM quoted Highland Timber Plc, with forestry operations in the UK and New Zealand. He is a non-executive director of The Schroder Mid Cap Investment Trust Limited and of Carclo plc, a diversified manufacturing group, both listed on the LSE. Robert was a non-executive director of Bookham Technology Plc from 1994 to 2004, during which time the company was listed on the LSE and NASDAQ. He has held various non-executive and executive positions with a number of forestry companies (including until 1999, FIM Services Limited) and was an economist for the Government of St. Lucia. He is a current member of the UK Institute of Chartered Foresters. Robert has a MA in Agriculture and Forest Science and an MSc in Forestry and its relation to Land Management from the University of Oxford.

Cambium Global Timberland Limited

Directors' Report

For the year ended 30 April 2014

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 2014.

Business of the Company

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

The Company operates a portfolio of geographically diverse timberland assets located both in mature and developing markets. The Company is fully invested. The Company's initial strategy was: to generate superior total returns to investors by effectively managing an optimised portfolio of timberland properties and timberland-related investments diversified by location, age class and species; to manage each of the assets on an environmentally and socially sustainable basis; and to manage assets for timber production with exposure to emerging environmental markets. Subsequent to the strategic review, completed in November 2012, the Company's strategy is to implement an orderly realisation of the Group's investments in a manner which maximises value for shareholders and returns surplus cash to shareholders over time through ad hoc returns of capital.

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

Going concern

On 30 November 2012 the Independent Directors announced the outcome of the strategic review initiated in June 2012. The Directors proposed and recommended a change of investment policy with a view to implementing an orderly realisation of the Group's investments in a manner which maximises value for shareholders and returning surplus cash to shareholders over time through ad hoc returns of capital. This proposal was approved by shareholders at an Extraordinary General Meeting on 22 February 2013. There is no set period for the realisation of the portfolio, but the stated aim of the Directors is to complete the process within 24 to 48 months of the date of that EGM.

The portfolio will be monitored continually in order to assess the most appropriate realisation strategy to be pursued for each investment. Some investments may be considered appropriate for a sale in the shorter term, however others may be held for a longer period with a view to enabling their inherent value to be realised in an orderly manner. As a result, this period may be extended as necessary and it may take up to four years. As at the date of approval of these financial statements, the Directors have no intention to instigate a winding-up of the Company, a course of action that would require the approval of shareholders.

The Directors have reviewed the Group's cash flow forecasts which cover the period to 30 April 2016 and estimate that the Group has sufficient cash resources to meet the Group's liabilities as they fall due.

On the basis of the above, the Directors have prepared the financial statements on a going concern basis.

Results and dividends

The results of the Group are stated on page 14. The Directors do not propose a dividend in respect of the financial year ended 30 April 2014 (2013: £Nil).

The Board

The Board currently consists of five Directors. The Chairman is Donald Adamson who is independent of the Investment Manager. The Board considers that, with the exception of Colin McGrady, who resigned as a Director on 23 July 2013, the Directors, including Svante Adde and Roger Lewis, who were appointed on 23 July 2013, are independent of the Investment Manager.

It is required that Directors shall retire by rotation and stand for re-election at regular intervals of no more than three years, or in the case of a non-independent Director, every year. At each AGM the number of Independent Directors required to retire (other than any Director who wishes to retire without offering himself for re-election) shall not exceed one third of the total number of Directors. If two or more Directors have been in office for the same period of time then the Director(s) to retire shall be determined by agreement or by lot. Each Director 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. As noted in the Chairman's Statement, should shareholders approve the appointment of Robert Rickman as Operations Manager to the Company at the forthcoming AGM, Mr Rickman and Martin Richardson will retire from the Board.

Directors

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

	Appointed	Resigned
Donald Adamson	19 January 2007	N/A
Colin McGrady	13 February 2007	23 July 2013
Martin Richardson	19 January 2007	N/A
Robert Rickman	13 February 2007	N/A
William Spitz	13 February 2007	23 July 2013
Roger Lewis	23 July 2013	N/A
Svante Adde	23 July 2013	N/A

Directors' Report (continued)
For the year ended 30 April 2014

Directors' interests
The following Directors had interests in the shares of the Company at 30 April 2014:

	Number of shares	% held
Donald Adamson	550,000	0.54
Svante Adde	200,000	0.20
Martin Richardson	150,000	0.15
Robert Rickman	25,000	0.02

During the part of the year in which they served as Directors of the Company, Colin McGrady and William Spitz had interests in 300,000 and 100,000 shares of the Company respectively.

Substantial shareholdings
Shareholders with holdings of more than 3% of the issued shares of the Company as at 25 June 2014 were as follows:

Name of investors	Number of shares	% held
Baillie Gifford	15,000,000	14.69
Ironsides Partners	13,121,465	12.85
Stafford Timberland	11,141,157	10.91
British Steel Pensions	10,000,000	9.79
Weiss Asset Management	8,350,000	8.18
Ironsides Partners CFD	6,100,000	5.97
Investec Wealth & Investment	5,373,182	5.26
Artemis Investment Management	4,905,129	4.80

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

The Company has voluntarily chosen to adopt the principles and recommendations of the Association of Investment Companies ('AIC') Code of Corporate Governance (the ‘AIC Code’) by reference to the AIC Corporate Governance Guide for Investment Companies (the "AIC Guide"). A framework of best practice for Jersey domiciled Member companies was issued by the AIC in February 2013 and a Statement of Support was given by the Jersey Financial Service Commission (“JFSC”) in relation to the adoption of the AIC Code by Jersey domiciled investment companies. The AIC Code, as explained by the AIC Guide, addresses all the principles set out in Section 1 of the FRC Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company.

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

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

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

Board meetings (continued)
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 all of the Directors. 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's function is to ensure the Company's financial performance is properly reported on and monitored and to advise the Board on whether the annual report and financial statements, taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's performance, business model and strategy. Where non-audit services are to be provided to the Group by the Auditor, full consideration of the financial and other implications on the independence of the Auditor arising from any such engagement will be considered before engaging. The Committee meets at least twice a year and considers the items below, however the list is not exhaustive:

- the annual and interim financial statements;
- internal control systems and procedures;
- accounting policies of the Group;
- 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 external Auditor.

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

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

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

Details of the skills and experience of the Directors are disclosed in the biography section on page 4.

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

Directors' Report (continued)
For the year ended 30 April 2014

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 2014 and the number of Board and committee meetings attended by each Director:

	Board meetings		Audit Committee meetings		Remuneration Committee meetings		Other meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Donald Adamson	4	4	3	3	1	1	5	5
Svante Adde	3	3	2	2	-	-	2	2
Roger Lewis	3	3	2	2	-	-	2	2
Colin McGrady	2	2	-	-	-	-	3	2
Martin Richardson	4	4	3	3	1	1	5	5
Robert Rickman	4	4	3	3	1	1	5	3
William Spitz	2	2	2	2	1	1	3	3

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

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

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

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

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

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

Relations with shareholders
The Board monitors the trading activity and shareholder profile on a regular basis and places importance on effective communication with shareholders. The Board and the Brokers maintain an ongoing dialogue with major shareholders. 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.

Current information is provided to shareholders on an on going basis through the Company's website: www.cambiumfunds.com.

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

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

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

- Bedell Fund Services Limited ("Bedell"), under an Administration Agreement, dated 3 February 2011, is responsible for the administration and company secretarial duties of the Company;
- Praxis Fund Services Limited, under an outsourcing agreement with Bedell dated 3 February 2011, is responsible for the sub-administration and delegate 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 ensures that adequate procedures are in place to prevent acts of bribery by assessing the risks.

Foreign Account Tax Compliance Act ("FATCA")
On 12 September 2012 the UK entered into a FATCA Partner Agreement ("IGA") with the US to collect information from financial institutions and automatically forward this to the Internal Revenue Service ("IRS"). In exchange, foreign financial institutions within the UK will be exempt from certain elements of the FATCA requirements, such as the need to enter into agreements with the IRS and withhold tax on certain payments. In October 2012 the Treasury Department and the IRS confirmed that the timeline for implementing new account opening procedures would be 1 July 2014 and the States of Jersey subsequently entered into a Model 1 IGA with the US on 13 December 2013 in order to facilitate the requirements under FATCA. Jersey also entered into an IGA with the UK to exchange tax information on 22 October 2013.

The FATCA requirements state that withholding agents do not need to obtain a reporting Model 1 FFI's Global Intermediary Identification Number ("GIIN") for payments made before 1 January 2015, however, in anticipation of the requirement to release funds arising from future US asset dispositions, the Company submitted registration with the IRS and was issued with its GIIN on 30 June 2014.

Directors' responsibilities with regards to financial reporting
The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

Under Jersey company law the Directors must not approve the financial statements unless they are satisfied that they 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 adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with Companies (Jersey) Law 1991. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Directors' Report (continued)
For the year ended 30 April 2014

Directors' responsibilities with regards to financial reporting (continued)
The Directors are responsible for the maintenance and integrity of the corporate and financial information on the Company's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the opinion of the Directors, the annual report and audited consolidated financial statements taken as a whole, are fair, balanced and understandable and provide the information necessary to assess the Company's performance, business model and strategy.

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 the Remuneration Committee's report will be put to shareholders at the forthcoming AGM.

Company performance
The Board is responsible for the Company's investment strategy and performance, although the management of the Company's investment portfolio is delegated to the Investment Manager.

On behalf of the Board

Donald Adamson	**Roger Lewis**
4 August 2014	4 August 2014

Cambium Global Timberland Limited

Audit Committee Report
For the year ended 30 April 2014

The Company has established an Audit Committee with formally delegated duties and responsibilities which are documented in a written terms of reference, copies of which are available from the Company Secretary.

Chairman and Membership
The Audit Committee is chaired by Martin Richardson, with its members being the independent, non-executive Directors. Only independent Directors serve on the Audit Committee, none of whom has links with the external Auditor or the Investment Manager. The Audit Committee meets not less than three times a year and meets with the external Auditor at least twice a year. The performance, membership and terms of reference of the Audit Committee are kept under review.

Duties
The principal duties of the Audit Committee in discharging its responsibilities include reviewing the Annual Report and audited consolidated financial statements, the Interim Report and unaudited consolidated financial statements, the system of internal control and the terms of engagement of the external Auditor together with their remuneration. The Audit Committee considers, discusses and agrees the nature and scope of the audit and reviews the effectiveness of the audit and the independence and objectivity of the external Auditor. The Audit Committee is responsible for monitoring the financial reporting process, including the appropriateness of the Group's accounting policies, and the effectiveness of the Company's internal control policies and procedures for the identification, assessment and reporting of risks. The Audit Committee is also responsible for overseeing the Company's relationship with the external Auditor, including making recommendations to the Board in relation to the appointment and re-appointment of the Company's external Auditor and its remuneration.

Financial Reporting and Audit
The Audit Committee reviews, considers and, if thought appropriate, recommends to the Board the approval of the contents of the Interim Report and unaudited consolidated financial statements and the Annual Report and audited consolidated financial statements, together with the report of the external Auditor. The Audit Committee focuses particularly on any changes in accounting policies and practices, major areas of judgement, significant adjustments arising from the audit, the going concern assessment, compliance with accounting standards, and compliance with legal, regulatory and corporate governance requirements.

The Audit Committee provides a formal forum through which the external Auditor may discuss any problems or reservations which arise from the final audit or otherwise and the external Auditor is invited to attend meetings at which the annual and half-yearly consolidated financial statements are considered.

After discussion with the Investment Manager and the external Auditor, the Audit Committee is in agreement with the key sources of estimation uncertainty, as described in note 4 to the consolidated financial statements.

Note 5 to the consolidated financial statements highlights that the total carrying value of the Group's assets and liabilities was £50.2 million and £9.6 million respectively. The Group's assets and liabilities are valued based on the accounting policies described in detail in note 3 to the consolidated financial statements. Valuation methodologies have been discussed with the Investment Manager and external Auditor. Valuations are obtained from external independent valuers on a six-monthly basis, which are reviewed by the Audit Committee, and the Investment Manager has confirmed that the valuation methodologies have been applied consistently during the year.

