

SPL GLOBAL FORESTRY (NR3) IC LIMITED
(formerly ARCH GLOBAL FORESTRY IC LIMITED)
HALF YEARLY REPORT AND
UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2009

SPL GLOBAL FORESTRY (NR3) IC LIMITED
CONDENSED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

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SPL GLOBAL FORESTRY (NR3) IC LIMITED
ADMINISTRATION
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

Registered Office of the Company	PO Box 466 Bordeaux Court Les Echelons St Peter Port Guernsey GY1 6AW
Directors of the Company	Hugh Aldous - Chairman (appointed on 31 December 2009) Andrew Duquemin (appointed on 31 December 2009) William Scott (appointed on 31 December 2009) Neal Meader (resigned on 28 January 2010) Peter Radford (resigned on 28 January 2010) Robert Addison (resigned on 31 December 2009)
Investment Manager	Spearpoint Limited (appointed on 1 December 2009) Yorkshire House Le Truchot St. Peter Port Guernsey GY1 4PH Arch Financial Products LLP (resigned on 1 December 2009) 7 Savile Row Mayfair London W1S 3PE
Custodian and Bankers	MeesPierson (C.I.) Limited PO Box 119 Martello Court St. Peter Port Guernsey GYI 3QJ
Auditors	Moore Stephens Town Mills South La Rue du Pre St. Peter Port Guernsey GY1 3HZ
Administrator, Secretary and Listing Sponsor	Bordeaux Services (Guernsey) Limited Bordeaux Court Les Echelons St. Peter Port Guernsey GY1 6AW
Lawyers	Carey Olsen Carey House Les Banques St. Peter Port Guernsey GY1 4BZ
Registered Number	47493

SPL GLOBAL FORESTRY (NR3) IC LIMITED
CHAIRMAN'S STATEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

On 31st December 2009 the Company, and its holding company SPL Guernsey ICC Limited (formerly Arch Guernsey ICC Limited), appointed three new directors, Andrew Duquemin, Bill Scott and myself and Robert Addison resigned. Peter Radford and Neal Meader resigned on 28th January 2010. It is therefore my duty as Chairman of the board of the Company to present the Report and Accounts for the six months to 30th September 2009. Although these are unaudited, the audit of the accounts to 31st March 2009 was only completed at the end of December 2009 and the administrators have reflected the relevant audit adjustments to those accounts in these 6 month accounts.

On 1st December 2009 Spearpoint Limited (“Spearpoint”) an independent investment management firm regulated by the Guernsey Financial Services Commission and the Jersey Financial Services Commission, was appointed as investment manager of the funds of the Company and of the funds of all cells within SPL Guernsey ICC Limited. Your board’s intention, and as directors of the board of the holding company, is that the assets of your Company should now be managed so as to achieve value for shareholders through an orderly realisation. It is also the board’s intention that communication with shareholders should be greatly improved and to that end factsheets on the Company’s investments, and on all the other active cells of the holding company, have been prepared by Spearpoint and have already been made available prior to the completion of these Report and Accounts. The latest factual information on the Company’s investments is therefore contained in its factsheet.

The boards also called Extraordinary General Meetings for the majority of the cells within SPL Guernsey ICC Limited which were held in Guernsey on 28th January 2010 for the principal purpose of obtaining shareholder approval for the change of objectives to an orderly realisation of assets and a change of name to SPL Global Forestry (NR3) IC Limited. Those resolutions were passed.

From 1st February 2010 the Company will have a redesigned website on which regular factsheets will be posted.

To a large extent therefore, events have overtaken these half year Report and Accounts to 30th September 2009. The Fund’s new managers, Spearpoint, have provided a manager’s review but that usefully looks forward rather than trying to interpret the thinking of the previous managers, Arch Financial Products LLP. It is both the board’s and Spearpoint’s intention that factsheets on the Company’s investments should be published every two months and we give shareholders a commitment to greatly improved communication in future.

