Greenwich Loan Income Fund Limited

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2010

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CHAIRMAN'S STATEMENT

I am pleased to report the results of Greenwich Loan Income Fund Limited ("GLIF" or the "Company") for the six-month period ended 30 June 2010.

Since the end of 2009, our NAV per share has increased from 70p to 81p as of 30 June 2010, slightly higher than the initial estimate of 80p. As of 30 June 2010, the Company had invested assets with a fair value of £180.9 million, and cash of £17.7 million (including £10.0 million within the CLO structure). Against this the CLO had debt with a fair value of £129.3m. The portfolio is comprised of variable rate investments and, on a weighted average basis, carried a spread of approximately 436 basis points over LIBOR.

For the six-month period ended 30 June 2010 the Company recorded a profit, including net unrealised gains on investments and liabilities, of £10.0 million compared to £13.2 million for the comparable period in 2009, and £2.0 million for the year ended 2009. Basic earnings per share for the period ended 30 June 2010 were 11.5p, and the total dividends declared during the period were 2.0p. This compares to earnings of 30.6p and no dividends declared in the first half of 2009, and earnings of 3.9p and dividends declared of 1.5p for 2009 as a whole. We have continued to receive full interest payments from the CLO, and the CLO remains in compliance with all material covenant requirements.

As we have previously described to shareholders, under International Financial Reporting Standards (IFRS), the consolidated results of operations for the Company include the impact of carrying its investments and its liabilities at fair value. Shareholders should be aware that the Company's realisation of the full NAV is unlikely. The NAV, as calculated in accordance with IFRS, reflects the theoretical fair value of the liabilities of the CLO but, because the market is rather illiquid, it may be difficult for the Company to acquire any of those liabilities at those prices.

The other values that we have calculated in order to provide further clarity as to the dynamics within the value of the Company are: the unaudited value based upon assets at market value and liabilities at par was 39.4p per share as at 30 June 2010, compared to 29.7p at year-end; and the value based upon CLO assets as calculated for interest diversion purposes, other assets at market value, and liabilities at par was 52.7p per share as at 30 June 2010, compared to 48.6p at year-end. (The preliminary value per share as at 30 June 2010 under this methodology, as previously reported, was 49.6p).

During the past six months we saw a strong upward move in the prices of syndicated corporate loans, as the pricing of our investment portfolio increased from a weighted average bid of 86.5 to 90.4 over that period. Our view remains that certain larger-issuer broadly syndicated corporate loans do not adequately reflect the spreads necessary to compensate investors for the risks involved. As such, we continue to focus more heavily on middle-market issues, where we believe greater opportunity currently resides. We believe that, especially in the case of less liquid middle-market loans, supply and demand issues will likely continue to outweigh issuer operating fundamentals, creating opportunities to acquire certain middle-market loans at attractive prices.

As our portfolio is primarily dollar-denominated, currency movements had a favorable impact on the reported results for the six-month period, as the dollar strengthened from US$1.61 to the pound at the beginning of the period to US$1.50 to the pound at the end. There was little movement in the second quarter as the exchange rate remained relatively flat during that three-month timeframe. It is the Board's view that at current US$/£ exchange rate levels the risk/reward balance associated with hedging our position is unattractive for the Company.

The Board of GLIF believes that the Company is well placed to continue to accrete value for shareholders and make progress towards the goal of GLIF becoming accepted by a wider range of investors as an investment vehicle to provide a good level of income and an assured level of capital.

Geoffrey Miller
Chairman

21 September 2010

CONSOLIDATED INCOME STATEMENT

	NOTES	Unaudited Period to 30 June 2010 GBP	Unaudited Period to 30 June 2009 GBP	Audited Year to 31 December 2009 GBP
Revenue				
Other income	2	**11,483**	–	3,888
Investment Income				
Gain/(loss) on financial assets and liabilities at fair value through profit or loss	6			
– Realised		**518,952**	2,336,902	(417,906)
– Unrealised		**8,368,492**	12,773,405	2,440,128
– Changes due to interest rates	2	**5,059,959**	5,137,664	9,866,468
– Finance costs		**(1,757,936)**	(2,034,584)	(2,711,017)
Gain/(loss) on foreign currency transactions		**769,881**	(2,741,379)	(2,260,447)
Total Income		**12,970,831**	15,472,008	6,921,114
Expenses				
Management fees	4	**1,988,648**	1,415,927	2,965,261
Administration and secretarial fees	4	**42,968**	25,581	47,418
Custodian fees	4	**7,469**	7,469	15,070
Legal and professional fees		**–**	3,316	20,867
Directors' remuneration	4	**33,750**	32,500	100,000
Directors' and officers' insurance		**29,704**	24,476	53,402
Audit fees		**31,000**	20,050	45,050
Share option expense		**–**	–	58,240
Other expenses		**834,362**	764,838	1,580,642
Total Expenses		**2,967,901**	2,294,157	4,885,950
Profit for the period/year		**10,002,930**	13,177,851	2,035,164
Basic earnings per share	5	**0.1146**	0.3065	0.0392
Diluted earnings per share	5	**0.1142**	0.3026	0.0388

All of the profit for the period relates to the equity holders of the parent.

The accompanying notes on pages 8 to 26 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Period to 30 June 2010 GBP	Unaudited Period to 30 June 2009 GBP	Audited Year to 31 December 2009 GBP
Profit for the period/year	**10,002,930**	13,177,851	2,035,164
Other comprehensive income			
Foreign exchange on consolidation	**1,278,801**	(5,147,476)	(4,678,284)
Total comprehensive income for the period/year	**11,281,731**	8,030,375	(2,643,120)
Attributable to:			
Equity holders of the parent	**11,281,731**	8,030,375	(2,643,120)
	11,281,731	8,030,375	(2,643,120)