After due consideration the Audit Committee recommend to the Board that the Annual Report and consolidated financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

External Auditor
The Audit Committee keeps under review the relationship with the external Auditor, including (but not limited to) the independence and objectivity of the external Auditor, the consideration of fees paid to the external Auditor together with any other fees payable in respect of non-audit services, and discussing with the external Auditor issues such as compliance with accounting standards. All non-audit services are pre-approved by the Audit Committee after they are satisfied that relevant safeguards are in place to protect the Auditor's objectivity and independence.

This is the seventh year of KPMG Channel Islands Limited's appointment as the Company's external Auditor and the third year of the current audit partner. The Audit Committee will continue to monitor the suitability of the external Auditor and whether the length of tenure warrants a formal tender of the Group's audit.

Internal Controls
The Investment Manager and Sub-Administrator together maintain a system of internal control which they report to the Audit Committee. The Audit Committee has reviewed the need for an internal audit function and has decided that the systems and procedures employed by the Investment Manager and Sub-Administrator provide sufficient assurance that a sound system of risk management and internal control is maintained to safeguard shareholders' investment and the assets of the Group. An internal audit function specific to the Group has subsequently been considered unnecessary.

The Audit Committee has considered non-financial areas of risk such as disaster recovery, investment management and staffing levels of service providers and considers adequate arrangements to be in place.

On behalf of the Audit Committee

Martin Richardson
Audit Committee Chairman
4 August 2014

Cambium Global Timberland Limited

Remuneration Committee Report
For the year ended 30 April 2014

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

Policy on Directors' fees
The Remuneration Committee was appointed on 26 January 2010 and is chaired by Donald Adamson, with its members being the independent non-executive Directors.

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 reflect their duties, responsibilities and time spent to be fair and comparable to that of similar size funds, with similar regulation and structure. The level of remuneration should be sufficient to retain the Directors to oversee the Company properly and to reflect its specific circumstances. It is intended that this policy will continue for the year ending 30 April 2015 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 an aggregate of £200,000 per annum. The Directors are not eligible for bonuses or incentive schemes. Details of the Directors' remuneration during the year are disclosed below.

During the year the Directors received the following contractual Directors' fees from the Company:

	2014 **£**	2013 £
Donald Adamson	**40,000**	40,000
Svante Adde	**19,298**	-
Roger Lewis	**19,298**	-
Martin Richardson	**25,000**	25,000
Robert Rickman	**25,000**	25,000
William Spitz	**5,702**	25,000
	134,298	115,000

Colin McGrady waived his Director's fee due to the date of his resignation on 23 July 2013 (2013: £Nil).

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

In addition to their contractual Directors' fees, and in accordance with article 19.05 of the Company's Memorandum and Articles of Association, Svante Adde and Robert Rickman were paid fees of £15,000 and £25,000 respectively for their work in visiting and reviewing the Group's portfolio of assets.

The Directors shall also be entitled to be repaid all reasonable out of pocket expenses properly incurred by them in connection with the performance of their duties or in attending meetings of the Board or of committees or general meetings.

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.

Other than the above, there were no other fees paid to the Board. The Company did not engage the services of an external remuneration consultant during the year.

On behalf of the Remuneration Committee

Donald Adamson
Remuneration Committee Chairman
4 August 2014

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

We have audited the Group financial statements (the "financial statements") of Cambium Global Timberland Limited (the "Company") together with its subsidiaries (the "Group") for the year ended 30 April 2014 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 as issued by the International Accounting Standards Board ("IASB").

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 pages 9 and 10, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as issued by the IASB; 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; or
- we have not received all the information and explanations we require for our audit.

Andrew P. Quinn
for and on behalf of KPMG Channel Islands Limited
Chartered Accountants
37 Esplanade
St Helier
Jersey
JE4 8WQ
4 August 2014

The maintenance and integrity of the Company's website is the responsibility of the Directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, KPMG Channel Islands Limited accepts no responsibility for any changes that may have occurred to the financial statements or our audit report since 4 August 2014. KPMG Channel Islands Limited has carried out no procedures of any nature subsequent to 4 August 2014 which in any way extends this date. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The Directors shall remain responsible for establishing and controlling the process for doing so, and for ensuring that the financial statements are complete and unaltered in any way.

Cambium Global Timberland Limited

Consolidated Statement of Comprehensive Income
For the year ended 30 April 2014

Continuing operations	Notes	**30 April 2014** £	Restated* 30 April 2013 £
Revenue	6	**42,078**	52,868
Decrease in fair value of investment property and plantations	15	**(5,246,112)**	(4,730,719)
Impairment due to fire, hazardous weather and other damages	15	**-**	(1,484,922)
		(5,246,112)	(6,215,641)
Administrative expenses	7	**(1,268,087)**	(1,459,066)
Forestry management expenses	8	**(132,504)**	(532,685)
Other operating forestry expenses	9	**(1,119,112)**	(1,876,747)
Provisions	30	**(3,218,085)**	-
Impairment loss on revaluation of buildings, plant and equipment	16	**(6,241)**	(28,465)
		(5,744,029)	(3,896,963)
Operating loss		**(10,948,063)**	(10,059,736)
Finance income	10	**7,859**	19,060
Finance costs	11	**(7,294)**	(10,610)
Net foreign exchange (loss)/gain		**(15,306)**	26,366
Net finance (costs)/income		**(14,741)**	34,816
Loss before taxation		**(10,962,804)**	(10,024,920)
Taxation credit	12	**208,420**	1,792,519
Loss for the year from continuing operations		**(10,754,384)**	(8,232,401)
Discontinued operation			
Loss from discontinued operation, net of tax	17	**(1,550,561)**	(677,447)
Loss for the year		**(12,304,945)**	(8,909,848)
Other comprehensive income			
Items that are or may be reclassified to profit or loss			
Foreign exchange (loss)/gain on translation of continuing foreign operations		**(6,776,295)**	2,180,358
Foreign exchange loss on translation of discontinued foreign operation		**(729,719)**	(1,074,745)
Other comprehensive (loss)/income, net of tax	20	**(7,506,014)**	1,105,613
Total comprehensive loss		**(19,810,959)**	(7,804,235)
Basic and diluted loss per share	13	**(12.05) pence**	(8.72) pence
Basic and diluted loss per share from continuing operations	13	**(10.53) pence**	(8.06) pence

All income is attributable to the equity holders of the parent company. There are no minority interests.

*See note 17.

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

Cambium Global Timberland Limited

Consolidated Statement of Financial Position
At 30 April 2014

	Notes	30 April 2014 £	30 April 2013 £
Non-current assets			
Investment property	15	**18,749,588**	28,494,485
Plantations	15	**16,678,494**	30,825,045
Buildings, plant and equipment	16	**183,823**	231,323
		35,611,905	59,550,853
Current assets			
Assets held for sale	17	**10,404,052**	-
Trade and other receivables	18	**215,737**	263,273
Cash and cash equivalents	21	**3,941,356**	8,436,599
		14,561,145	8,699,872
Total assets		**50,173,050**	68,250,725
Current liabilities			
Bank loan	19	**3,512,508**	-
Trade and other payables	22	**450,877**	948,746
		3,963,385	948,746
Non-current liabilities			
Other payable	30	**257,372**	311,344
Provisions	30	**3,218,085**	-
Deferred tax liabilities	12	**2,188,667**	2,846,672
Bank loan	19	**-**	3,787,463
		5,664,124	6,945,479
Total liabilities		**9,627,509**	7,894,225
Net assets	14	**40,545,541**	60,356,500
Equity			
Stated capital	25	**2,000,000**	2,000,000
Distributable reserve	26	**88,589,060**	88,589,060
Translation reserve		**8,222,352**	15,728,366
Retained loss		**(58,265,871)**	(45,960,926)
Total equity		**40,545,541**	60,356,500
Net asset value per share	14	**0.40**	0.59

These consolidated financial statements were approved and authorised for issue on 4 August 2014 by the Board of Directors.

Donald Adamson **Roger Lewis**

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

Cambium Global Timberland Limited

Consolidated Statement of changes in equity

For the year ended 30 April 2014

	Stated capital £	Distributable reserve £	Translation reserve £	Retained loss £	Total £
At 30 April 2013	**2,000,000**	**88,589,060**	**15,728,366**	**(45,960,926)**	**60,356,500**
Total comprehensive loss for the year					
Loss for the year	-	-	-	(12,304,945)	(12,304,945)
Other comprehensive loss					
Foreign exchange loss on translation of continuing foreign operations (note 20)	-	-	(6,776,295)	-	(6,776,295)
Foreign exchange loss on translation of discontinued foreign operation (note 20)	-	-	(729,719)		(729,719)
Total comprehensive loss	-	-	(7,506,014)	(12,304,945)	(19,810,959)
At 30 April 2014	**2,000,000**	**88,589,060**	**8,222,352**	**(58,265,871)**	**40,545,541**

	Stated capital £	Distributable reserve £	Translation reserve £	Retained loss £	Total £
At 30 April 2012	2,000,000	88,589,060	14,622,753	(37,051,078)	68,160,735
Total comprehensive loss for the year					
Loss for the year	-	-	-	(8,909,848)	(8,909,848)
Other comprehensive income					
Foreign exchange gain on translation of continuing foreign operations (note 20)	-	-	2,180,358	-	2,180,358
Foreign exchange gain on translation of discontinued foreign operation (note 20)			(1,074,745)	-	(1,074,745)
Total comprehensive loss	-	-	1,105,613	(8,909,848)	(7,804,235)
At 30 April 2013	2,000,000	88,589,060	15,728,366	(45,960,926)	60,356,500

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

Cambium Global Timberland Limited

Consolidated Statement of Cash Flows

For the year ended 30 April 2014

	Note	**30 April 2014** £	Restated* 30 April 2013 £
Cash flows from operating activities			
Loss for the year		**(12,304,945)**	(8,909,848)
Adjustments for:			
Decrease in fair value of investment property and plantations – continuing operations		**5,246,112**	4,730,719
Decrease/(increase) in fair value of investment property and plantations – discontinued operation		**1,014,837**	(243,135)
Impairment due to fire, hazardous weather and other damages		**-**	1,484,922
Depreciation	16	**1,181**	1,494
Provisions	30	**3,218,085**	-
Loss on revaluation of buildings, plant and equipment	16	**6,241**	28,465
Net finance costs – continuing operations		**14,741**	(34,816)
Net finance costs – discontinued operation		**250,431**	503,416
Taxation credit		**(208,420)**	(1,792,519)
Harvested timber		**-**	189,469
Loss on sale of land and plantations – discontinued operation		**-**	72,204
Decrease/(increase) in trade and other receivables		**47,536**	(27,117)
(Decrease)/increase in trade and other payables		**(551,841)**	246,103
Cash used in operating activities		**(3,266,042)**	(3,750,643)
Tax paid		**-**	(50,789)
Net cash used in operating activities		**(3,266,042)**	(3,801,432)
Cash flows from investing activities			
Costs capitalised to land and plantations – continuing operations		**(599,012)**	(1,095,563)
Costs capitalised to land and plantations – discontinued operation	17	**(119,500)**	(126,612)
Other cashflows from investing activities relating to discontinued operation	17	**-**	10,154,894
Net cash (used in)/from investing activities		**(718,512)**	8,932,719
Cash flows from financing activities			
Finance income	10	**7,859**	19,060
Finance costs	11	**(7,294)**	(10,610)
Cash flow from financing activities relating to discontinued operation	17	**(222,973)**	(3,931,026)
Net cash used in financing activities		**(222,408)**	(3,922,576)
Net (decrease)/increase in cash and cash equivalents		**(4,206,962)**	1,208,711
Foreign exchange movements		**(288,281)**	148,732
Balance at the beginning of the year		**8,436,599**	7,079,156
Balance at the end of the year	21	**3,941,356**	8,436,599

*See note 17

The notes on pages 18 to 45 form an integral part of these consolidated financial statements.

Notes to the Financial Statements

For the year ended 30 April 2014

1. General information

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

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

These consolidated financial statements (the “financial statements") were approved and authorised for issue on 4 August 2014 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 Channel Islands Securities Exchange (“CISE”) (formerly the Channel Islands Stock Exchange).