Hugh Aldous
Chairman
29 January 2010

SPL GLOBAL FORESTRY (NR3) IC LIMITED
DIRECTORS' REPORT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

The Directors of SPL Global Forestry (NR3) IC Limited (formerly Arch Global Forestry IC Limited) (“the Fund”) are pleased to submit their half yearly report and unaudited financial statements for the six month period ended 30 September 2009.

THE FUND

The Fund is an incorporated cell of SPL Guernsey ICC Limited (formerly Arch Guernsey ICC Limited) (“the ICC”), a closed-end incorporated cell company registered with limited liability in Guernsey on 21 December 2006 and authorised by the Guernsey Financial Services Commission under the Incorporated Cell Companies Ordinance, 2006. The Fund was registered with limited liability on 3 August 2007 and listed on the Channel Islands Stock Exchange (“CISX”) in November 2007.

The Fund has created three classes of Shares, designated Dollar Shares, Euro Shares and Sterling Shares, each of which is denominated in the specified currency and which rank pari passu to each other. Each Share Class will hold an undivided share in a single portfolio of assets held by the Fund but may have certain assets or liabilities attributable solely to the Share Class, such assets and liabilities to include, but not be limited to, forward foreign exchange agreements utilised by the Manager for currency hedging purposes. At the date of these accounts only shares in the Sterling class had been issued.

INVESTMENT OBJECTIVE

Following the resolution passed at the EGM held on 28 January 2010, the Investment Manager will manage the Fund’s portfolio with a view to realising its assets within the shortest period of time consistent with achieving a reasonable realisation price for such assets and with the intention of disposing of all such assets within 5 years. Realisations will be managed, as far as possible, with a view to ensuring regular and consistent distributions of proceeds to Shareholders.

The former investment objective of the Fund was to provide Shareholders with capital appreciation over the medium to long term through an economic exposure of timber and forestry related investments on a global basis selected by the Investment Manager.

RESULTS AND DIVIDENDS

The results for the period are shown on page 7.

The Directors do not recommend the payment of a dividend for the period.

DIRECTORS

The Directors, all of whom are non-executive directors, are as listed on page 1. Robert Addison, who was appointed as a Director on incorporation of the Company and served as a Director throughout the period, resigned as a Director on 31 December 2009. Neal Meader and Peter Radford, who were appointed as Directors on incorporation of the Company and served as Directors throughout the period, resigned as Directors on 28 January 2010. Hugh Aldous, Andrew Duquemin and William Scott were appointed as Directors on 31 December 2009.

During the period business relationships existed between the Directors of the Fund and Related Parties to the Fund. These relationships are detailed in note 3, of the financial statements.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
DIRECTORS' REPORT (continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing these half yearly unaudited condensed financial statements and are required to:

- prepare the half yearly unaudited condensed financial statements in accordance with International Accounting Standard 34: Interim Financial Reporting;
- include a fair review of important events that have occurred during the six month period, and their impact on the half yearly unaudited condensed financial statements, together with a description of the principal risks and uncertainties of the Fund for the remaining six months of the financial year, as detailed in the Investment Manager's Report, and, where there were no changes, in the notes to the financial statements for the year ended 31 March 2009; and
- include a fair review of related party transactions that have taken place during the six month period which have had a material effect on the financial position or performance of the Fund, together with disclosure of any changes in related party transactions in the last annual financial statements which have had a material affect on the financial position of the Fund in the current period.

The Directors confirm that the half yearly unaudited condensed financial statements comply with the above requirements.

THE INVESTMENT MANAGER

Arch Financial Products LLP resigned as Investment Manager to the Fund and Spearpoint Limited was appointed in its place on 1 December 2009 pursuant to an Investment Management Agreement effective from that date, (the "Management Agreement") between the Investment Manager and the Fund.