The accompanying notes on pages 8 to 26 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	Unaudited 30 June 2010 GBP	Unaudited 30 June 2009 GBP	Audited 31 December 2009 GBP
ASSETS				
Non-current assets				
Financial assets at fair value through profit or loss	*6*	**180,889,304**	121,697,909	153,256,998
		180,889,304	121,697,909	153,256,998
Current assets				
Note receivable	*7*	**500,000**	500,000	500,000
Trade and other receivables	*7*	**1,665,828**	761,248	1,200,566
Cash and cash equivalents	*8*	**17,691,004**	23,288,691	24,253,613
		19,856,832	24,549,939	25,954,179
Total assets		**200,746,136**	146,247,848	179,211,177
EQUITY				
Capital and reserves attributable to the Group's equity holders				
Share premium	*10*	**16,087,290**	5,619,040	16,087,290
Other reserve		**34,802,740**	34,800,000	34,802,740
Foreign exchange reserve		**(656,042)**	(2,404,035)	(1,934,843)
Retained earnings		**20,549,496**	23,865,253	12,292,566
Total equity		**70,783,484**	61,880,258	61,247,753
LIABILITIES				
Non-current liabilities				
Loan notes at fair value through profit or loss	*9*	**129,272,947**	83,171,177	117,354,993
Current liabilities				
Trade and other payables	*9*	**689,705**	1,196,413	608,431
Total liabilities		**129,962,652**	84,367,590	117,963,424
Total equity and liabilities		**200,746,136**	146,247,848	179,211,177
Net Asset Value per Share	*11*	**£0.81**	£1.44	£0.70

The accompanying notes on pages 8 to 26 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share Capital GBP	Share Premium GBP	Other Reserve*** GBP	Foreign Exchange Reserve GBP	Retained Earnings** GBP	**Total Equity GBP**
Balance at 31 December 2008	–	5,619,040	34,800,000	2,743,441	10,687,402	**53,849,883**
Profit for the period	–	–	–	–	13,177,851	**13,177,851**
Other comprehensive income:						
Foreign exchange on consolidation	–	–	–	(5,147,476)	–	**(5,147,476)**
Total comprehensive income for the period	–	–	–	(5,147,476)	13,177,851	**8,030,375**
Balance at 30 June 2009	–	5,619,040	34,800,000	(2,404,035)	23,865,253	**61,880,258**
Net proceeds from share issue	–	10,382,750	–	–	–	**10,382,750**
Exercise of share options	–	85,500	–	–	–	**85,500**
Grant of share options	–	–	2,740	–	–	**2,740**
Dividends paid*	–	–	–	–	(430,000)	**(430,000)**
Transactions with owners	–	10,468,250	2,740	–	(430,000)	**10,040,990**
Profit for the period	–	–	–	–	(11,142,687)	**(11,082,687)**
Other comprehensive income:						
Foreign exchange on consolidation	–	–	–	469,192	–	**469,192**
Total comprehensive income for the period	–	–	–	469,192	(11,142,687)	**(10,673,495)**
Balance at 31 December 2009	–	16,087,290	34,802,740	(1,934,843)	12,292,566	**61,247,753**
Dividends paid**	–	–	–	–	(1,746,000)	**(1,746,000)**
Transactions with owners	–	–	–	–	(1,746,000)	**(1,746,000)**
Profit for the period	–	–	–	–	10,002,930	**10,002,930**
Other comprehensive income:						
Foreign exchange on consolidation	–	–	–	1,278,801	–	**1,278,801**
Total comprehensive income for the period	–	–	–	1,278,801	10,002,930	**11,281,731**
Balance at 30 June 2010	–	16,087,290	34,802,740	(656,042)	20,549,496	**70,783,484**

*During the year the Company made two dividend payments.
**During the period the Company made two dividend payments.
***Distributable reserves.

The accompanying notes on pages 8 to 26 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTES	**Unaudited Period to 30 June 2010 GBP**	Unaudited Period to 30 June 2009 GBP	Audited Year to 31 December 2009 GBP
Cash flows from operating activities				
Cash (used in)/generated from operations	*12*	**731,498**	(2,411,896)	(1,435,558)
Purchase of investments	*6*	**(37,282,651)**	(4,434,695)	(35,662,307)
Sales of investments	*6*	**–**	4,746,054	12,535,692
Net cash outflow from operating activities		**(36,551,153)**	(2,100,537)	(24,562,173)
Cash flows from investing activities				
Principal received	*6*	**30,455,743**	14,378,348	28,149,558
Net cash inflow from investing activities		**30,455,743**	14,378,348	28,149,558
Cash flows from financing activities				
Net proceeds from issue of shares		**–**	–	10,382,750
Exercise/(settlement) of share options		**–**	–	30,000
CLO loan notes purchased		**–**	–	(561,350)
CLO loan notes principal paid		**–**	–	(235,244)
Dividends paid		**(1,746,000)**	–	(430,000)
Net cash (outflow)/inflow from financing activities		**(1,746,000)**	–	9,186,156
Net increase/(decrease) in cash and cash equivalents		**(7,841,410)**	12,277,811	12,773,541
Cash and cash equivalents at beginning of period/year		**24,253,613**	16,158,356	16,158,356
Foreign exchange on consolidation		**1,278,801**	(5,147,476)	(4,678,284)
Cash and cash equivalents at end of period/year		**17,691,004**	23,288,691	24,253,613

The accompanying notes on pages 8 to 26 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2010

1. GENERAL INFORMATION

Greenwich Loan Income Fund Limited (the "Company") was incorporated and domiciled in Guernsey, Channel Islands, as a company limited by shares and with limited liability on 9 June 2005. The address of the registered office is P.O. Box 296, Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 4NA.

On 26 October 2009, the Company received approval from the Guernsey authorities to change its name from T2 Income Fund Limited to Greenwich Loan Income Fund Limited.

A Cayman Islands registered subsidiary company, T2 Income Fund CLO I Ltd. ("T2 CLO" or the "CLO"), was created on 11 October 2006. Through its ownership of the residual economic interest of T2 Income Fund CLO I Ltd. the Directors consider the CLO to be a wholly owned subsidiary and the operating results are consolidated in these financial statements. The Group is comprised of the "Company" and the "CLO".

The Company is an investment company, and its investment policies and strategies are managed by an outside investment manager, T2 Advisers, LLC ("T2 Advisers" or the "Investment Manager"), a registered investment adviser in the United States, under the terms of an investment manager agreement. T2 Advisers is also the collateral manager for T2 CLO.

Investing Policy

The Group generally invests in syndicated and non-syndicated corporate loans issued by a range of companies, with a focus to date on issuers with a credit rating of B or CCC (S&P). The Group began with a particular focus on technology related companies and continues to leverage the technology-based expertise of its principals. The Group focuses its investments primarily in small to medium sized companies, including those companies traditionally defined as "middle market." The Group usually expects to take a senior debt position, and may also invest in senior and junior subordinated debt.

T2 Advisers seeks to take advantage of its current relationships with US and global agent banks and private equity funds to source deals. The Group principally targets companies with experienced management, a significant financial or strategic sponsor or partner, a strong competitive position and positive cash flow.