2. Basis of preparation

The consolidated financial information included in the financial statements for the year ended 30 April 2014 has been prepared in accordance with International Financial Reporting Standards ("IFRS") 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 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, assets held for sale and certain financial instruments, which are carried either at fair value, fair value less cost to sell or fair value less subsequent accumulated depreciation and subsequent accumulated impairment loss.

The preparation of the financial statements requires Directors to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on the Directors’ best judgement at the date of the financial statements, deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. For details of significant accounting judgements and key sources of estimation uncertainty, please refer to note 4.

Going concern

On 30 November 2012 the Independent Directors announced the outcome of the strategic review initiated in June 2012. The Directors proposed and recommended a change of investment policy with a view to implementing an orderly realisation of the Group’s investments in a manner which maximises value for shareholders and returning surplus cash to shareholders over time through ad hoc returns of capital. This proposal was approved by shareholders at an Extraordinary General Meeting on 22 February 2013. There is no set period for the realisation of the portfolio, but the stated aim of the Directors is to complete the process within 24 to 48 months of the date of that EGM.

The portfolio will be monitored continually in order to assess the most appropriate realisation strategy to be pursued for each investment. Some investments may be considered appropriate for a sale in the shorter term, however others may be held for a longer period with a view to enabling their inherent value to be realised in an orderly manner. As a result, this period may be extended as necessary and it may take up to four years. As at the date of approval of these financial statements, the Directors have no intention to instigate a winding-up of the Company, a course of action that would require the approval of shareholders.

The Directors have reviewed the Group’s cash flow forecasts which cover the period to 30 April 2016 and estimate that the Group has sufficient cash resources to meet the Group’s liabilities as they fall due.

On the basis of the above, the Directors have prepared the financial statements on a going concern basis.

New, revised and amended standards

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

- IAS 16 (amended) "Property, Plant and Equipment" (amendments effective 1 January 2016);
- IAS 19 (amended) "Employee Benefits" (amendments effective 1 July 2014);
- IAS 27 (amended) "Separate Financial Statements" (amendments for investment entities effective 1 January 2014);
- IAS 32 (amended) "Financial Instruments: Presentation" (effective for periods commencing on or after 1 January 2014);
- IAS 36 (amended), "Impairment of Assets" (amendments effective 1 January 2014);
- IAS 38 (amended), "Intangible Assets" (amendments effective 1 January 2016);
- IAS 39 (amended), "Financial Instruments: Recognition and Measurement" (amendments effective 1 January 2014 and upon adoption of IFRS 9);
- IFRS 7 (amended), "Financial Instruments: Disclosures" (amendments effective upon adoption of IFRS 9);
- IFRS 9, "Financial Instruments - Classification and Measurement" (no mandatory effective date);
- IFRS 10 (amended), "Consolidated Financial Statements" (amendments for investment entities effective 1 January 2014);

Notes to the Financial Statements
For the year ended 30 April 2014

2. Basis of preparation (continued)

New, revised and amended standards (continued)
- IFRS 11 (amended), "Joint Arrangements" (amendments effective 1 January 2016);
- IFRS 12 (amended), "Disclosure of Interest in Other Entities" (amendments for investment entities effective 1 January 2014);
- IFRS 14, "Regulatory Deferral Accounts" (effective for periods commencing on or after 1 January 2016);
- IFRS 15, "Revenue from Contracts with Customers" (effective for periods commencing on or after 1 January 2017).

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.

New accounting standards effective and adopted
The following new standards have been applied for the first time in these financial statements.

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

In addition the IASB completed the 2009-2011 Cycle of its annual improvements project in May 2012. This project amended a number of existing standards and interpretations effective for accounting periods commencing on or after 1 January 2013.

The adoption of these standards and amendments has had no material impact on the consolidated financial statements of the Group, except that IFRS 13 has resulted in extended disclosures in the annual consolidated financial statements for both financial and non-financial instruments as disclosed in notes 15 and 28.

3. Significant accounting policies
A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.
The preparation of financial statements in conformity with IFRS requires the use of critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. The areas involving high degree of judgement or complexity, or areas where the assumptions and estimates are significant to financial statements are disclosed in note 4.

Basis of consolidation
The financial statements incorporate the financial statements of the Company and its subsidiaries, including SPEs controlled by the Company, made up to 30 April 2014. Control is achieved where the Company has power over an investee, exposure or rights to variable returns from its involvement with an investee and ability to use its power to affect those returns.

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

b) Special purpose entities
The Group has established a number of SPEs for trading and investment purposes. An SPE is consolidated if the Group concludes that it controls the SPE. The Group is deemed to control an SPE when it is exposed, or has rights, to variable returns from its involvement with the SPE and has the ability to affect those returns through its power over the SPE.

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.

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3. Significant accounting policies (continued)

Basis of consolidation (continued)
d) Discontinued operations
A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations;
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earliest of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of comprehensive income and other comprehensive income and statement of cash flows are re-presented as if the operation had been discontinued from the start of the comparative year.

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.

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 liabilities 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 Group has selected Sterling as its presentational currency, as it is the currency in which capital has been raised and dividends paid, and is the functional currency of the Company.

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

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

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

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

3. Significant accounting policies (continued)

Foreign currencies (continued)
The following exchange rates have been applied in these financial statements to convert foreign currency balances to Sterling:

	30 April 2014 closing rate	**30 April 2014 average rate**	30 April 2013 closing rate	30 April 2013 average rate
Australian Dollar	**1.8167**	**1.7355**	1.4976	1.5268
Brazilian Real	**3.7600**	**3.6340**	3.1082	3.1869
United States Dollar	**1.6873**	**1.6013**	1.5532	1.5750

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

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

Provisions
Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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

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

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

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

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

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

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

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

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

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

3. Significant accounting policies (continued)

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 price at which an orderly transaction to sell the investment property would take place between market participants at the measurement date under current market conditions. The fair values are determined by independent professional valuers on a six monthly basis. Gains or losses arising from changes in the fair value of or from disposal of investment property are recognised 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 independent professional valuers on a six monthly basis. Gains or losses arising from changes in the fair value of or from disposal of plantations 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.

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 professional valuers. Revaluation gains are 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 other comprehensive income 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.

Leased assets

Investment property and plantations held by the Group under leases which transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

Assets held by the Group for operating leases as a lessor are presented in the Statement of Financial Position according to the nature of the asset.

Assets held for sale

Non-current assets are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell, except for land held for sale, which continues to be measured at fair value. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss.

Financial instruments

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

Financial assets

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

3. Significant accounting policies (continued)

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

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

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

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

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

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

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

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

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

c) Stated capital
Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's shares are classified as equity instruments. For the purposes of the disclosures given in notes 25 and 26 the Group considers all its stated capital and all other reserves as equity. The Company is not subject to any externally imposed capital requirements.

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

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

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

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

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

3. Significant accounting policies (continued)

Determination and presentation of operating segments (continued)
Segment capital expenditure is the total cost incurred during the year to acquire property, buildings, plant and equipment and intangible assets.

4. Significant accounting judgements and key sources of estimation uncertainty
The Directors make estimates and assumptions concerning the Group's future. The resulting accounting estimates 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.

Going concern
The Directors have determined that it is appropriate for the Group to prepare its financial statements on a going concern basis. Details of the Directors' judgements in making this assessment are contained in note 2.

Assets held for sale
The Directors intend to realise value from the sale of the Group's investments over a period of potentially up to four years from February 2013. As at the year end date the Directors had committed to selling the Group's investment property and plantations in Georgia, and these assets have accordingly been reclassified as assets held for sale in these financial statements. However, as at the year end date, the Directors had not committed to sell any of the Group's other investments to any particular party. As a result, in the opinion of the Directors, it is not appropriate to account for the Group's remaining assets and liabilities as held for sale.

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 current and deferred tax based on estimates of whether taxes will be due and at what rates those taxes will be calculated, and based on judgements made in assessing what income may be taxable and what items may be deductible for tax purposes. The Directors have determined that deferred tax assets should not be recognised in these financial statements due to the unpredictability of future taxable profits against which such assets could be used. 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.

Provisions
The Directors have used their judgement to determine the amount of the provisions required in respect of the 3R Tocantins property, as detailed in note 30.

Valuation of investment property and plantations
The Directors determine the fair value of the Group's investment property and plantations, based on the valuations performed by its independent professional valuers, using their judgement to determine the highest and best use of the properties and the principal market in which an orderly transaction would take place for the properties. Some of the inputs used in the valuation are based on assumptions. The valuers also make reference to market evidence of transaction prices for similar transactions, where available and appropriate (for details of significant inputs used in the calculation of the valuations see note 15).

Valuation of buildings
The Group uses the valuations performed by its independent professional valuers as the fair value of its buildings. As described in note 16, valuation is based on assumptions. The valuers also make reference to market evidence of transaction prices for similar transactions, where available and appropriate.

Functional currency
Judgements made by the Directors in determining the functional currency of individual entities in the Group and the reporting currency of the Group as a whole are disclosed in note 3.

5. Operating segments
The Board of Directors is charged with setting the Company's investment strategy in accordance with the Prospectus. The Board of Directors, as the CODM, has delegated the day to day management of the Group's assets to its Investment Manager, but retains responsibility to ensure that adequate resources of the Company are directed in accordance with their decisions.

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

The Group operates in five distinctly separate geographical locations, which the CODM has identified as one non-operating segment, Jersey, and four operating segments. Timberlands are located in Australia, Southern United States (see note 17), Hawaii and Brazil.

Notes to the Financial Statements
For the year ended 30 April 2014

5. Operating segments (continued)
The accounting policies of each operating segment are the same as the accounting policies of the Group, as stated in note 3.

30 April 2014	**Jersey £**	**Australia £**	**North America £**	**Hawaii £**	**Brazil £**	**Total £**
Investment property and plantations	**-**	**748,779**	**-**	**4,943,993**	**29,735,310**	**35,428,082**
Assets held for sale (note 17)	**-**	**-**	**10,404,052**	**-**	**-**	**10,404,052**
Other assets	**2,406,884**	**241,854**	**1,024,797**	**82,443**	**584,938**	**4,340,916**
Total assets	**2,406,884**	**990,633**	**11,428,849**	**5,026,436**	**30,320,248**	**50,173,050**
Total liabilities	**97,865**	**30,723**	**3,697,055**	**137,978**	**5,663,888**	**9,627,509**

30 April 2013	Jersey £	Australia £	North America £	Hawaii £	Brazil £	Total £
Investment property and plantations	-	5,647,288	12,225,380	9,451,455	31,995,407	59,319,530
Other assets	5,472,159	214,945	1,924,828	181,611	1,137,652	8,931,195
Total assets	5,472,159	5,862,233	14,150,208	9,633,066	33,133,059	68,250,725
Total liabilities	76,921	774,736	3,894,222	1,174,893	1,973,453	7,894,225

For the year ended 30 April 2014	**Jersey £**	**Australia £**	**North America* £**	**Hawaii £**	**Brazil £**	**Total £**
Segment revenue	**-**	**28,810**	**-**	**-**	**13,268**	**42,078**
Segment gross profit	**-**	**28,810**	**-**	**-**	**13,268**	**42,078**
(Decrease)/increase in fair value of investment property and plantations	**-**	**(4,089,354)**	**-**	**(3,958,034)**	**2,801,276**	**(5,246,112)**
Forestry management expenses	**-**	**32,224**	**-**	**13,909**	**86,371**	**132,504**
Other operating forestry expenses	**-**	**81,989**	**-**	**289,127**	**747,996**	**1,119,112**

For the year ended 30 April 2013	Jersey £	Australia £	North America* £	Hawaii £	Brazil £	Total £
Segment revenue	-	32,748	-	-	20,120	52,868
Segment gross profit	-	32,748	-	-	20,120	52,868
Decrease in fair value of investment property and plantations	-	(2,411,580)	-	(533,333)	(1,785,806)	(4,730,719)
Forestry management expenses	-	103,761	-	86,984	341,940	532,685
Other operating forestry expenses	-	638,831	-	317,384	920,532	1,876,747

*Operating segment information for the performance of the North America segment for the years ended 30 April 2014 and 30 April 2013 is disclosed in note 17.