The Investment Manager's appointment may be terminated, after the expiry of a minimum period of 1 year, on six months' notice given by either party or immediately at any time by the Fund upon material breach of the Management Agreement by the Investment Manager, the insolvency, liquidation (save for the purpose of a previously approved winding up) or receivership of the Investment Manager or if the Investment Manager ceases to be qualified to act as such or, if for good and sufficient reason, the Fund is of the opinion that a change of manager is desirable in the interests of Shareholders and an Extraordinary Resolution is passed removing the Investment Manager.

The former Investment Manager received a fee of 2% pa. The new Investment Manager is entitled to a 1.5% pa investment management fee payable monthly in arrears calculated on the Net Asset Value of the Company.

The performance fee for the Fund remains at 20% of performance above the Cumulative Hurdle Rate of 7%. The High Water Mark for the Fund will be reset as the higher of: i) The December end-of-month NAV, ii) The arithmetic average of the end-of-month NAV's, for the 4 data points of March, June, September and December 2009. This will be published once it has been agreed by the Board.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
DIRECTORS' REPORT (continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

THE ADMINISTRATOR

Bordeaux Services (Guernsey) Limited has been appointed as Administrator of the Fund pursuant to an Administration Agreement dated 10 August 2007, (the "Administration Agreement"). The Administrator has also been appointed to act as secretary of the ICC and the Fund.

The Administration Agreement may be terminated by either party on not less than three months' notice, or earlier upon certain breaches of the Administration Agreement or the insolvency or receivership of either party or if the Administrator ceases to be qualified to act as such.

CUSTODIAN

The Manager has appointed MeesPierson as the Custodian of the Fund under the terms of a Custodian Agreement dated 17 August 2007.

The appointment of the Custodian can be terminated by the Fund or the Custodian (subject to the appointment of a replacement) upon not less than three months' prior written notice or earlier upon default by any party.

STATUS OF TAXATION

The Income Tax Authority of Guernsey has granted the Fund exemption from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and the income of the Fund may be distributed or accumulated without deduction of Guernsey income tax. Exemption under the above mentioned Ordinance entails payment by the Fund of an annual fee of £600 for each year in which the exemption is claimed. It should be noted, however, that interest and dividend income accruing from the Fund's investments may be subject to withholding tax in the country of origin.

The Fund has not suffered any withholding tax in the year on its direct investments, although withholding tax may have been suffered within certain investments held by the Fund.

EXTRAORDINARY GENERAL MEETING

As detailed in note 9, an EGM of the Fund was held on 28 January 2010 and voted to change the investment objective and hedging policy of the Fund, authorised the purchase of shares and changed the Fund's name.

SUSPENSION OF LISTING ON CISX

On 27 July 2009, the Directors of the ICC suspended the listing of the Fund on the CISX pending the publication of the March 2009 net asset valuation. The March 2009 net asset value was published on 30 December 2009 and the Board continues to review the suspension of the listing with the aim of lifting the suspension at the earliest practicable opportunity.

Andrew Duquemin

Director

Date: 29 January 2010

**SPL GLOBAL FORESTRY (NR3) IC LIMITED
INVESTMENT MANAGER'S REPORT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009**

Spearpoint Limited was appointed to manage the portfolio on 1 December 2009. We have played no part in the management of the portfolio before this date. Neither have we been involved in valuing the assets or creating the net asset value calculations. In this report we have been asked to delve back into history and write a report on the assets of the company as at 30 September 2009. This is very difficult. We have, therefore, focused more on the future.

The main investment is a holding in a forestry partnership in the UK. The assets are predominantly in Scotland and have held their value very well despite the financial market crises. During the later part of this reporting period, extensive negotiations were conducted to sell one of the forestry holdings for use as a windfarm, whilst allowing for continued forestry rights. The negotiations involved a sale at a valuation above the current holding value. Following this reporting period, the asset was sold, and part of the forest is currently being logged. The remaining forestry holdings will also be revalued, and early indications are that these have also increased in value. Accordingly we expect that there will be a NAV up-lift during the next reporting period.