The Board anticipates that the Group's maximum investment size, at the time of investment, will be limited to 15 per cent of the Group's gross assets; however, the Group may make larger investments and in such circumstances it may seek to syndicate or sell a portion of its initial investment.

The Group may seek additional debt (or raise additional capital through the issuance of its equity) to fund future investments. Any gearing will not be undertaken without the approval of the Board.

The Group's objective is to produce a stable and predictable dividend yield, with long term preservation of net asset value.

2. ACCOUNTING POLICIES

(a) Basis of preparation

The interim financial information as at and for the six month periods ended 30 June 2010 and 30 June 2009 is unaudited and does not constitute statutory accounts for the purposes of the Companies (Guernsey) Law, 2008. The figures for the year ended 31 December 2009 have been extracted from the statutory accounts. The auditors' report on those financial statements was unmodified. The Group has chosen to prepare full consolidated interim financial statements. The accounting policies adopted are consistent with those of the annual consolidated financial statements for the year ended 31 December 2009, as described in those financial statements.

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union, and all applicable requirements of Guernsey Company Law. The financial statements have been prepared under the historical cost convention, apart from the inclusion of non-current asset investments, foreign currency derivatives and non-current liabilities at fair value through profit or loss. The principal accounting policies of the Group have remained unchanged from the previous year and are set out below. Comparative information is given for 31 December 2009. The Board does not consider it necessary to provide comparative information for the period to 30 June 2009.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of Greenwich Loan Income Fund Limited and its subsidiary, T2 Income Fund CLO I Ltd. Subsidaries are all entities over which the Group has the power to control the financial and operating policies. The Company obtains and exercises control of its subsidiary through ownership of the income notes of the entity. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

The Company carries its investment in the CLO subsidiary at fair value through profit or loss. This is based upon the fair value of the assets and liabilities held by the CLO, which the Directors consider to be indicative of fair value for financial reporting purposes; however, the disparity between the Company's NAV per share, as determined under IFRS, and share price has been recognised by the Directors and is believed to be reflective of significant dislocations in the global credit markets as well as practical limitations on the Company's ability to realise the discount reflected in the fair value of the CLO loan notes, as well as disparity between valuations of portfolio investments and the likely sales price of such investments.

2. ACCOUNTING POLICIES CONTINUED

(c) Foreign currency translation

(i) Functional and presentation currency

The financial statements of the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The Directors have considered the primary economic currency of the Company and considered the currency in which the original finance was raised, distributions made, and ultimately what currency would be returned on a break up basis. The Directors have also considered the currency to which the underlying investments are exposed. On balance, the Directors believe Sterling best represents the functional currency of the Company and Dollars the functional currency of the subsidiary. Therefore the books and records are maintained in Sterling and Dollars respectively and for the purpose of the financial statements the results and financial position of the Group are presented in Sterling, which is the presentation currency of the Group.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Income Statement.

Translation differences on non-monetary items are reported as part of the fair value gain or loss reported in the Consolidated Income Statement.

(iii) Subsidiary company

The results and financial position of the subsidiary entity that has a functional currency different to the presentation currency is translated into the presentation currency as follows:

1. assets and liabilities of the Consolidated Statement of Financial Position presented are translated at the closing rate at the date of the period end;

2. income and expenses for the Consolidated Income Statement are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

3. all resulting exchange differences are recognised as a separate component of shareholders' equity.

(d) Revenue recognition

Revenue is recognised as follows:

Other income – relates to bank interest received. Bank interest is recognised on an accruals basis.

Dividend income – dividend income is recognised when the right to receive payment is established

(e) Expenditure

All expenses are accounted for on an accruals basis. The management fees, administration fees, finance costs and all other expenses (excluding set up expenses which were offset against share premium) are charged through the Consolidated Income Statement.

(f) Taxation

The Company is exempt from Guernsey taxation under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. A fixed annual fee of £600 is payable to the States of Guernsey in respect of this exemption.

(g) Share issue expenses

Share issue expenses of an equity transaction are accounted for as a deduction from equity (net of any income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

(h) Dividends

Dividend distributions to the Group's shareholders are recognised in the Group's financial statements in the period in which the dividends are paid.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held on call with banks, bank overdrafts and other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(j) Trade and other receivables

Receivables are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or origination. They are subsequently measured at amortised cost using the effective interest rate method.

2. ACCOUNTING POLICIES CONTINUED

(k) Trade and other payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest rate method.

(l) Investments and loan notes

(i) Financial assets and liabilities at fair value through profit or loss

Purchases and sales of all investments are recognised on trade date - the date on which the Group acquires or disposes of the economic benefits of the asset. All investments are initially recognised at fair value, and transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed as incurred. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Group has transferred substantially all risks and rewards of ownership.

The CLO loan notes were designated at fair value through profit or loss because the purpose of issuing the CLO loan notes was to be able to make investments in syndicated loans which were based upon the same or similar variable interest rates, and the fair value designation avoided an accounting mismatch between the sources of financing for the purchase of investments and the investments themselves. The Directors recognise that the magnitude of fair value movement of the CLO loan notes is substantially greater than the movement of the investments, due to variations in the different markets in which these instruments are traded.

Unquoted equity security investments, at fair value through profit and loss, are valued in accordance with the International Private Equity and Venture Capital valuation guidelines or any other valuation model and techniques which can provide a reasonable estimate of fair value of the investment involved.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. Valuation techniques used include the use of comparable recent arm's length transactions.

For broadly syndicated loans the Company receives market quotes from agent banks on a quarterly basis. In addition, because of the generally limited trading activity in the syndicated loan market, the Investment Manager prepares an analysis of the portfolio companies' recent and projected financial performance as well as other relevant business developments. In those instances where the Investment Manager believes additional analysis is necessary, for example due to a significant change in the market quote without related transaction volume, an outside valuation firm will provide a valuation estimate based upon their proprietary methodologies and techniques. Factors considered in these independent valuation analyses include discounted cash flows, comparable company and comparable transaction analysis, and credit spread analysis based upon the independent valuation firms' view of the implied credit rating of the investment and the corresponding required spread in the marketplace. The Board considers all the information presented to it, including indicative bids, internal analysis, and independent valuations, in order to reach, in good faith, their fair value determination.

For bi-lateral loans, an independent third party performs portfolio company evaluations. As at 30 June 2010 and 31 December 2009, there were no bi-lateral loans in the Group's portfolio.