As at 30 April 2014 the Group owned nine (30 April 2013: nine) distinct parcels of land across four main geographical areas.

The majority of the revenues in the years ended 30 April 2014 and 30 April 2013 relating to continuing operations arose from lease income in Australia.

The decrease in fair value of investment property in Australia was driven by a write-down of the valuation of the timber located on the property and a provision for the costs of converting the property back to use for grazing and cropping. The assets located in Hawaii were negatively impacted by lower forecasted revenue and higher forecasted harvesting and haul costs. Brazil was positively impacted by higher land & timber values, along with biological growth. All property valuations have been negatively affected by foreign exchange movements due to the appreciation of sterling. For further disclosure regarding valuation movements please refer to the Investment Manager's report on page 3.

5. Operating segments (continued)
The Group's investments will be realised in an orderly manner (that is, with a view to achieving a balance between returning cash to shareholders and maximising value). In light of the realisation strategy, there will be no specific investment restrictions applicable to the Group's portfolio going forward.

This policy will involve a continuing evaluation of the portfolio in order to assess the most appropriate realisation strategy to be pursued in relation to each investment. Whilst some investments may be considered appropriate for sale in the shorter term, other investments may be held for a longer period with a view to enabling their inherent value to be realised successfully and in all cases properties will continue to be effectively managed during this process.

The strategy for realising individual investments will be flexible and may need to be altered to reflect changes in the circumstances of a particular investment or in the prevailing market conditions. The Board and the Investment Manager will, in relation to each investment, seek to create competition amongst a range of interested parties.

The net cash proceeds from realisations of assets will be applied to the payments of tax or other liabilities as the Board thinks fit prior to making payments to shareholders.

6. Revenue

	For the year ended 30 April 2014 £	Restated* For the year ended 30 April 2013 £
Sales - harvested timber and stumpage	**6,054**	-
Lease income	**28,810**	42,827
Grant income	**7,214**	10,041
	42,078	52,868

*See note 17

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.

7. Administrative expenses

	For the year ended 30 April 2014 £	Restated* For the year ended 30 April 2013 £
Investment Manager's fees (see note 31)	**520,380**	605,213
Directors' fees	**174,298**	115,000
Auditor's fees	**88,434**	75,685
Professional & other fees	**373,864**	566,177
Administration of subsidiaries	**111,111**	96,991
	1,268,087	1,459,066

*See note 17

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

In addition to their contractual Directors' fees, and in accordance with article 19.05 of the Company's Memorandum and Articles of Association, Svante Adde and Robert Rickman were paid fees of £15,000 and £25,000 respectively for their work in visiting and reviewing the Group's portfolio of assets.

8. Forestry management expenses

	For the year ended 30 April 2014 £	Restated* For the year ended 30 April 2013 £
Asset management fees	**37,559**	441,528
Appraisal fees	**94,945**	91,157
	132,504	532,685

*See note 17

Notes to the Financial Statements
For the year ended 30 April 2014

9. Other operating forestry expenses

	For the year ended 30 April 2014 £	Restated* For the year ended 30 April 2013 £
Property management fees	**491,357**	718,282
Property taxes	**40,315**	25,453
Lease payments	**133,881**	158,197
Fertilisation	**95,685**	47,416
Repairs and maintenance	**53,473**	133,245
Trials, inventory and research	**8,423**	12,103
Pest control, forest protection and insurance	**238,555**	256,262
Depreciation	**1,181**	1,494
Selling and marketing expenses	**5,396**	8,829
Repayment of government grant	**-**	404,130
Other	**50,846**	111,336
	1,119,112	1,876,747

*See note 17

10. Finance income

	For the year ended 30 April 2014 £	Restated* For the year ended 30 April 2013 £
Bank interest	**7,859**	19,060

*See note 17

11. Finance costs

	For the year ended 30 April 2014 £	Restated* For the year ended 30 April 2013 £
Other finance costs	**7,294**	10,610

*See note 17

12. Taxation

Taxation on loss on ordinary activities
The Group's tax credit for the year comprises:

	For the year ended 30 April 2014 £	For the year ended 30 April 2013 £
Current taxation charge		
Hungary at 10%	**88,703**	69,566
United States at 15%-35%*	**-**	(18,777)
	88,703	50,789
Deferred taxation credit		
Australia at 30%	**(215,395)**	(708,744)
Brazil at 34%	**905,595**	(996,405)
United States at 15%-35%*	**(987,323)**	(138,159)
	(297,123)	(1,843,308)
Taxation credit from continuing operations	**(208,420)**	(1,792,519)

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

Notes to the Financial Statements

For the year ended 30 April 2014

12. Taxation (continued)

There was no taxation charge/credit relating to the discontinued operation (see note 17).

	For the year ended 30 April 2014 £	For the year ended 30 April 2013 £
Tax credit reconciliation		
Loss for the year from continuing operations before taxation	**(10,962,804)**	(10,024,920)
Tax credit using the average of the tax rates in the jurisdictions in which the Group operates	**(3,145,245)**	(2,844,939)
Effects of:		
Tax exempt income	**(14,437)**	(31,081)
Operating losses for which no deferred tax asset is recognised	**1,652,776**	1,104,324
Capital losses for which no deferred tax asset is recognised	**1,231,954**	170,810
Other temporary differences	**(22,171)**	(242,422)
Effect of tax rates in foreign jurisdictions	**88,703**	50,789
Tax credit for the year	**(208,420)**	(1,792,519)

The average tax credit rate is a blended rate calculated using the weighted average applicable tax rates of the jurisdictions in which the Group operates. The average of the tax rates in the jurisdictions in which the Group operates in the period was 28.69% (2013: 28.38%). The effective tax rate in the period was 1.90% (2013: 17.88%).

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

Operational tax losses for which deferred tax assets have not been recognised in the consolidated financial statements

	For the year ended 30 April 2014 £	For the year ended 30 April 2013 £
Balance at beginning of the year	**15,789,924**	11,875,911
Adjustments in respect of prior years	**(2,999,779)**	-
Current year operating losses for which no deferred tax asset is recognised	**1,790,968**	3,426,102
Exchange movements	**(1,775,281)**	487,911
Balance at the end of the year	**12,805,832**	15,789,924

Accumulated operating losses at the year end of £3,830,181 related to discontinued operations (2013: £4,002,846). The value of deferred tax assets not recognised in regard to operational losses amounted to £4,173,144 (2013: £5,140,588), of which £1,302,261 (2013: £1,360,968) related to discontinued operations.

At the year end the Group had accumulated capital losses of £12,691,097 (30 April 2013: £7,890,296), of which £2,468,546 (2013: £1,635,410) related to discontinued operations. The value of deferred tax assets not recognised in regard to these capital tax losses amounted to £4,044,974 (30 April 2013: £2,548,541), of which £839,306 (2013: £556,039) related to discontinued operations.

12. Taxation (continued)

Deferred taxation
The following are the significant deferred tax liabilities and assets recognised by the Group and movements thereon:

30 April 2014	**Assets 2014 £**	**Liabilities 2014 £**	**Balance 2014 £**
Balance at the beginning of the year	**-**	**(2,846,672)**	**(2,846,672)**
Movements			
Increase in fair value of investment property and plantations	**-**	**297,123**	**297,123**
Total movements for the year	**-**	**297,123**	**297,123**
Exchange differences	**-**	**360,882**	**360,882**
Balance at the end of the year	**-**	**(2,188,667)**	**(2,188,667)**

30 April 2013	Assets 2013 £	Liabilities 2013 £	Balance 2013 £
Balance at the beginning of the year	-	(4,646,929)	(4,646,929)
Movements			
Decrease in fair value of investment property and plantations	-	1,849,921	1,849,921
Revaluation on buildings, plant and equipment	-	9,500	9,500
Accelerated tax depreciation	-	(1,683)	(1,683)
Capitalised assets deducted	-	(14,430)	(14,430)
Total movements for the year	-	1,843,308	1,843,308
Exchange differences	-	(43,051)	(43,051)
Balance at the end of the year	-	(2,846,672)	(2,846,672)

13. Basic and diluted loss per share

The calculation of the basic and diluted loss per share in total and for continuing operations is based on the following loss attributable to shareholders and weighted average number of shares outstanding.

	For the year ended 30 April 2014 £	Restated* For the year ended 30 April 2013 £
Loss for the purposes of basic and diluted earnings per share being net loss for the year	**(12,304,945)**	(8,909,848)
Loss for the purposes of basic and diluted earnings per share being net loss for the year from continuing operations	**(10,754,384)**	(8,232,401)
	30 April 2014	30 April 2013
Weighted average number of shares		
Issued shares at 1 May and 30 April	**102,130,000**	102,130,000
Weighted average number of shares in issue during the year	**102,130,000**	102,130,000
Basic and diluted loss per share	**(12.05) pence**	(8.72) pence
Basic and diluted loss per share from continuing operations	**(10.53) pence**	(8.06) pence

* See note 17

Notes to the Financial Statements
For the year ended 30 April 2014

14. Net asset value

	30 April 2014 **£**	30 April 2013 £
Total assets	**50,173,050**	68,250,725
Total liabilities	**9,627,509**	7,894,225
Net asset value	**40,545,541**	60,356,500
Number of shares in issue (note 25)	**102,130,000**	102,130,000
Net asset value per share	**0.40**	0.59

15. Investment property and plantations

30 April 2014	**Merchantable timber** **£**	**Pre-merchantable timber** **£**	**Total plantations** **£**	**Land** **£**	**Total** **£**
Fair value as at 1 May 2013	**13,600,377**	**17,224,668**	**30,825,045**	**28,494,485**	**59,319,530**
Capitalised costs	**-**	**718,512**	**718,512**	**-**	**718,512**
Reclassification to assets held for sale during the year (note 17)	**(4,148,922)**	**(1,900,928)**	**(6,049,850)**	**(6,298,730)**	**(12,348,580)**
	9,451,455	**16,042,252**	**25,493,707**	**22,195,755**	**47,689,462**
Fair value (loss)/gain on land and plantations	**(3,958,034)**	**(1,690,433)**	**(5,648,467)**	**402,355**	**(5,246,112)**
Foreign exchange effect	**(549,429)**	**(2,617,317)**	**(3,166,746)**	**(3,848,522)**	**(7,015,268)**
Fair value as at 30 April 2014	**4,943,992**	**11,734,502**	**16,678,494**	**18,749,588**	**35,428,082**

30 April 2013	Merchantable timber £	Pre-merchantable timber £	Total plantations £	Land £	Total £
Fair value as at 1 May 2012	16,745,906	20,587,129	37,333,035	35,839,567	73,172,602
Capitalised costs	-	1,221,723	1,221,723	452	1,222,175
Harvested timber	(189,469)	-	(189,469)	-	(189,469)
Disposals	(3,137,777)	(684,348)	(3,822,125)	(6,149,831)	(9,971,956)
Transfer to merchantable timber	20,680	(20,680)	-	-	-
	13,439,340	21,103,824	34,543,164	29,690,188	64,233,352
Fair value loss on land and plantations	(533,333)	(2,644,742)	(3,178,075)	(1,552,644)	(4,730,719)
Fair value gain on land and plantations relating to discontinued operation (note 17)	119,055	101,505	220,560	22,575	243,135
Impairment due to fire, hazardous weather and other damages	(31,588)	(1,453,334)	(1,484,922)	**-**	(1,484,922)
Decrease in fair value of investment property and plantations	(445,866)	(3,996,571)	(4,442,437)	(1,530,069)	(5,972,506)
Foreign exchange effect	606,903	117,415	724,318	334,366	1,058,684
Fair value as at 30 April 2013	13,600,377	17,224,668	30,825,045	28,494,485	59,319,530

No harvested timber was held at the end of the year (30 April 2013: nil).

The Group engages external independent professional valuers to determine the fair values of the investment properties and plantations on a six-monthly basis. The Group's policy is to change the valuer of each property at least every three years.