The holdings of the Arch Private Finance IC Limited and the Arch Finance Opportunities IC Limited did not retain value however these investments are very small at only 6% of the fund size. Each of these funds has announced a share buyback facility to be voted on at an EGM on 28 January 2010. Assuming the vote is successful it would be our intention to sell down these holdings into each funds buyback program.

Spearpoint Limited
26 January 2010

SPL GLOBAL FORESTRY (NR3) IC LIMITED
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

	Notes	1 April 2009 to 30 September 2009 (unaudited) £	1 April 2008 to 30 September 2008 (unaudited) £
Income			
Bank interest		-	34,300
Total income		-	34,300
Expenses			
Administration fee	3	3,428	1,745
Audit fee		12,030	646
Custodian fees		3,024	2,685
Directors' fees and expenses		91	30
Management fees	3	56,783	64,785
Other operating expenses		(1,459)	3,734
Total expenses		73,897	73,625
Investment gains and losses			
Realised gain from sale of investments		-	293,748
Movement in unrealised loss on valuation of investments		(78,355)	(125,454)
Total investment (loss)/gain		(78,355)	168,294
Total comprehensive (loss)/income attributable to holders of Participating Redeemable Preference Shares during the period			
		(152,252)	128,969
Weighted average shares in existence during the period		6,100,000	6,100,000
(Loss)/earnings per Participating Redeemable Preference Share		(£0.02)	£0.02

Items in the above statement are derived from continuing operations.

There was no other comprehensive income in the period.

The accompanying notes on page 11 – 15 form an integral part of these unaudited half yearly condensed financial statements.

These half yearly condensed financial statements are unaudited and not the Fund's statutory financial statements.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2009

	Notes	30 September 2009 (unaudited) £	31 March 2009 (audited) £
Assets			
Current assets			
Financial assets at fair value through profit or loss	4	5,126,855	455,210
Other receivables and prepayments	5	964	2,415
Due from Brokers		-	4,750,000
Cash and cash equivalents		832,377	834,260
Total assets		5,960,196	6,041,885
Equity and liabilities			
Share Capital – Management Shares		2	2
Share premium - Participating Redeemable Preference Shares		6,100,000	6,100,000
Retained earnings		(250,842)	(98,590)
Total equity		5,849,160	6,001,412
Liabilities			
Current liabilities			
Other payables	6	111,036	40,473
Total liabilities		111,036	40,473
Total equity and liabilities		5,960,196	6,041,885
Net Asset Value per Participating Redeemable Preference Share	7	£0.9589	£0.9838

These half yearly condensed financial statements were approved by the board on 29 January 2010.

For and on behalf of
SPL GLOBAL FORESTRY (NR3) IC LIMITED

Andrew Duquemin

Director

The accompanying notes on page 11 – 15 form an integral part of these unaudited half yearly condensed financial statements.

These half yearly condensed financial statements are unaudited and not the Fund's statutory financial statements.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF
PARTICIPATING REDEEMABLE PREFERENCE SHARES
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

	1 April 2009 to 30 September 2009 (unaudited)	1 April 2008 to 30 September 2008 (unaudited)
	<u>£</u>	<u>£</u>
Net assets attributable to holders of Participating Redeemable Preference Shares at start of period	6,001,410	6,156,901
(Decrease)/increase in net assets attributable to holders of Participating Redeemable Preference Shares	(152,252)	128,969
Net assets attributable to holders of Participating Redeemable Preference Shares at end of period	<u>5,849,158</u>	<u>6,285,870</u>

The accompanying notes on page 11 – 15 form an integral part of these unaudited half yearly condensed financial statements.