The fair value of the CLO loan notes is determined primarily by reference to a mid-market value report provided by the independent broker-dealer which makes the market in the CLO notes. Due to the very limited trading activity in this security, and the significant dislocations which have occurred in the credit markets generally and in the CLO markets in particular, the Directors consider the mid-market value report to be the best indicator of fair value for the notes. The mid-market value report reflects the proprietary analysis of the broker-dealer, specifically considering the cash flows projections of the T2 CLO subsidiary, the credit quality of the investments included in the CLO, and the credit spread required by the marketplace for CLO notes with these particular characteristics. The Directors also consider any trading activity in the CLO notes, if any, as well as other indicators of value based upon discussions between the Investment Manager and the few holders of the notes. The Directors believe that the mid-market value report is the best reflection of fair value of the notes, consistent with the requirements of IFRS, and is consistent with the other factors which have been taken into consideration.

Gains and losses arising from changes in the fair value of the financial assets and liabilities at fair value through profit or loss are included in the Income Statement in the period in which they arise.

Net income from financial instruments at fair value through profit or loss

Net income from financial instruments at fair value through profit or loss relates to financial assets and liabilities designated at fair value through profit or loss, and includes all realised and unrealised fair value changes, interest, dividends, finance costs and foreign exchange differences.

Total finance costs for period were GBP1,757,936 (31 December 2009: GBP2,711,017). These finance costs are for interest due to the loan note holders. Fair value of long-term notes outstanding at 30 June 2010 were GBP129,272,947 (31 December 2009: GBP117,354,993).

(ii) Derivative Financial Instruments

Derivatives are categorised as financial assets or liabilities held for trading and valued at fair value through profit or loss. There were no derivatives held by the Group as at 30 June 2010 (31 December 2009: none).

2. ACCOUNTING POLICIES CONTINUED

(l) Investments and loan notes continued

(iii) Subsidiary

Investment in subsidiary is initially recorded at cost. The Company carries its investment in the CLO subsidiary at fair value through profit or loss. This is based upon the fair value of the assets and liabilities held by the CLO, which the Directors consider to be indicative of fair value for financial reporting purposes. Through its ownership of the residual economic interest of T2 Income Fund CLO I Ltd the Directors consider the CLO to be a wholly owned subsidiary and the operating results are consolidated in these financial statements.

(m) Critical accounting estimates and judgements in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group also makes assumptions on the classification of financial assets.

Investments and loan notes designated as financial assets and liabilities at fair value

The Group invests in broadly syndicated loans that have limited trading activity. The CLO loan notes in issue also trade infrequently. The fair value of such instruments is determined by using valuation techniques. Details of the assumptions used are given in the notes regarding financial assets and liabilities.

Unlisted Debt Securities and Unlisted Equity Securities

The Group can invest in financial instruments which are not quoted in active markets and may receive such financial instruments as distributions on certain investments. Fair values are determined by using valuation techniques. Where valuation techniques, such as the Market Capitalization Approach, are used to determine fair values they are carried out by an independent valuation firm specifically engaged by the Group to carry out the valuations. Changes in assumptions could affect the reported fair value of financial instruments. See Note 6 for carrying amount at the period end.

Because the Group's portfolio investments are generally not traded in active markets, fair value determinations are based upon additional information, including internal analysis and projections as well as independent valuation work performed by outside firms, beyond the indicative quotes which are generally also available for portfolio investments. These other analyses rely upon observable data including comparable transactions, interest rates and credit spreads.

The Group's liabilities likewise are not traded in active markets, and the independent analysis which provides the basis for the fair value determination is based, in part, upon observable market data including interest rates and credit spreads. The fair value change in the Group's liabilities may differ substantially from the change in the investment portfolio, even though both are related to interest rates generally, because the assumptions relative to the value of CLO liabilities specifically include the assumptions about credit quality of the individual component companies of the CLO investment portfolio, the anticipated cash flow from those investments, and the resulting possibility of covenant defaults which could dramatically effect the sustainability of the CLO structure and therefore the fair value of the loan notes.

(n) New standards

New standards and interpretations have been published that are mandatory for the Group's accounting periods after 1 January 2010 or later periods and which the Group has not early adopted:

- IFRS 9 Financial Instruments (effective 1 January 2013)
- IAS 24 (Revised 2009) Related Party Disclosures (effective 1 January 2011)
- Improvements to IFRSs 2009 (various effective dates)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments (effective 1July 2010)
- Prepayments of a Minimum Funding Requirement - Amendments to IFRIC 14 (effective 1 January 2011)
- Amendment to IAS 32 Classification of Rights Issues (effective 1 February 2010)

As of 30 June 2010, the following standards and interpretations are in issue but not yet adopted by the EU:

- IFRS 9 Financial Instruments (effective 1 January 2013)
- Prepayments of a Minimum Funding Requirement - Amendments to IFRIC 14 (effective 1 January 2011)
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments (effective 1 July 2010)
- IAS 24 (Revised 2009) Related Party Disclosures (effective 1 January 2011)

The Directors anticipate that the adoption of these standards and interpretations in future periods will not have a material impact on the financial statements of the company.

IFRS 8, "Operating segments" was effective from 1 January 2009. IFRS 8 replaces IAS 14, "Segment reporting", and aligns segment reporting with the requirements of the US standard SFAS 131, "Disclosures about segments of an enterprise and related information," The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The segment information is therefore reported in a manner that is more consistent with the internal reporting provided to the Investment Committee of the Investment Manager ("ICIM"). The adoption of IFRS 8 results in additional disclosures but does not have an impact on the Company's financial position or performance.

(o) Share based payments

Share options are valued in accordance with IFRS2. In accordance with IFRS2, share options issued are measured using the fair value of the options at the grant date or an estimate of the fair value of the services received. See note 10 for details. No share options were issued during the period.

3. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group is exposed to a variety of financial risks: market risk (including price risk, fair value interest rate risk, cash flow interest rate risk and currency risk), credit risk and liquidity risk. The risk management policies employed by the Group to manage these risks are discussed below. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimise operational and legal risks.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the Financial Statements.