The investment properties and plantations are carried at their fair values as at 30 April 2014, as measured by external independent valuers Chandler Fraser Keating Limited, Consufor Advisory & Research, TerraSource Valuation LLC and Colliers International Valuation and Advisory. Each of the valuers uses similar methodologies, though this can vary depending on the type of investment and local practices. The fair value measurements of investment properties and plantations have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

The following tables show the valuation techniques used in measuring the fair values of investment properties and plantations, as well as the significant unobservable inputs used and their effects on the fair value measurements:

15. Investment property and plantations (continued)

Australia

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Colliers International ("CI") carried out a full valuation at 30 April 2014 of the land at the Tarrangower investment in Australia, based on the sales comparison approach. A full valuation of the land and plantations, with the valuation of the land being sub-contracted to CI, was carried out by Indufor Asia Pacific Limited ("Indufor") at 31 October 2013 and 30 April 2013, using a combination of the cost approach and the income approach. The property has been valued at 30 April 2014 on the basis that the highest and best use of this property is for grazing and cropping, which has resulted in the valuer making a provision within the valuation for the costs of conversion of the planted land back to this use. In the prior year the highest and best use was determined to be as an ongoing forestry business.	• Comparable land sales prices per hectare (AUD 285-AUD 1,213 for grazing land and AUD 1,510-AUD 3,000 for arable land) • Cost of conversion of land back to use for grazing and cropping per hectare (AUD 1,000 for arable land and AUD 800 for grazing land), plus a fencing allowance of AUD 15,000 per km, plus a profit and risk allowance of 20% of the rehabilitation and fencing allowances	The estimated fair value would increase/(decrease) if: • comparable land sales prices were higher/(lower) • conversion costs were lower/(higher) • the profit and risk allowance were lower/(higher)

Brazil – 3R Tocantins

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The 3R Tocantins property in Brazil was valued by Consufor Advisory & Research. Full valuations were carried out at 30 April 2014 and 30 April 2013 and a desktop valuation at 31 October 2013. The valuation 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. Planted forests up to 1 year old are valued using the replacement cost method, however as at 30 April 2014 the property contained no such forests. For the planted forests over 1 year old, the discounted cash flow method was used to determine value. This method considers the present value of the net cash flows expected to be generated by the plantation at maturity, the expected additional biological transformation and the risks associated with the asset; the expected net cash flows are discounted using a risk-adjusted discount rate. The methodology used in the current period is the same as that used at 31 October 2013 and 30 April 2013. There is a security interest over this property, the details of which are disclosed in note 30.	• Comparable land sales prices per hectare (BRL 2,310-BRL 5,074) • Estimated future log prices per m^3, being standing prices with the buyer absorbing all the costs of harvesting and haulage (BRL 31.6-BRL 50.0) • Estimated future overhead costs per planted hectare (BRL 190.0) • Estimated yields in m^3 per hectare per year (22.5-35.0) • Estimated land opportunity costs per planted hectare (BRL 160.0) • Estimated total establishment costs per hectare (BRL 7,115 for 1st rotation, BRL 2,701 for coppice rotation) • Risk-adjusted discount rate (8.69%) • Estimate of costs to sell (2%)	The estimated fair value would increase/(decrease) if: • comparable land sales prices were higher/(lower) • estimated log prices were higher/(lower) • estimated future overhead costs were lower/(higher) • estimated yields were higher/(lower) • estimated land opportunity costs were lower/(higher) • estimated establishment costs were lower/(higher) • the risk-adjusted discount rate were lower/(higher) • estimated costs to sell were lower/(higher)

15. Investment property and plantations (continued)

Brazil – Minas Gerais		
Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The three properties in Minas Gerais in Brazil were valued by TerraSource Valuation LLC. Desktop valuations were carried out at 30 April 2014 and 31 October 2013 and a full valuation at 30 April 2013. A desktop valuation does not include a physical inspection of the property by the valuer, however in the opinion of the Directors, carrying out a full valuation as at 30 April 2014, as opposed to a desktop valuation, would not have resulted in a material difference in valuation. The valuation method applied at 30 April 2014, 31 October 2013 and at 30 April 2013 was a combination of the cost approach and the income approach, with a weighting of 60:40 in favour of the latter. The cost approach consists of summation of several elements, usually including bare land, pre-merchantable timber and merchantable timber. The bare land component is valued using the comparable sales method. Timber is treated as an improvement, and is valued by comparing it with open market stumpage sales of similar timber. The income approach is based upon a valuation model: current land value is derived using the comparable sales method plus timber value derived using discounted cash flow analysis. The discounted cash flow analysis considers the present value of the net cash flows expected to be generated by the plantation at maturity, the expected additional biological transformation and the risks associated with the asset; the expected net cash flows are discounted using a risk-adjusted discount rate.	• Land value per hectare (BRL 2,235-BRL 4,752) • Estimated future log prices per m^3, being standing prices with the buyer absorbing all the costs of harvesting and haulage (BRL 53.5-BRL 55.5) • Estimated future overhead costs per planted hectare (BRL 122.1) • Estimated yields in m^3 per hectare per year (35.0-40.0) • Estimated land opportunity costs per planted hectare per annum (BRL 171.1, assuming no real land appreciation) • Risk-adjusted discount rate (9.0%) • Estimate of costs to sell (2%)	The estimated fair value would increase/(decrease) if: • land values were higher/(lower) • estimated log prices were higher/(lower) • estimated future overhead costs were lower/(higher) • estimated yields were higher/(lower) • estimated land opportunity costs were lower/(higher) • the risk-adjusted discount rate were lower/(higher) • estimated costs to sell were lower/(higher)

15. Investment property and plantations (continued)

Hawaii		
Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
The properties in Hawaii, Pahala and Pinnacle, are leasehold interests without any ownership of the underlying land. Valuations have been prepared on the assumption that these leases will be renewed on their expiry in 2015 (see note 27) and that the Group is able to secure access to the port. These investments were valued by Chandler Fraser Keating Limited ("CFKL") in accordance with IFRS. Desktop valuations were carried out by CFKL at 30 April 2014 and 31 October 2013, augmented by a limited inspection of the forests at the time of the 31 October 2013 valuation. A desktop valuation was carried out by URS Australia Pty Limited at 30 April 2013. In the opinion of the Directors, carrying out a full valuation as at 30 April 2014, as opposed to a desktop valuation, would not have resulted in a material difference in valuation. For these valuations the discounted cash flow method was used. This method considers the present value of the net cash flows expected to be generated by the plantation. The cash flow projections include specific estimates for 12 years. The expected net cash flows are discounted using a risk-adjusted discount rate. The methodology used in the current period is the same as that used at 31 October 2013 and 30 April 2013.	• Estimated future log prices per m^3, being domestic log prices of timber delivered to mill or ports (US$42.41-US$69.29) • Estimated future indirect costs per hectare per year (US$99.0-US$101.1) • Estimated future logging costs per m^3 (US$22.06-US$42.55) • Estimated yields in m^3 per hectare (55-675) and estimated mix of grade quality • Estimated future transportation costs per m^3 (US$11.88-US$27.67) • Estimated road construction and maintenance costs per m^3 (US$1.50-US$4.94) • Risk-adjusted discount rate (9.5%) • Estimate of costs to sell (3%) • Development costs per hectare (US$750) • Availability of a suitable domestic, and where applicable, global market for the logs	The estimated fair value would increase/(decrease) if: • the estimated log prices were higher/(lower) • the estimated indirect costs were lower/(higher) • the estimated logging costs were lower/(higher) • the estimated yields were higher/(lower) and the estimated average grade quality were higher/(lower) • the estimated transportation costs were lower/(higher) • the estimated road construction costs were lower/(higher) • the risk-adjusted discount rate were lower/(higher) • estimated costs to sell were lower/(higher) • development costs were lower/(higher) • domestic and/or global demand for the logs were higher/(lower)

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.

16. Buildings, plant and equipment

30 April 2014	**Furniture and fittings £**	**Buildings £**	**Improvements £**	**Motor vehicles £**	**Total £**
Cost/valuation brought forward	**1,830**	**241,805**	**9,267**	**18,168**	**271,070**
Accumulated depreciation	**(1,046)**	**(24,621)**	**(4,537)**	**(9,543)**	**(39,747)**
Balance as at 1 May 2013	**784**	**217,184**	**4,730**	**8,625**	**231,323**
Movements					
Impairment loss on revaluation	**-**	**(6,241)**	**-**	**-**	**(6,241)**
Depreciation for the year	**(250)**	**-**	**-**	**(931)**	**(1,181)**
Foreign exchange effect	**(127)**	**(37,648)**	**(831)**	**(1,472)**	**(40,078)**
	(377)	**(43,889)**	**(831)**	**(2,403)**	**(47,500)**
Carrying value					
Balance as at 30 April 2014	**407**	**173,295**	**3,899**	**6,222**	**183,823**

30 April 2013	Furniture and fittings £	Buildings £	Improvements £	Motor vehicles £	Total £
Cost/valuation brought forward	2,161	238,769	6,424	17,865	265,219
Accumulated depreciation	(1,083)	-	-	(8,380)	(9,463)
Balance as at 1 May 2012	1,078	238,769	6,424	9,485	255,756
Movements					
Impairment loss on revaluation	-	(24,014)	(4,451)	-	(28,465)
Depreciation for the year	(285)	-	-	(1,209)	(1,494)
Foreign exchange effect	(9)	2,429	2,757	349	5,526
	(294)	(21,585)	(1,694)	(860)	(24,433)
Carrying value					
Balance as at 30 April 2013	784	217,184	4,730	8,625	231,323

The buildings and improvements are carried at their fair value as at 30 April 2014, as measured by external independent professional valuers. The fair value measurements of buildings and improvements have been categorised as Level 3 fair values based on the inputs to the valuation techniques used. A full valuation of the buildings and improvements in Australia was carried out at 30 April 2014 and at 30 April 2013 using the sales comparison method. A desktop valuation of the buildings and improvements in Minas Gerais in Brazil was carried out at 30 April 2014 and a full valuation as at 30 April 2013, based on the replacement cost less depreciation. In the opinion of the Directors, carrying out a full valuation as at 30 April 2014, as opposed to a desktop valuation, would not have resulted in a material difference in valuation. The motor vehicles and furniture and fittings are carried at cost less accumulated depreciation.

17. Assets held for sale/discontinued operation

The Group entered into two agreements to sell 15,100 acres of land and plantations in two tracts in the state of Georgia; these sales were completed in May and June 2014. Accordingly, as at 30 April 2014, these assets have been classified in these consolidated financial statements as assets held for sale.

	30 April 2014 £	30 April 2013 £
Reclassified from investment property and plantations (note 15)	**12,348,580**	-
Decrease in the fair value of assets held for sale	**(1,014,837)**	-
Foreign exchange effect	**(929,691)**	-
	10,404,052	-

The fair value measurement of £10,404,052 has been categorised as a Level 2 fair value based on the agreed sale prices for the assets less costs to sell. In the prior year these assets were classified as Level 3 in the fair value hierarchy and were measured using the comparable sales method (for the investment property) and the discounted cash flow basis (for the plantations).

The Group's North America segment will be wound up shortly after the completion of the above asset sales. The assets and liabilities of the North America segment were not previously classified as held-for-sale or the segment classified as a discontinued operation. The comparative consolidated statement of comprehensive income and other comprehensive income and statement of cash flows have been restated to show the discontinued operation separately from continuing operations.

17. Assets held for sale/discontinued operation (continued)

The results of the discontinued operation are as follows:

	For the year ended 30 April 2014 £	For the year ended 30 April 2013 £
Revenue	**75,225**	26,359
Loss on sale of investment property and plantations	**-**	(72,204)
Fair value (loss)/gain on investment property and plantations	**(1,014,837)**	243,135
Administrative expenses	**(12,012)**	(50,720)
Forestry management expenses	**(111,097)**	(115,972)
Other operating forestry expenses	**(237,409)**	(204,629)
Finance income	**357**	1,898
Finance costs	**(250,788)**	(505,314)
Taxation	**-**	-
Loss for the year	**(1,550,561)**	(677,447)
Basic and diluted loss per share	**(1.52) pence**	(0.66) pence

The loss from the discontinued operation of £1,550,561 (2013: £677,447) is attributable entirely to the shareholders of the Company.

The unrecognised deferred tax assets related to the discontinued operation are disclosed in note 12.