These half yearly condensed financial statements are unaudited and not the Fund's statutory financial statements.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

	1 April 2009 to 30 September 2009	1 April 2008 to 30 September 2008
	(unaudited)	(unaudited)
	£	£
Cash flows from operating activities		
Total Comprehensive (loss)/income attributable to holders of Participating Redeemable Preference Shares	(152,252)	128,969
<i>Adjusted for:</i>		
Bank interest received	-	(34,300)
Decrease in receivables	1,451	594,249
Increase/(Decrease) in payables	70,563	(47,297)
Realised profit on sale of investments	-	(293,748)
Unrealised loss on investments	78,355	125,454
Sale proceeds from disposal of investments at fair value through profit or loss	-	3,165,850
Net cash (used in)/from operating activities	(1,883)	3,639,177
Cash flows from financing activities		
Bank interest received	-	34,300
Net cash inflow from financing activities	-	34,300
Net (decrease)/increase in cash and cash equivalents	(1,883)	3,673,477
Cash and cash equivalents, at start of period	834,260	731,818
Cash and cash equivalents, at end of period	832,377	4,405,295

The accompanying notes on page 11 – 15 form an integral part of these unaudited half yearly condensed financial statements.

These half yearly condensed financial statements are unaudited and not the Fund's statutory financial statements.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
NOTES TO THE HALF YEARLY FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

1. GENERAL INFORMATION

SPL Global Forestry (NR3) IC Limited (formerly Arch Global Forestry IC Limited) (the "Fund") is an incorporated cell of the SPL Guernsey ICC Limited (formerly Arch Guernsey ICC Limited) (the "ICC"), a closed-ended incorporated cell company registered with limited liability in Guernsey on 21 December 2006 and authorised by the Guernsey Financial Services Commission under the Incorporated Cell Companies Ordinance, 2006. The Fund was registered with limited liability on 3 August 2007, commenced operations on 16 November 2007.

The Investment Manager will manage the Fund's portfolio with a view to realising its assets within the shortest period of time consistent with achieving a reasonable realisation price for such assets and with the intention of disposing of all such assets within 5 years. Realisations will be managed, as far as possible, with a view to ensuring regular and consistent distributions of proceeds to Shareholders.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These unaudited half yearly financial statements have been prepared in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34"), and applicable legal and regulatory requirements of Guernsey Law. They do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 31 March 2009 which were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and applicable legal and regulatory requirements of Guernsey Law.

The half yearly financial statements were approved by the Board of Directors on 29 January 2010.

Accounting policies

The accounting policies adopted in the preparation of these unaudited half yearly financial statements are consistent with those followed in the preparation of the Fund's annual audited financial statements for the year ended 31 March 2009, except for the adoption of new/amended standards and interpretations as of 1 April 2009, noted below:

IAS 1: Presentation of Financial Statements (amended)

The adoption of amended IAS 1 makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures. The measurement and recognition of the Fund's assets, liabilities, income and expenses is unchanged. IAS 1 affects the presentation of owner changes in equity and introduces a "Statement of Comprehensive Income".

The introduction/amendment of the following standards became effective on or before 1 April 2009: however, the introduction/amendment did not have any impact on the accounting policies, financial position or performance of the Fund.

- IAS 16: Property, Plant and Equipment

SPL GLOBAL FORESTRY (NR3) IC LIMITED
NOTES TO THE HALF YEARLY FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting policies (continued)

- IAS 19: Employee Benefits
- IAS 20: Government Grants and Disclosures of Government Assistance
- IAS 23: Borrowing Costs
- IAS 27: Consolidated and Separate Financial Statements
- IAS 28: Investments in Associates
- IAS 29: Financial Reporting in Hyperinflationary Economies
- IAS 31: Interests in Joint Ventures
- IAS 32: Financial Instruments: Presentation
- IAS 36: Impairment of Assets
- IAS 38: Intangible Assets
- IAS 39: Financial Instruments: Recognition and Measurement
- IAS 40: Investment Property
- IAS 41: Agriculture
- IFRS 1: First time Adoption of International Financial Reporting Standards
- IFRS 2: Share-Based Payments
- IFRIC 13: Customer Loyalty Programmes
- IFRIC 15: Agreements for the Construction of Real Estate
- IFRIC16: Hedges of a Net Investment in a Foreign Operation

The accounting policies have been applied consistently throughout the period for the purposes of preparation of these unaudited half yearly financial statements.