Categories of financial instruments

	CARRYING VALUE AT 30 JUNE 2010			
	Designated Fair Value through Profit or Loss GBP	Financial Assets measured at amortised cost GBP	Financial Liabilities measured at amortised cost GBP	Other GBP
Financial assets				
Financial assets at fair value through profit or loss	**180,889,304**	**–**	**–**	**–**
Note receivable	**–**	**500,000**	**–**	**–**
Trade and other receivables	**–**	**1,665,828**	**–**	**–**
Cash and cash equivalents	**–**	**–**	**–**	**17,691,004**
Total assets	**180,889,304**	**2,165,828**	**–**	**17,691,004**
Financial liabilities				
Loan notes at fair value through profit or loss	**129,272,947**	**–**	**–**	**–**
Trade and other payables	**–**	**–**	**689,705**	**–**
	129,272,947	**–**	**689,705**	**–**

	CARRYING VALUE AT 31 DECEMBER 2009			
	Designated Fair Value through Profit or Loss GBP	Financial Assets measured at amortised cost GBP	Financial Liabilities measured at amortised cost GBP	Other GBP
Financial assets				
Financial assets at fair value through profit or loss	153,256,998	–	–	–
Note receivable	–	500,000	–	–
Trade and other receivables	–	1,200,566	–	–
Cash and cash equivalents	–	–	–	24,253,613
Total assets	153,256,998	1,700,566	–	24,253,613
Financial liabilities				
Loan notes at fair value through profit or loss	117,354,993	–	–	–
Trade and other payables	–	–	608,431	–
	117,354,993	–	608,431	–

The same measurement categories are applied to the balances held by the Company.

3. FINANCIAL RISK MANAGEMENT CONTINUED

Capital Risk Management

The Group's capital is represented by the net assets attributable to shareholders, and the objective when managing capital is to enable the Group to continue as a going concern in order to provide a consistent appropriate risk-adjusted return to shareholders, and to maintain a strong capital base to support the continued development of its investment activities. The Group manages its capital to ensure that its objective is met. It does this by investing available cash whilst maintaining sufficient liquidity to meet on-going expenses and dividend payments. The Group considers its capital to include share capital, distributable reserves, retained earnings, and debt. The Group is not subject to regulatory or industry specific limitations on its capital, other than the legal requirements for Guernsey incorporated entities. The Group considers the amount and composition of its capital in proportion to risk. Adjustments to the capital structure will be taken in response to economic conditions, the cost of debt, the ability to raise share capital, and other opportunities and factors which the Board may consider. At 30 June 2010 the Group had total equity of GBP70,783,484 (31 December 2009: GBP61,247,753).

The Group monitors the ratio of debt to other capital which, based upon shareholder approval, is limited to 5 to 1. Since the debt of the Group is currently contained within its CLO subsidiary, its debt is collateralized by investments held in the CLO portfolio. The portfolio is subject to various financial and other covenant tests which may result in required paydowns of its debt from time to time; in the absence of such required paydowns, the debt matures in 2019.

The Group has sought to achieve an attractive risk adjusted return by investing in debt securities, consisting primarily of senior debt across multiple industries. The Group intends to invest primarily in companies with attractive fundamental characteristics including experienced management, a significant financial or strategic sponsor or partner, a strong competitive position and positive cash flow.

The Investment Manager ensures that not more than 15% of the Group's gross assets are invested in any one investment. Consistent with shareholder approval obtained in December 2006, the Group may apply leverage up to 500%, or five times, the net asset value of the Group. Leverage is the ability to incur indebtedness for the purpose of making investments. The Group has incurred indebtedness (approximately US$246.6 million; GBP164.8million) through its CLO subsidiary in the form of long-term notes.

(a) Market risk

The Group's exposure to market risk is comprised mainly of movements in the Group's investments. The investment portfolio is managed within parameters disclosed in the Group's offering memorandum. All investments present a risk of loss of capital.

At 30 June 2010, the Group's market risk is affected by three main components: changes in actual market prices, interest rate and foreign currency movements. Interest rates and foreign currency movements are covered at (b) and (c) below.

The following details the Group's sensitivity to a 5% increase and decrease in the market prices, with 5% being the sensitivity rate used when reporting price risk to key management and represents management's assessment of the possible change in market price.

If market prices had increased by 5% with all other variables held constant, this would have increased net assets attributable to holders of equity shares by approximately GBP2,580,818 (31 December 2009: GBP1,795,100), due to the increase in the fair value of financial assets at fair value through profit or loss by GBP9,044,465 (31 December 2009: GBP7,662,850) offset by the increase in the fair value of the financial liabilities at fair value through profit or loss by GBP6,463,647 (31 December 2009: GBP5,867,750). Conversely, if market prices had decreased by 5%, this would have decreased net assets attributable to holders of equity shares by approximately GBP2,580,818 (31 December 2009: GBP1,795,100), due to the decrease in the fair value of financial assets at fair value through profit or loss by GBP9,044,465(31 December 2009: GBP7,662,850) offset by the decrease in the fair value of the financial liabilities at fair value through profit or loss by GBP6,463,647 (31 December 2009: GBP5,867,750).

(b) Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group has exposure to interest rate risk because it has borrowed to fund investments. The exposure arises on the difference between the rate of interest the Group is required to pay on borrowed funds and the rate of interest which it receives on the debt securities in which it invests. Interest rate risk is comprised of two elements: spread risk and rate risk.

The Group is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Group's cash balances, debt instruments and loan notes are open to interest rate risk.

The Group may, but is not required to, hedge against interest rate fluctuations by using standard hedging instruments such as futures, options and forward contracts.

3. FINANCIAL RISK MANAGEMENT CONTINUED

(b) Interest rate risk continued

The table below summarises the Group's exposure to interest rate risk.

At 30 June 2010	Floating Rate Financial Assets GBP	Fixed rate Financial Assets GBP	Non-interest Bearing Financial Assets GBP	Total GBP
Assets				
Financial assets at fair value through profit or loss	**179,753,168**	**–**	**1,136,136**	**180,889,304**
Note receivable	**–**	**–**	**500,000**	**500,000**
Trade and other receivables	**–**	**–**	**1,665,828**	**1,665,828**
Cash and cash equivalents	**17,691,004**	**–**	**–**	**17,691,004**
Total assets	**197,444,172**	**–**	**3,301,964**	**200,746,136**
Liabilities				
Loan notes	**129,272,947**	**–**	**–**	**129,272,947**
Trade and other payables	**–**	**–**	**689,705**	**689,705**
Total liabilities	**129,272,947**	**–**	**689,705**	**129,962,652**
Total interest sensitivity gap	**68,171,225**	**–**	**2,612,259**	**70,783,484**

At 31 December 2009	Floating Rate Financial Assets GBP	Fixed rate Financial Assets GBP	Non-interest Bearing Financial Assets GBP	Total GBP
Assets				
Financial assets at fair value through profit or loss	153,256,998	–	–	153,256,998
Note receivable	–	–	500,000	500,000
Trade and other receivables	–	–	1,200,566	1,200,566
Cash and cash equivalents	24,253,613	–	–	24,253,613
Total assets	177,510,611	–	1,700,566	179,211,177
Liabilities				
Loan notes	117,354,993	–	–	117,354,993
Trade and other payables	–	–	608,431	608,431
Total liabilities	117,354,993	–	608,431	117,963,424
Total interest sensitivity gap	60,155,618	–	1,092,135	61,247,753

The sensitivity analyses below have been determined based on the Group's exposure to interest rates for interest bearing assets and liabilities (included in the interest rate exposure table above) at the period end date and the stipulated change taking place at the beginning of the financial period and held constant through the reporting period in the case of instruments that have floating rates.