Net cash flows attributable to the discontinued operations were as follows:

	For the year ended 30 April 2014 £	For the year ended 30 April 2013 £
Operating activities		
Loss for the year	(1,550,561)	(677,447)
Adjustments for:		
Decrease/(increase) in fair value of investment property and plantations	1,014,837	(243,135)
Net finance costs	250,431	503,416
Decrease in trade and other receivables	-	16,469
Increase/(decrease) in trade and other payables	2,609	(85,732)
Net cash used in operating activities	**(282,684)**	(486,429)
Net cash used in investing activities (costs capitalised to and sales proceeds of land and plantations)	**(119,500)**	10,028,282
Net cash used in financing activities (net finance costs)	**(222,973)**	(3,931,026)
Foreign exchange movements	**(98,408)**	27,993
Net cash flow for the year	**(723,565)**	5,638,820

18. Trade and other receivables

	30 April 2014 £	30 April 2013 £
Goods and services tax receivable	**135,054**	107,555
Trade receivables	**23,698**	84,223
Prepaid expenses	**56,985**	71,495
	215,737	263,273

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables is disclosed in note 28.

19. Bank borrowings

	30 April 2014 **£**	30 April 2013 £
Non-current liabilities		
Metropolitan Life Insurance Company ('Metropolitan Life') secured loan	**-**	3,787,463
Current liabilities		
Metropolitan Life Insurance Company ('Metropolitan Life') secured loan	**3,512,508**	-

The loan is secured on approximately 15,100 acres of timber and timberland assets located in two tracts in the state of Georgia (30 April 2013: 15,100 acres). The carrying value of these assets at the year end was £10.4 million (30 April 2013: £12.2 million).

During the year Metropolitan Life released US$0.5 million previously held as security on the loan. Subsequent to the year end, following the disposal of the Georgia timberland (see note 17), the Group repaid the remaining balance of the loan. Early repayment penalties of approximately 25% of the excess amount are incurred for repayments of principal in excess of US$4 million per annum, however the repayments were scheduled in such a manner that any such charges were avoided. The loan term was ten years, with a final termination date of 15 October 2020 and interest rate fixed at 5.75% over the life of the loan.

20. Foreign exchange effect

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

30 April 2014	**Exchange rate at 30 April 2014**	**Exchange rate at 30 April 2013**	**Translation reserve movement**
Continuing operations			
Australian Dollar	**1.8167**	**1.4976**	**(758,851)**
Brazilian Real	**3.7600**	**3.1082**	**(5,510,022)**
United States Dollar	**1.6873**	**1.5532**	**(507,422)**
			(6,776,295)
Discontinued operation			
United States Dollar	**1.6873**	**1.5532**	**(729,719)**
			(7,506,014)

30 April 2013	Exchange rate at 30 April 2013	Exchange rate at 30 April 2012	Restated* Translation reserve movement
Continuing operations			
Australian Dollar	1.4976	1.5566	237,439
Brazilian Real	3.1082	3.1001	(185,977)
New Zealand Dollar	1.8166	1.9834	(1,145)
United States Dollar	1.5532	1.6234	2,130,041
			2,180,358
Discontinued operation			
United States Dollar	1.5532	1.6234	(1,074,745)
			1,105,613

*See note 17

21. Cash and cash equivalents

	30 April 2014 **£**	30 April 2013 £
Cash held at bank	**3,052,251**	7,148,698
Cash held in Escrow	**889,105**	1,287,901
	3,941,356	8,436,599

The cash held in Escrow is held as security against the loan payable to Metropolitan Life Insurance Company (see note 19). During the year the sum of US$0.5 million was released from Escrow. Subsequent to the year end, on disposal of the Group's assets in Georgia (see note 17), the loan was repaid and the remaining cash held in escrow was released.

22. Trade and other payables

	30 April 2014 £	30 April 2013 £
Accruals	**228,516**	678,567
Trade creditors	**148,091**	270,179
Taxation payable	**74,270**	-
	450,877	948,746

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 28.

23. Investment in Subsidiaries

The financial statements of the Group consolidate the results, assets and liabilities of the subsidiary companies listed below:

Direct subsidiaries	Country of Incorporation	Beneficial interest	Financial year end
Cambium Tarrangower Holdings Limited	Jersey	100%	30 April
Cambium Pahala Holdings Limited	British Virgin Islands	100%	30 April
Cambium Pinnacle Holdings Limited	British Virgin Islands	100%	30 April
Cambium Holdings Limited	British Virgin Islands	100%	30 April
Corrigan Holdings Limited	British Virgin Islands	100%	30 April
Cambium Minas Gerias Holdings Limited	British Virgin Islands	100%	30 April
Cambium MG Holdings Limited	British Virgin Islands	100%	30 April
Cambium South Atlantic Holdings Limited	British Virgin Islands	100%	30 April

Indirect subsidiaries	Country of Incorporation	Beneficial interest	Financial year end
Cambium Hungary Holdings Kft	Hungary	100%	30 April
Corrigan Hungary Holdings Kft	Hungary	100%	30 April
Cambium Australia Trust (Unit Trust)	Australia	100%	30 April
Cambium Pahala Inc.	United States	100%	30 April
Cambium Pinnacle Inc.	United States	100%	30 April
Cambium South Atlantic Inc.	United States	100%	30 April
Cambium Brazil MG Investments Florestais Ltda	Brazil	100%	30 April
3R Tocantins Investments Florestais Ltda	Brazil	100%	30 April

24. Net asset value reconciliation

	For the year ended 30 April 2014 £	Restated* For the year ended 30 April 2013 £
Net asset value brought forward	**60,356,500**	68,160,735
Translation of foreign exchange differences	**(7,506,014)**	1,105,613
Decrease in fair value of investment property and plantations	**(5,246,112)**	(4,730,719)
Provisions	**(3,218,085)**	-
Impairment due to fire, hazardous weather and other damages	**-**	(1,484,922)
Loss on revaluation of buildings, plant and equipment	**(6,241)**	(28,465)
Net finance income	**565**	8,450
Net foreign exchange (loss)/gain	**(15,306)**	26,366
Loss from discontinued operations (note 17)	**(1,550,561)**	(677,447)
Loss before above items	**(2,269,205)**	(2,023,111)
Net asset value carried forward	**40,545,541**	60,356,500

*See note 17

25. Stated capital

	30 April 2014 £	30 April 2013 £
Balance as at 30 April	**2,000,000**	2,000,000

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

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

The Company was granted authority by shareholders on 15 August 2008 to make market purchases of its own shares, an authority which was renewed on 4 October 2010, on 12 October 2011, on 8 October 2012 and on 16 October 2013.

Shares in issue

	30 April 2014 Number	30 April 2013 Number
In issue at 1 May and 30 April	**102,130,000**	102,130,000
In issue at 30 April fully paid	**102,130,000**	102,130,000

26. Reserves
The movements in the reserves for the Group are shown in the Statement of Changes in Equity on page 16.

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

Distributable reserve
In June 2007 the Company reduced its stated capital account and a balance of £102,350,000 was transferred to distributable reserves. This reserve is utilised if the Company wishes to purchase its own shares and for the payment of dividends.

27. Operating leases
The maturity of prepaid operating leases is as follows:

	30 April 2014 £	30 April 2013 £
Less than one year	**122,763**	116,262
Between one and two years	**50,346**	131,357
Between two and five years	-	43,792
Over five years	-	-
	173,109	291,411

The leases relate to the Hawaiian land. The Pahala lease expires in December 2015 and the Group has an option for a further five year term to December 2020 and an additional 4 year period to harvest any trees standing at that time, ending in December 2024. The Pinnacle lease expires in March 2015 and the Group has options for two further five year terms to March 2020 and to March 2025.

Under the terms of the leases, a profit share element on the sale of timber is payable to each landlord. For Pahala, this is a percentage of between 25% and 50% of the net sales price above US$76.81 per green metric tonne ("gmt"). For Pinnacle, this is 20% of the net stumpage above US$25/gmt. No profit share was payable to the landlords during the year (2013: £Nil).

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

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

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

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

28. Financial instruments risk exposure and management (continued)

Principal financial instruments (continued)
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

	30 April 2014	30 April 2013
Loans and receivables		
Trade and other receivables	**215,737**	263,273
Cash and cash equivalents	**3,941,356**	8,436,599
Current financial liabilities		
Financial liabilities measured at amortised cost		
Bank loan	**3,512,508**	-
Trade and other payables	**450,877**	948,746
Non-current financial liabilities		
Financial liabilities measured at amortised cost		
Other payable	**257,372**	311,344
Bank loan	**-**	3,787,463

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

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

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

30 April 2014 Counterparty	Credit rating agency	Rating	Carrying amount £
Investec Bank (Channel Islands) Limited	Fitch	F3	76,330
Royal Bank of Scotland International Limited	Fitch	F1	3,499
National Australia Bank Limited	Fitch	F1+	130,357
UBS AG	Fitch	F1	1,353,036
Deutsche Bank AG	Fitch	F1+	968,999
BNP Paribas	Fitch	F1	512
Regions Bank	Fitch	F3	889,105
Bank of America Corporation	Fitch	F1	55,958
HSBC	Fitch	F1+	129,019
Banco da Amazonia	Fitch	F2	18
Citibank	Fitch	F1	217,084
BB&T Corporation	Fitch	F1	117,439

30 April 2014 Maturities of these cash and cash equivalents	Less than 1 month £	1 to 3 months £	3 months to 1 year £	More than 1 year £
Investec Bank (Channel Islands) Limited	76,330	-	-	-
Royal Bank of Scotland International	3,499	-	-	-
National Australia Bank Limited	130,357	-	-	-
UBS AG	1,353,036	-	-	-
Deutsche Bank AG	968,999	-	-	-
BNP Paribas	512	-	-	-
Regions Bank	-	889,105	-	-
Bank of America Corporation	55,958	-	-	-
HSBC	129,019	-	-	-
Banco da Amazonia	18	-	-	-
Citibank	217,084	-	-	-
BB&T Corporation	117,439	-	-	-
	3,052,251	889,105	-	-

28. Financial instruments risk exposure and management (continued)

30 April 2013 Counterparty	Credit rating agency	Rating	Carrying amount £
Investec Bank (Channel Islands) Limited	Fitch	F3	18,138
Royal Bank of Scotland International Limited	Fitch	F1	10,549
National Australia Bank Limited	Fitch	F1+	43,033
UBS AG	Fitch	F1	2,758,844
Morgan Stanley	Fitch	F1	64,248
Deutsche Bank AG	Fitch	F1+	2,608,722
BNP Paribas	Fitch	F1+	546
UniCredit S.p.A.	Fitch	F2	166,343
Regions Bank	Fitch	F3	1,740,996
Bank of America Corporation	Fitch	F1	152,684
HSBC	Fitch	F1+	241,194
Banco da Amazonia	Fitch	F2	2,538
Citibank	Fitch	F1	628,764

30 April 2013 Maturities of these cash and cash equivalents	Less than 1 month £	1 to 3 months £	3 months to 1 year £	More than 1 year £
Investec Bank (Channel Islands) Limited	18,138	-	-	-
Royal Bank of Scotland International	10,549	-	-	-
National Australia Bank Limited	43,033	-	-	-
UBS AG	2,758,844	-	-	-
Morgan Stanley	64,248	-	-	-
Deutsche Bank AG	2,608,722	-	-	-
BNP Paribas	546	-	-	-
UniCredit S.p.A.	166,343	-	-	-
Regions Bank	453,095	-	-	1,287,901
Bank of America Corporation	152,684	-	-	-
HSBC	241,194	-	-	-
Banco da Amazonia	2,538	-	-	-
Citibank	628,764	-	-	-
	7,148,698	-	-	1,287,901

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

(b) 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 Board believes that the Group has sufficient resources to appropriately manage its liquidity risk.

The Group had a loan of £3.5 million (2013: £3.8 million) from Metropolitan Life which was secured on approximately 15,100 acres of timber and timberland assets located in two tracts in the state of Georgia. The loan was repaid subsequent to the year end (see note 19).