Segmental Reporting

The Directors are of the opinion that the Fund is engaged in a single segment of business, being investment in private finance.

3. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

During the period, business relationships existed between the Directors of the Fund and Related Parties to the Fund.

Robert Addison is a director of Arch Financial Products LLP, the former Investment Manager.

The Fund was responsible for the continuing fees of the former Investment Manager in accordance with an Investment Management Agreement dated 17 August 2007.

Management Fees

Pursuant to the provisions of the former Investment Management Agreement, the former Investment Manager was entitled to receive a management fee during the period ended 30 September 2009 at 2% per annum of the Net Asset Value of the Fund. In the period ended 30 September 2009 management fees totalling £56,783 (30 September 2008: £64,785) were due to Arch Financial Products LLP. As at 30 September 2009 the management fee payable was £85,019 (31 March 2009: £28,236).

SPL GLOBAL FORESTRY (NR3) IC LIMITED
NOTES TO THE HALF YEARLY FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

3. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (continued)

Performance Fees

The former Investment Manager was also entitled to receive a performance fee during the period ended 30 September 2009 at 20% of the amount by which the Net Asset Value of the Fund exceeds the greater of (i) the highest Net Asset Value per share by reference to which a performance fee has previously been paid or (ii) £1.00, provided, however that the performance fee may only be charged to the extent it does not reduce the rate of return achieved by such Fund for such year below the cumulative hurdle rate. The cumulative hurdle rate is the three month LIBOR of the currency of the share class plus 4% set on the final business day of the previous performance period. In the period ended 30 September 2009 performance fees totalling £Nil (30 September 2008: £Nil) were due to Arch Financial Products LLP. As at 30 September 2009 the performance fee payable was £Nil (31 March 2009: £Nil).

Administration Fees

Neal Meader and Peter Radford are directors of Bordeaux Services (Guernsey) Limited, the Administrator.

In the period ended 30 September 2009 administration fees totalling £3,428 (30 September 2008: £1,745) were due to Bordeaux Services (Guernsey) Limited. As at 30 September 2009 the administration fee payable was £5,108 (31 March 2009: £1,681).

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 September 2009 (unaudited)	31 March 2009 (audited)
	£	£
Cost at start of period/year	569,004	4,644,690
Purchases during the period/year	4,750,000	-
Sales during the period/year	-	(4,399,707)
Realised gains on sales	-	324,021
Cost at end of period/year	5,319,004	569,004
Unrealised loss on valuation of investment	(192,149)	(113,794)
Fair value of investments at end of period/year	5,126,855	455,210

5. OTHER RECEIVABLES AND PREPAYMENTS

	30 September 2009 (unaudited)	31 March 2009 (audited)
	£	£
Other receivables	964	2,415

The Directors consider that the carrying amount of other receivables approximates to fair value.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
NOTES TO THE HALF YEARLY FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

6. OTHER PAYABLES

	30 September 2009 (unaudited)	31 March 2009 (audited)
	£	£
Management fees	85,019	28,236
Administration fees	5,108	1,681
Custodian fees	2,125	625
Audit fees	18,655	6,800
Directors' fees	129	38
Other payables	-	3,093
	111,036	40,473

The Directors consider that the carrying amount of other payables approximates to fair value.

7. NET ASSET VALUE PER PARTICIPATING REDEEMABLE PREFERENCE SHARE

The net asset value per Participating Redeemable Preference Share ("NAV per Share") is calculated based on the net assets attributable to holders of Participating Redeemable Preference Shares ("NAV") at the Balance Sheet date divided by the year end number of Participating Redeemable Preference Shares in issue.