A 200 basis point increase or decrease is used when reporting interest spread risk internally and represents management's assessment of the possible change in interest spreads, and 25 basis points is used when reporting interest rate risk.

At 30 June 2010, should the interest spread have lowered by 200 basis points with all other variables remaining constant, the decrease in net assets attributable to holders of equity for the period would amount to approximately GBP681,712 (31 December 2009: GBP4,311,447). If the interest spread had risen by 200 basis points, the increase in net assets attributable to holders of equity would amount to approximately GBP681,712 (31 December 2009: GBP4,311,447).

3. FINANCIAL RISK MANAGEMENT CONTINUED

(b) Interest rate risk continued

At 30 June 2010, should interest rates have lowered by 25 basis points with all other variables remaining constant, the increase in net assets attributable to holders of equity for the year would amount to approximately GBP85,214 (31 December 2009: increase in net assets GBP100,940). If the interest rate had risen by 25 basis points, the decrease in net assets attributable to holders of equity would amount to approximately GBP85,214 (31 December 2009: decrease in net assets GBP100,940).

The Group's exposure to interest rate risk is limited to its financial assets at fair value through profit or loss, loan notes held at financial assets at fair value through profit or loss and its cash and cash equivalents. These are all floating rate financial assets.

(c) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group may make investments in currencies other than Sterling. To the extent that it does, the Group will be exposed to a potentially adverse currency risk. Changes in the rate of exchange may affect the value of the Group's investments, and the level of income that it receives from those investments.

Foreign currency denominated financial assets and liabilities, translated into GBP at the closing rate, are as follows:

30 June 2010	**USD**	**EUR**	**GBP**	**Total**
Assets				
Financial assets at fair value through profit or loss account	**180,889,304**	**–**	**–**	**180,889,304**
Cash and cash equivalents	**17,690,933**	**–**	**71**	**17,691,004**
Trade and other receivables	**600,007**	**–**	**1,565,821**	**2,165,828**
Total assets	**199,180,244**	**–**	**1,565,892**	**200,746,136**
Liabilities				
Trade and other payables	**129,689,002**	**–**	**273,650**	**129,962,652**
Total currency sensitivity gap	**69,491,242**	**–**	**1,292,242**	**70,783,484**

31 December 2009	USD	EUR	GBP	Total
Assets				
Financial assets at fair value through profit or loss account	153,256,998	–	–	153,256,998
Cash and cash equivalents	24,253,537	–	76	24,253,613
Trade and other receivables	1,077,478	–	623,088	1,700,566
Total assets	178,588,013	–	623,164	179,211,177
Liabilities				
Trade and other payables	117,829,014	–	134,410	117,963,424
Total currency sensitivity gap	60,758,999	–	488,754	61,247,753

The majority of the Group's financial assets and liabilities are also denominated in US Dollars and therefore the Group is exposed to fluctuations in the GBP:US Dollar foreign exchange rate.

The sensitivity analysis below has been determined based on the sensitivity of the Group's outstanding foreign currency denominated financial assets and liabilities to a 5% increase / decrease in the Sterling against US Dollar, translated at the period end date.

At 30 June 2010, if GBP had weakened or strengthened by 5% against the US Dollar, with all other variables held constant, the increase or decrease respectively in net assets attributable to holders of equity shares would amount to approximately GBP3,474,562 (31 December 2009: GBP2,235,321).

In accordance with the Group's policy, the Investment Manager monitors the Group's currency position on a regular basis, and the Board of Directors reviews it on a quarterly basis.

3. FINANCIAL RISK MANAGEMENT CONTINUED

(d) Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the balance sheet date. The Group invests primarily in senior debt, senior subordinated debt and junior subordinated debt. The maximum investment size, at the time of the investment, will generally be limited to 15% of the Group's Gross Assets. However, the Group may make larger investments and it may seek to syndicate or sell down a portion of any such investment, after it has been acquired.

The investment portfolio of the Group is subject to a number of diversification requirements including size, industry and ratings to ensure that it is sufficiently diversified.

The maximum credit risk associated with the investment portfolio is represented by the fair value of the investments as shown in Note 6.

The Group has established a credit rating system. The purpose of the rating system is to monitor the credit quality of the Company's investment portfolio on both an individual and portfolio basis and the future on-going monitoring required.

Portfolio by rating category	**30 June 2010**	31 December 2009
1	**9%**	8%
2	**65%**	58%
3	**25%**	33%
4	**0%**	0%
5	**1%**	1%
Total	**100%**	100%

Credit Ratings Level	Ratings Criteria Methodology (1) (General Parameters)
1	Company is ahead of expectations and/or outperforming financial covenant requirements and this trend is expected to continue.
2	Full repayment of principal and interest is expected.
3	Closer monitoring is required. Full repayment of principal and interest is expected.
4	A reduction of interest income has occurred or is expected to occur. No loss of principal is expected.
5	A loss of some portion of principal is expected. (2)

(1) The above methodology outlines the general parameters adopted to determine ratings, and other facts and circumstances may be considered when determining an appropriate Credit Ratings Level.
(2) An estimate of the potential amount of principal loss will be determined on a quarterly basis.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The credit risk associated with the CLO loan notes, designated as a financial liability held at fair value through profit or loss, is affected by changes in the credit ratings associated with the different classes of the loan notes. During 2009 the following changes in ratings were noted for each of the classes:

- Class A - rated as AAA by Standard & Poor's and Aaa by Moody's throughout the year
- Class B - rated as AA by Standard & Poor's and Aa2 by Moody's throughout the year
- Class C - rated as A by Standard & Poor's throughout the year and rated as A2 by Moody's at the start of the year and subsequently downgraded to Ba1 then upgraded to Baa3 during the year
- Class D - rated as BBB by Standard & Poor's throughout the year and rated as Baa2 by Moody's at the start of the year and subsequently downgraded to B1 then upgraded to Ba3 during the year
- Class E - rated as BB by Standard & Poor's throughout the year and rated as Ba2 at the start of the year and subsequently downgraded to Caa2 then upgraded to B3 during the year.