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

Contract maturities of financial liabilities

30 April 2014	**Carrying amount £**	**Contractual cashflows £**	**Less than 1 year £**	**1 to 2 years £**	**2 to 5 years £**	**More than 5 years £**
Trade and other payables	**708,249**	**708,249**	**450,877**	**257,372**	**-**	**-**
Bank loan	**3,512,508**	**3,542,333**	**3,542,333**	**-**	**-**	**-**
Total	**4,220,757**	**4,250,582**	**3,993,210**	**257,372**	**-**	**-**

28. Financial instruments risk exposure and management (continued)

Contract maturities of financial liabilities (continued)

30 April 2013	Carrying amount £	Contractual cashflows £	Less than 1 year £	1 to 2 years £	2 to 5 years £	More than 5 years £
Trade and other payables	1,260,090	1,260,090	1,260,090	-	-	-
Bank loan	3,787,463	5,435,931	220,804	220,804	663,017	4,331,306
Total	5,047,553	6,696,021	1,480,894	220,804	663,017	4,331,306

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

(d) Foreign exchange currency risk
The Group is exposed to currency risk through investing in assets held in currencies other than the functional currency. As a result, the Group is exposed to the risk that the exchange rates of Sterling relative to other 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 commercial transactions, recognised monetary assets and liabilities and net investments in foreign operations. The Group does not hedge against currency risk and so bears the risk of currency fluctuation.

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

30 April 2014	**Monetary assets £**	**Monetary liabilities £**	**Net exposure £**
Australian Dollar	**158,558**	**26,136**	**132,422**
Brazilian Real	**464,092**	**334,130**	**129,962**
United States Dollar	**1,090,956**	**3,746,487**	**(2,655,531)**
	1,713,606	**4,106,753**	**(2,393,147)**

30 April 2013	Monetary assets £	Monetary liabilities £	Net exposure £
Australian Dollar	112,529	519,560	(407,031)
Brazilian Real	995,038	479,582	515,456
United States Dollar	2,145,333	3,937,714	(1,792,381)
	3,252,900	4,936,856	(1,683,956)

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

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

	30 April 2014 £	30 April 2013 £
Australian Dollar	**963,180**	5,091,462
Brazilian Real	**24,656,360**	31,159,606
United States Dollar	**12,623,557**	18,785,167
	38,243,097	55,036,235

The Group is subject to concentration risk in relation to its exposure to US Dollars and Brazilian Real. The Group holds 31% (2013: 31%) of its net assets in US Dollars and 61% (2013: 52%) of its net assets in Brazilian Real.

28. Financial instruments risk exposure and management (continued)

(d) Foreign exchange currency risk (continued)
At 30 April 2014, had Sterling strengthened by 15% in relation to all currencies, with all other variables held constant, the net asset value would have decreased by the amounts shown below:

	30 April 2014 £	30 April 2013 £
Australian Dollar	**(144,477)**	(763,719)
Brazilian Real	**(3,698,454)**	(4,673,941)
United States Dollar	**(1,893,534)**	(2,817,775)
	(5,736,465)	(8,255,435)

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.

(e) 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 has 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 following tables.

Interest rate profile As at 30 April 2014	**Rate %**	**Amount £**
Weighted average interest rate		
Loans and receivables		
Non-interest bearing	**0.00**	**215,737**
Cash and cash equivalents		
Variable	**0.16**	**3,941,356**
Financial liabilities at amortised cost - trade and other payables		
Non-interest bearing	**0.00**	**708,249**
Bank loan		
Fixed rate	**5.75**	**3,512,508**

Interest rate profile As at 30 April 2013	Rate %	Amount £
Weighted average interest rate		
Loans and receivables		
Non-interest bearing	0.00	263,273
Cash and cash equivalents		
Variable	0.16	8,436,599
Financial liabilities at amortised cost - trade and other payables		
Non-interest bearing	0.00	1,260,090
Bank loan		
Fixed rate	5.75	3,787,463

For the Group, an increase of 100 basis points in interest yields would decrease pre-tax loss by £39,414 (2013: £84,366). A decrease of 25 basis points in interest yields would increase pre-tax loss by £8,216 (2013: £20,958).

28. Financial instruments risk exposure and management (continued)

(f) Fair values

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

	30 April 2014	
	Carrying amount £	**Fair value £**
Financial assets carried at amortised cost		
Trade and other receivables	**215,737**	**215,737**
Cash and cash equivalents	**3,941,356**	**3,941,356**
	4,157,093	**4,157,093**
Financial liabilities carried at amortised cost		
Trade and other payables	**708,249**	**708,249**
Bank loan	**3,512,508**	**3,512,508**
	4,220,757	**4,220,757**

	30 April 2013	
	Carrying amount £	Fair value £
Financial assets carried at amortised cost		
Trade and other receivables	263,273	263,273
Cash and cash equivalents	8,436,599	8,436,599
	8,699,872	8,699,872
Financial liabilities carried at amortised cost		
Trade and other payables	1,260,090	1,260,090
Bank loan	3,787,463	4,880,373
	5,047,553	6,140,463

(g) Fair value hierarchy

The following table analyses the Group's assets and liabilities not measured at fair value. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and 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);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 30 April 2014	**Level 1 £**	**Level 2 £**	**Level 3 £**	**Total £**
Assets				
Trade and other receivables	**-**	**215,737**	**-**	**215,737**
Cash and cash equivalents	**-**	**3,941,356**	**-**	**3,941,356**
	-	**4,157,093**	**-**	**4,157,093**
Liabilities				
Trade and other payables	**-**	**708,249**	**-**	**708,249**
Bank loan	**-**	**3,512,508**	**-**	**3,512,508**
	-	**4,220,757**	**-**	**4,220,757**

During the year the bank loan was transferred from Level 3 to Level 2, as the loan was repaid in June 2014, as a result of which its fair value measurement at the year end was no longer calculated on a discounted cash flow basis and was based to a significantly lesser degree on estimated unobservable inputs.

The Group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

29. 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.

There were no changes to the Group's approach to capital management during the year. As at 30 April 2014, under the terms of its loan from Metlife, the Group's SPE Cambium South Atlantic Inc. was required to retain the sum of US$1,500,000 (£888,994) (2013: US$2,000,000 (£1,287,901)) in an Escrow account. Neither the Company nor any of its subsidiaries were subject to any other externally imposed capital requirements as at 30 April 2014 or 30 April 2013.

30. Provisions

There is a security interest on the property owned by 3R Tocantins Florestais Ltda. ("3R Tocantins") to cover a liability between the previous owners and Banco da Amazonia (BASA), a financial institution which lent money to the previous owners who used the property as collateral. In February 2009, BASA filed a lawsuit against the previous owners of 3R Tocantins aiming to foreclose on its mortgage and collect BRL 5.8 million (£1.6 million). As at 30 April 2014, the estimated total liability was BRL 13.1 million (approximately £3.5 million) after considering 1) a monthly interest rate of 1%, 2) the official monetary restatement of the INPC (Brazilian consumer prices index) of 6.19% per annum and 3) estimated attorney fees of 15% of the value of the claim as of the filing date of the collection lawsuit on 17 December 2009.

3R Tocantins holds a security interest on Lizarda, another property of the previous owners, to cover for this potential liability in the event it materialises. A third party valuation completed in December 2013 valued this property at BRL 7.7 million (£2.0 million), however the security on this property may be limited to BRL 5.0 million (£1.3 million) and may not be enforceable.

3R Tocantins has an outstanding liability due to the previous owners of BRL 1.0 million (£0.3 million) (2013: BRL 1.0 million (£0.3 million)), approximately 6% of the purchase price of the 3R Tocantins property, which was retained to support any liability associated with the previous owners.

The Directors will continue to use their best endeavours to negotiate with BASA to relieve the security interest on 3R Tocantins, and if necessary attempt to enforce the security interest on Lizarda. However, given the uncertainty in relation to these events, an amount of BRL 12.1 million (£3.2 million) has been provided to cover any potential claim as a result of the above circumstances. In the opinion of the Directors this provision, together with the existing BRL 1.0 million retention, should cover the estimated mortgage liability if called upon.

31. Related party transactions

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

During the year £520,380 (2013: £605,213) was paid to CP Cogent Asset Management LP in respect of management fees. There was no balance outstanding at the year end (2013: £nil).

In the event that 100% of the Group's investment portfolio had been sold and the proceeds received by the Group on or before 25 February 2014 (one year after the business day following the EGM resolving to implement the realisation strategy), the Investment Manager would have been entitled to receive a realisation fee amounting to 1% of the aggregate net sale proceeds received and with effect from the date the last sale proceeds were received by the Group, the management fee receivable by the Investment Manager would then have reduced to nil. If only 85% or more but less than 100% of the Group's investment portfolio had been sold and the proceeds received by the Group on or before 25 February 2014, the Investment Manager would have been entitled to receive a realisation fee amounting to 1% of the aggregate net sale proceeds received and with effect from the date the last sale proceeds were received by the Group, the management fee receivable by the Investment Manager would then have reduced by 85%. No realisation fee has been paid or accrued in the year.

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

	30 April 2014 **£**	30 April 2013 £
Donald Adamson	**40,000**	40,000
Svante Adde	**19,298**	-
Roger Lewis	**19,298**	-
Martin Richardson	**25,000**	25,000
Robert Rickman	**25,000**	25,000
William Spitz	**5,702**	25,000
	134,298	115,000

Colin McGrady is a director of the General Partner of Cogent Asset Management LP, which acts as Investment Manager. Until his resignation on 23 July 2013, he was also a Director of the Company, but waived his Director's fee for the year. William Spitz also resigned as a Director on 23 July 2013, on which date Svante Adde and Roger Lewis were appointed as Directors.

In addition to their contractual Directors' fees, Svante Adde and Robert Rickman were paid fees of £15,000 and £25,000 respectively for their work in visiting and reviewing the Group's portfolio of assets.

Notes to the Financial Statements
For the year ended 30 April 2014

31. Related party transactions (continued)
At the year end the Directors had the following interests in the shares of the Company:

	30 April 2014 Number	30 April 2013 Number
Donald Adamson	550,000	550,000
Svante Adde	200,000	-
Martin Richardson	150,000	150,000
Robert Rickman	25,000	25,000

During the part of the year in which they served as Directors of the Company, Colin McGrady and William Spitz had interests in 300,000 and 100,000 shares of the Company respectively.

32. Events after the year end
Subsequent to the year end, in May and June 2014, the Group completed the sales of 15,100 acres of land and plantations in two tracts in the state of Georgia. The Group used a portion of the proceeds from these disposals to repay the loan from Metropolitan Life as disclosed in note 19.

There were no other significant events after the year end which, in the opinion of the Directors, require disclosure in these financial statements.

Cambium Global Timberland Limited

Key Parties

Directors
Donald Adamson (Chairman)
Svante Adde
Roger Lewis
Martin Richardson
Robert Rickman

Investment Manager
CP Cogent Asset Management LP
2101 Cedar Springs Road
Suite 1200
Dallas, TX
75201
United States

Sub Administrator
Praxis Fund Services Limited
PO Box 296
Sarnia House
St Peter Port
Guernsey GY1 4NA

Administrator and Company Secretary
Bedell Trust Company Limited
26 New Street
St Helier
Jersey JE2 3RA

Auditor
KPMG Channel Islands Limited
37 Esplanade
St Helier
Jersey JE4 8WQ

Registrar, Paying Agent and Transfer Agent
Capita Registrars (Jersey) Limited
PO Box 378
Jersey JE4 0FF

Sponsor to CISX Listing and Legal Advisor
Carey Olsen Corporate Finance Limited
44 Esplanade
St Helier
Jersey JE1 0BD

Corporate Broker and Nominated Adviser for AIM
Panmure Gordon (UK) Limited
1 New Change
London EC2M 9AF

Registered Office of the Company
26 New Street
St Helier
Jersey JE2 3RA

Property Valuers
Colliers International Valuation & Advisory
Services (NSW) Pty Limited
Level 12, 225 George St
Sydney
New South Wales 2000
Australia

Consufor Advisory & Research
Rua Fagundes Varela
585 - Jardim Social
CEP 82520-040
Curitiba
Brazil

TerraSource Valuation LLC
2314 Katie Leigh Lane
Monroe, NC
28110
United States

Chandler Fraser Keating Limited
PO Box 2246
Rotorua 3040
New Zealand

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to any aspect of this notice, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

When considering what action you should take, you are recommended to seek your own personal financial advice from a suitable adviser. If you sell or have sold or transferred all your shares in Cambium Global Timberland Limited, you should hand this document and the documents accompanying it to the purchaser or agent through whom the sale was effected for transmission to the purchaser.