For the purposes of calculating the NAV, preliminary expenses are being written off over a five year period, which commenced on the launch of the Fund. However, in compliance with IFRS, preliminary expenses have been expensed in the Consolidated Statement of Comprehensive Income as incurred. The table below shows the NAV per Share and reconciles the difference between the financial statements NAV per Share compared to the published NAV per Share:

	30 September 2009 (unaudited)	31 March 2009 (audited)
	£	£
NAV	5,849,158	6,001,410
No. of shares in issue	6,100,000	6,100,000
Financial Statements NAV per Share	0.9589	0.9838
Adjustments for:		
Write off of formation expenses and initial charge, and additional audit fees accrued	127,622	151,050
Published NAV per Share	0.9798	1.0086

8. SUSPENSION OF LISTING ON CISX

On 27 July 2009, the Directors of the ICC suspended the listing of the Fund on the CISX pending the publication of the March 2009 net asset valuation. The March 2009 net asset value was published on 30 December 2009 and the Board continues to review the suspension of the listing with the aim of lifting the suspension at the earliest practicable opportunity.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
NOTES TO THE HALF YEARLY FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

9. Post Balance Sheet Events

Change of Investment Manager

Arch Financial Products LLP resigned as Investment Manager with effect from 1 December 2009. The Board appointed Spearpoint Limited as the new Investment Manager to the Fund with effect from 1 December 2009.

Write-Off of Initial Costs and Charges

With effect from 1st October 2009 the Initial Costs and Charges that were being amortised over five years, for the purposes of calculating the published NAV, have been written off in full. This treatment accords with the accounting treatment adopted in the financial statements of the Fund under IFRS.

Extraordinary General Meeting

An EGM of the Fund was held on 28 January 2010 and voted to change the investment objective, hedging policy of the Fund, authorised the purchase of shares and changed the Fund's name.

The Investment Objective of the Fund was amended to read as follows:

“The Investment Manager will manage the Fund’s portfolio with a view to realising its assets within the shortest period of time consistent with achieving a reasonable realisation price for such assets and with the intention of disposing of all such assets within 5 years. Realisations will be managed, as far as possible, with a view to ensuring regular and consistent distributions of proceeds to Shareholders.”

The Foreign Exchange Hedging Policy of the Fund was amended to read as follows:

“The Investment Manager will not hedge against the Fund’s currency exposure unless it strongly believes that such currency hedging would be in the best interests of the Fund, and there is sufficient cash and hedging facilities available therefor.”

The Fund was generally and unconditionally authorised in accordance with the Companies (Guernsey) Law 2008, as amended, to make market acquisitions (as defined in that Law) of each class of its Shares (either for the retention as treasury shares, or cancellation).

The name of the Fund was changed to “SPL Global Forestry (NR3) IC Limited”.

Outstanding former Manager's management fees and new Manager's take on fee.

Following an agreement dated 1 December 2009, Arch Financial Products LLP agreed to forego all of the outstanding management fees due to it which amounted to circa £3.6m across all of the cells of the ICC. Spearpoint Limited agreed to take on the management of the ICC and were paid a take-on fee of £2.7m for doing so. This was largely to reflect various liabilities taken on by Spearpoint Limited, from Arch Financial Products LLP, and the work required to ensure an orderly hand over of the portfolios of the ICC. This resulted in a net saving to the ICC as a whole of approximately £900,000.

SPL GLOBAL FORESTRY (NR3) IC LIMITED
PORTFOLIO STATEMENT
AS AT 30 SEPTEMBER 2009

Description	30 September 2009	
	(unaudited)	
	£	% of
	Fair Value	portfolio
	GBP	
Listed Equities		
Aitchesse Partnership	4,750,000	92.65%
Arch Private Finance *	375,559	7.33%
Arch Finance Opportunities *	1,296	0.02%
Total Portfolio	5,126,855	100.00%

Description	31 March 2009	
	(audited)	
	Fair Value	% of
	GBP	portfolio
Listed Equities		
Arch Private Finance *	453,187	99.56%
Arch Finance Opportunities *	2,023	0.44%
Total Portfolio	455,210	100.00%

* The listing of these securities on the CISX is currently suspended.