(e) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. As the Group's investments will not generally be in publicly traded securities, they are likely to be subject to legal and other restrictions on resale or otherwise be less liquid than publicly traded securities. The illiquidity of the Group's investments may make it difficult for them to be sold quickly if the need arises. Since the Group intends to invest in debt securities with a term of up to seven years, and hold investments in debt securities until maturity of the debt, the Group does not expect realisation events to occur in the near term.

3. FINANCIAL RISK MANAGEMENT CONTINUED

(e) Liquidity risk continued

The Company's investment in its subsidiary, T2 Income Fund CLO I Ltd, is also considered to be an illiquid investment.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows, assuming interest rates in effect at the year end. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	CURRENT		NON-CURRENT		
	Within 6 months GBP	6 to 12 months GBP	1 to 5 years GBP	Later than 5 years GBP	No stated maturity GBP
At 30 June 2010					
Loan notes	**860,543**	**846,513**	**6,832,900**	**170,461,917**	**–**
Trade and other payables	**689,705**	**–**	**–**	**–**	**–**
Total financial liabilities	**1,550,248**	**846,513**	**6,832,900**	**170,461,917**	**–**
At 31 December 2009					
Loan notes	766,093	766,093	6,128,743	158,516,210	–
Trade and other payables	608,431	–	–	–	–
Total financial liabilities	1,374,524	766,093	6,128,743	158,516,210	–

Fair value estimation

The fair values of the Group's short-term trade receivables and payables approximate their carrying amounts at the period end date.

Financial instruments measured at fair value

The Group adopted the amendments to IFRS 7 "Improving Disclosures about Financial Instruments" effective from 1 January 2009. These amendments require the Group to present certain information about financial instruments measured at fair value in the Consolidated Statement of Financial Position.

The following table presents financial assets and liabilities measured at fair value in the Consolidated Statement of Financial Position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets and liabilities measured at fair value in the balance sheet are grouped into the fair value hierarchy as follows:

30 June 2010	*Note*	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Assets					
Broadly syndicated loans	*a*	**–**	**–**	**179,753,168**	**179,753,168**
Equity securities	*b*	**–**	**–**	**1,136,136**	**1,136,136**
Total		**–**	**–**	**180,889,304**	**180,889,304**
Liabilities					
CLO loan notes	*c*	**–**	**–**	**(129,272,947)**	**(129,272,947)**
Total		**–**	**–**	**(129,272,947)**	**(129,272,947)**
Net Fair Value		**–**	**–**	**51,616,357**	**51,616,357**

3. FINANCIAL RISK MANAGEMENT CONTINUED

(e) Liquidity risk continued

Financial instruments measured at fair value continued

31 December 2009	*Note*	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Assets					
Broadly syndicated loans	*a*	–	–	153,256,998	153,256,998
Total		–	–	153,256,998	153,256,998
Liabilities					
CLO loan notes	*c*	–	–	(117,354,993)	(117,354,993)
Total		–	–	(117,354,993)	(117,354,993)
Net Fair Value		–	–	35,902,005	35,902,005

Measurement of fair value

The methods and valuation techniques used for the purposes of measuring fair value are unchanged compared to the previous reporting period.

(a) Broadly syndicated loans

All the broadly syndicated loans are denominated in USD. The loans have significant unobservable inputs, as they trade infrequently. As observable prices are not available for these securities, the Investment Manager has used valuation techiques to assist the Board in its determining of the fair value.

(b) Equity securities

All the equity securities are denominated in USD. The equity securities have significant unobservable inputs, as they trade infrequently. As observable prices are not available for these securities, the Investment Manager has used valuation techiques to assist the Board in its determining of the fair value.

(c) CLO loan notes

The CLO loan notes are denominated in USD. The loan notes also have significant unobservable inputs, as they trade infrequently. The fair value of the loan notes is determined primarily by reference to a mid-market value report provided by the independent broker-dealer.

Level 3 fair value measurements

The Group's financial assets and liabilities classified in Level 3 use valuation techniques based on significant inputs that are not based on observable market data. The financial instruments within this level can be reconciled from beginning to ending balances as follows:

Period ended 30 June 2010	Broadly Syndicated loans GBP	Equity GBP	CLO Loan Notes GBP	Total GBP
Opening balance	**153,256,998**	**–**	**(117,354,993)**	**35,902,005**
Purchases	**37,282,651**	**–**	**–**	**37,282,651**
Sales	**–**	**–**	**–**	**–**
Capital repayments	**(30,455,743)**	**–**	**–**	**(30,455,743)**
Gains and losses recognised in profit and loss				
– realised	**518,952**	**–**	**–**	**518,952**
– unrealised	**19,150,310**	**1,136,136**	**(11,917,954)**	**8,368,492**
Closing balance	**179,753,168**	**1,136,136**	**(129,272,947)**	**51,616,357**

3. FINANCIAL RISK MANAGEMENT CONTINUED

(c) CLO loan notes continued

Level 3 fair value measurements continued

Year ended 31 December 2009	Broadly Syndicated loans GBP	CLO Loan Notes GBP	Total GBP
Opening balance	126,644,228	(88,538,096)	38,106,132
Purchases	35,662,307	–	35,662,307
Sales	(12,535,692)	561,350	(11,974,342)
Capital repayments	(28,149,558)	235,244	(27,914,314)
Gains and losses recognised in profit and loss			
– realised	(1,876,127)	1,458,221	(417,906)
– unrealised	33,511,840	(31,071,712)	2,440,128
Closing balance	153,256,998	(117,354,993)	35,902,005

Changing inputs to the Level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognised in profit or loss, total assets or total liabilities or total equity.

There have been no transfers into or out of level 3 in the reporting periods under review.

4. FUND EXPENSES

Management fee

The Investment Manager, T2 Advisers, LLC, is entitled to receive an annual fee payable quarterly in advance. The management fee is calculated based on 2% of the average value of the Company's gross assets at the most recently completed calendar quarter and the projected gross assets as of the end of the current calendar quarter.

Total fees charged for the period ended 30 June 2010 amounted to GBP1,988,648 (30 June 2009: GBP1,415,927 & 31 December 2009; GBP2,965,261). The total amount due and payable at the period end amounted to GBPnil (30 June 2009: GBPnil & 31 December 2009: GBPnil).