CAMBIUM GLOBAL TIMBERLAND LIMITED (the "Company")

(a closed-ended investment Company incorporated in Jersey, registration number 95719)

Board of Directors:
Donald Adamson
Martin Richardson
Robert Rickman
Roger Lewis
Svante Adde

Registered Office:
26 New Street
St Helier
Jersey
JE2 3RA

4 August 2014

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT pursuant to the Companies (Jersey) Law 1991 and the Articles of Association of the Company an Annual General Meeting of shareholders of the Company will be held at the Registered Office, 26 New Street, St Helier, Jersey, JE2 3RA on 16 October 2014 at 10.30 a.m. for the purpose of considering and, if thought fit, passing the resolutions set out below.

In connection with resolution 5 below a summary of the proposed Management Services Agreement and the steps taken to terminate the current management mandate for the Company is set out in the Explanatory Notes at the end of this Notice.

ORDINARY RESOLUTIONS

1. To receive and adopt the Directors' Report and the Audited Consolidated Financial Statements for the year ended 30 April 2014.
2. To approve the Director's Remuneration Report for the year ended 30 April 2014.
3. To re-appoint KPMG Channel Islands Limited as auditors of the Company.
4. To authorise the directors to fix the remuneration of the Company's auditors.
5. To approve the engagement by the Company of Mr. Robert Rickman as Operations Manager of the Company on the terms of a Management Services Agreement tabled at the Meeting.

SPECIAL RESOLUTIONS

6. To grant standing authority such that the Company be authorised generally and without conditions to make market purchases of its ordinary shares and is hereby generally and unconditionally authorised to make market purchases of fully paid shares in the capital of the Company ("shares") pursuant to Article 57 of the Companies (Jersey) Law 1991 (the "Law") and the Company's Articles of Association provided that:

(i) the maximum number of shares authorised to be purchased is 14.99 per cent. of the total shares in issue as at the date of this resolution (rounded to the nearest whole number);
(ii) the minimum price which may be paid for a share is £0.01; and
(iii) the maximum price which may be paid for a share is not more than 5 per cent. above the average of the middle market quotations of a share taken from the London Stock Exchange for the five business days immediately proceeding the date of the purchase (or such other amount as may be specified by the London Stock Exchange from time to time);
(iv) the minimum and maximum prices specified in sub-paragraphs (ii) and (iii) of this resolution are in all cases exclusive of any expenses by the Company;
(v) the Company shall fund the payments of the purchases of shares in any manner permitted by the Law;
(vi) the Directors of the Company reasonably believe that the Company shall be able to meet the solvency tests prescribed by the Law although will require to consider and confirm that the relevant solvency tests are met when any purchase is effected;
(vii) the authority hereby conferred shall expire on the earlier of (a) the date of the Annual General Meeting of the Company to be held in 2015; and/or (b) 18 months from the date of the passing of this resolution, unless

such authority is varied, revoked or renewed prior to such time by the Company in general meetings by special resolution; and

(viii) the Company may enter into a contract to purchase shares under the authority hereby conferred prior to the expiry of such authority which will or may be completed or executed wholly or partly after the expiry of such authority.

7. To approve the cancellation of the listing of the Company's ordinary shares on the Official List of the Channel Islands Securities Exchange Authority Ltd.

By order of the board

For and on behalf of
Praxis Fund Services Limited & **Bedell Fund Services Limited**
Sub-Administrator and Delegate Company Secretary   Administrator and Company Secretary

Date: 4 August 2014

Notes:
1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
2. The form of proxy, together, if appropriate, with the power of attorney or other authority (if any) under which it is signed, must be deposited at the office of the Company's UK Transfer Agent, Capita Registrars PXS, 34 Beckenham Road, Beckenham, England, BR3 4ZF, not later than forty-eight hours before the time appointed for holding the meeting.
3. Return of a completed form of proxy will not preclude a shareholder from attending and voting personally at the meeting.
4. The notice sets out the resolutions to be proposed at the meeting. The meeting will be chaired by a person nominated by the shareholders present in person or by proxy at the meeting. It is anticipated that the chairman of the meeting will be Mr Donald Adamson, in his absence, Mr Martin Richardson.
5. The quorum for a meeting of shareholders is two or more Shareholders present in person or by proxy.
6. If, within thirty minutes from the appointed time for the meeting, a quorum is not present, the meeting if convened by or upon a requisition shall be dissolved. If otherwise convened it shall stand adjourned for seven days at the same time and place or to such other day and at such other time and place as the Board may determine and no notice of adjournment need be given. At that meeting, those shareholders present in person or by proxy will form a quorum whatever their number and the number of shares held by them. A majority of not less than two-thirds of the total number of votes cast is required to pass the special resolutions.
7. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder’s name and number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
8. The time by which a person must be entered on the register of members in order to have the right to attend or vote at the meeting is 18.00 p.m. on 14 October 2014. If the meeting is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is 48 hours before the date fixed for the adjourned meeting. Changes to entries on the register of members after such times shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Explanatory Notes:

9. The Director’s Remuneration Report – Resolution 2
   The Board has appointed a Remuneration Committee which operated within defined terms of reference agreed by the Board. The report forms part of the Annual Report and Audited Financial Statements and an ordinary resolution has been put to shareholders to seek its approval.

10. The Company’s Buy Back Proposal – Resolution 6
    For the avoidance of doubt the Company has sanction this resolution as a special resolution requiring 2/3^{rds} (or a greater majority) of the votes cast to be in favour for the resolution to be validly passed.

11. De-listing of the Company’s Ordinary Shares from the CISE – Resolution 7
    The Company is currently admitted to trading on AIM and listed on the CISE Official List. The Board has decided that the Company no longer requires that the Shares are admitted to listing on the CISE for the following reasons:
    i). Changes to the ISA rules mean that investors can hold some or all of their annual ISA allowance in AIM shares. Previously the Shares were only able to be held in ISAs by virtue of the listing on the CISE.
    ii). The De-listing will reduce the Company’s costs going forward as it will no longer need to incur the administrative and compliance costs in connection with the maintenance of its CISE listing.
    iii). The Directors would like to simplify the Company’s listing structure by having the Shares admitted to trading only on AIM going forward.

12. Management Services Agreement – Resolution 5

    The Board of the Company has served a termination notice on CP Cogent Asset Management L.P. (“Cogent”) in its role as manager to the Company. The termination notice is conditional upon approval by shareholders of the Company of the appointment of Robert Rickman as Operations Manager of the Company pursuant to Resolution 5. If shareholders approve resolution 5 by ordinary resolution the termination of the Cogent engagement as manager will take effect on the AGM date and simultaneously Robert Rickman will become the Operations Manager of the Company.

    Under the proposed Management services Agreement Mr. Robert Rickman will be engaged personally by the Company as its Operations Manager. He will act as an independent contractor to and not as an employee of the Company. His duties will relate exclusively to the management oversight and realisation of the Company’s timber assets and will focus on developing proposals for the sale or other realisation of the remaining timber assets of the Company; negotiating the terms and conditions for implementation of such proposals (subject to approval by the Board of the Company); and managing arrangements for the execution and implementation of such proposals. The Operations Manager will not have authority to enter into contracts or undertakings binding on the Company or to appoint agents or other service providers to the Company unless the Board of the Company has given its prior written authority to the Operations Manager to do so. The Operations Manager will report to the Board of the Company on a quarterly basis in respect of the status and condition of the timber assets, the progress of the sale and realisation programme and the performance of the Company’s TIMOs.

The Operations Manger must exercise due care and diligence in the exercise of his duties for the Company. He will have the benefit of indemnity and exculpation provisions holding him harmless from personal liability save in respect of losses caused to the Company by breach of duty, wilful default or fraud on his part. In addition the Agreement sets out a limited recourse mechanism under which the aggregate liability of the Operations Manager towards the Company and its subsidiaries is to be limited by recourse exclusively against the recoverable proceeds of a professional indemnity policy to be taken out by the Operations Manager to provide insurance cover in respect of his duties to the Company. The professional indemnity policy will have a claims limit per claim and in the aggregate of £5,000,000. The Company will reimburse the Operations Manager for the annual premiums related to this policy. The Operations Manager will be entitled to remuneration at the rate of £8,000 per month together with reimbursement for travelling and related expenses. The Management Services Agreement will have a duration of twelve months and may be extended by successive periods of six months by mutual agreement between the parties. The Company may terminate the engagement on summary notice in the event of material breach of duty by the Operations Manager.

CAMBIUM GLOBAL TIMBERLAND LIMITED
FORM OF PROXY

Form of proxy for use by Shareholders of Ordinary Shares in Cambium Global Timberland Limited ("the Company") at the Annual General Meeting convened at 26 New Street, St Helier, Jersey, JE2 4RA, on 16 October 2014 at 10.30 a.m. (UK)

I/We

(full name(s) in block capitals)

Of

(address in block capitals)

being a Member/s of the above named Company, hereby appoint

1. (name and address of proxy in block capitals)

or, failing him/her

2. the Chairman of the meeting (see Note 1 below)

as my/our proxy to attend, and on a poll, vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 16 October 2014 at 10.30 a.m. and at any adjournment thereof.

I/We wish my/our proxy to vote as indicated below in respect of the resolutions to be proposed at the meeting. Please indicate which way you wish your proxy to vote by ticking the appropriate box alongside each resolution. (see note 2 below).

RESOLUTIONS	For	Against	Vote Withheld	Discretionary
Ordinary Resolutions				
1. That the Directors' Report and the Audited Consolidated Financial Statements for the year ended 30 April 2014 be received and adopted				
2. That the Director's Remuneration Report be accepted for the year ended 30 April 2014				
3. That KPMG Channel Islands Limited be re-appointed as auditors of the Company				
4. That the directors be authorised to fix the remuneration of the Company's auditors				
5. That the engagement by the Company of Mr. Robert Rickman as Operations Manager of the Company on the terms of the Management Services Agreement be approved.				
Special Business				
6. That the Company be authorised, subject to various conditions, to make market purchases of its own shares				
7. To approve the cancellation of the listing of the Company's ordinary shares on the Official List of the Channel Islands Securities Exchange Authority Ltd.				

Please indicate with either a "X" or "✓" in the appropriate box opposite the resolution how you wish your votes to be cast

Signature ………………………………… *(see Note 3 below)* Date…………………… 2014

Please return to Registrar: Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF

NOTES TO THE FORM OF PROXY

NOTES:

1. If you wish to appoint as your proxy someone other than the chairman of the meeting, write on the line the full name and address of your proxy.
2. In the absence of instructions, the person appointed proxy may vote or abstain from voting as he or she thinks fit on the specified resolutions and, unless instructed otherwise, the person appointed proxy may also vote or abstain from voting as he or she thinks fit on any other business (including amendments to resolutions) which may properly come before the meeting.
3. This form must be signed and dated by the shareholder or his/her attorney duly authorised in writing. If the shareholder is a company, it may execute under its common seal or by the signature of a duly authorised officer or attorney. In the case of joint holdings, any one holder may sign this form. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
4. To be valid, this form must be completed and lodged with Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF together with the power of attorney or other authority (if any) under which it is signed or a copy of such authority certified notarially, not less than 48 hours before the time fixed for holding the meeting.
5. The ‘vote withheld’ option is provided to enable you to abstain on any particular resolution however it should be noted that a ‘vote withheld’ is not a vote in law and will not be counted in the calculation of the proportion of the votes ‘for’ and ‘against’ a resolution.
6. To appoint more than one proxy you may photocopy this form. Please indicate the proxy holder’s name and number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
7. To allow effective constitution of the Meeting, if it is apparent to the Chairman that no Shareholders will be present in person or represented by proxy, other than by proxy in the Chairman’s favour, then the Chairman may appoint a substitute to act as proxy in his stead for any Shareholder, provided that substitute proxy shall vote on the same basis as the proxy has indicated.