Administration and secretarial fees

The former Administrator and Secretary, Butterfield Fulcrum Group (Guernsey) Limited, was entitled to an annual fee for its services, as administrator and secretary, of 0.075% of the Net Asset Value of the Group, calculated on the last business day of each quarter and payable quarterly in arrears. The fee was subject to a minimum of GBP40,000 per annum. They are also due a fixed accounting fee of GBP10,000 per annum plus a fixed fee of GBP5,000 for their registrar services.

Total Administration and secretarial fees (excluding accounting and registrar fees) charged for the period ended 30 June 2010 amounted to GBP42,968 (30 June 2009: GBP25,581 & 31 December 2009: GBP47,418). The total amount due and payable at the period end amounted to GBP12,864 (30 June 2009: GBP11,574 & 31 December 2009: GBP1,410).

Custodian fees

The Custodian, Butterfield Bank (Guernsey) Limited is entitled to custody fees of 0.02% of the Net Asset Value of the Group subject to a minimum of GBP15,000 per annum. The fee is payable quarterly in arrears.

Total fees charged for the period ended 30 June 2010 amounted to GBP10,195 (30 June 2009: GBP7,469 & 31 December 2009: GBP15,070). The total amount due and payable at the period end amounted to GBP3,740 (30 June 2009: GBP3,750 & 31 December 2009: GBP3,750).

Directors fees

The current level of fees for the Chairman of the Board of Directors of the Group is GBP40,000 per annum, and GBP25,000 each for non-executive directors.

Total fees charged to the Group for the period ended 30 June 2010 amounted to GBP33,750 (30 June 2009: GBP32,500 & 31 December 2009: GBP100,000). The total amount due and payable at the period end amounted to GBP22,500 (30 June 2009: GBP16,250 & 31 December 2009: GBP16,250).

5. EARNINGS PER SHARE

Earnings per share has been calculated by dividing the profit/(loss) attributable to ordinary share holders of GBP8,866,795 (30 June 2009: GBP13,177,851 & 31 December 2009: GBP2,035,164) by the weighted average number of ordinary shares outstanding during the period 87,300,000 (30 June 2009:43,000,000 & 31 December 2009: 51,857,534). Fully diluted profit per share has been calculated by dividing the profit/(loss) attributable to ordinary share holders of GBP8,866,795 (30 June 2009: GBP13,177,851 & 31 December 2009: GBP2,035,164), by the weighted average number of ordinary shares outstanding during the period adjusted for the effects of all dilutive potential ordinary shares 87,610,896 (30 June 2009: 43,555,555 & 31 December 2009: 52,516,651).

Basic earnings per share

Date	No. of shares	No. of days	Weighted average no. of shares
01/01/10 & 30/06/10	87,300,000	181	87,300,000
01/01/09	43,000,000	292	34,400,000
20/10/09	87,000,000	3	715,068
23/10/09	87,300,000	70	16,742,466
		365	51,857,534
01/01/09 & 30/06/09	43,000,000	181	43,000,000

Diluted earnings per share

Date	No. of shares	No. of days	Weighted average no. of shares
01/01/10	87,905,555	85	41,281,614
26/3/10	87,350,000	96	46,329,282
		181	87,610,896
01/01/09	43,555,555	197	23,508,067
17/07/09	43,905,555	95	11,427,473
20/10/09	87,905,555	73	17,581,111
		365	52,516,651
01/01/09 & 30/06/09	43,555,555	181	43,555,555

	30 June 2010 No. of shares	31 December 2009 No. of shares	30 June 2009 No. of shares
Weighted average number of ordinary shares for the purposes of basic earnings per share	**87,300,000**	51,857,534	43,000,000
Effect of dilutive potential ordinary shares:			
Share options	**50,000**	659,117	555,555
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**87,350,000**	52,516,651	43,555,555

6. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	Unaudited Period to 30 June 2010 GBP	Unaudited Period to 30 June 2009 GBP	Audited Year to 31 December 2009 GBP
Listed debt securities	**41,180,141**	23,556,415	52,098,842
Unlisted debt securities	**138,573,027**	98,141,494	101,158,156
Unlisted equity securities	**1,136,136**	–	–
	180,889,304	121,697,909	153,256,998
Realised gain/(loss) recognised on financial assets and liabilities at fair value through profit or loss (1)			
– Realised gain/(loss) on investments	**518,952**	878,681	(1,876,127)
– Realised gain on financial liabilities	**–**	1,458,221	1,458,221
	518,952	2,336,902	(417,906)
Unrealised gains recognised on financial assets and liabilities at fair value through profit or loss (2)			
– Unrealised gain/(loss) on financial assets	**20,286,446**	8,864,707	33,511,840
– Unrealised (loss)/gain on financial liabilities	**(11,917,954)**	3,908,698	(31,071,712)
	8,368,492	12,773,405	2,440,128

	Unaudited Period to 30 June 2010 GBP	Unaudited Period to 30 June 2009 GBP	Audited Year to 31 December 2009 GBP
Opening cost of financial assets	**137,653,776**	144,552,846	144,552,846
Purchases	**37,282,651**	4,434,695	35,662,307
Sales	**–**	(4,746,054)	(12,535,692)
Realised gain/(loss) on sale of investments	**518,952**	878,681	(1,876,127)
Capital repayments	**(30,455,743)**	(14,378,348)	(28,149,558)
Cost of investments at period/year end	**144,999,636**	130,741,820	137,653,776
Unrealised gain/(loss) at period/year end	**35,889,668**	(9,043,911)	15,603,222
Closing value at period/year end	**180,889,304**	121,697,909	153,256,998

(1) For the six months to 30 June 2010 the Group had a realised gain of GBP518,952 (30 June 2009: realised gain of GBP2,336,902 & 31 December 2009: realised loss of GBP417,906) which comprised a realised gain on investments of GBP518,952 (30 June 2009: realised gain of GBP878,681 & 31 December 2009: realised loss of GBP1,876,127) and a realised gain on the purchase of some of the CLO loan notes by the parent company, Greenwich Loan Income Fund Limited, of GBPnil (30 June 2009: realised gain of GBP1,458,221 & 31 December 2009: realised gain of GBP1,458,221).

(2) For the six months to 30 June 2010 the Group had an unrealised gain on financial assets and liabilities at fair value through the profit and loss of GBP8,368,492 (30 June 2009: GBP12,773,405 & 31 December 2009: GBP2,440,128). This is comprised of an unrealised gain on financial assets of GBP20,286,4456 (30 June 2009: unrealised gain GBP8,864,707, 31 December 2009: unrealised gain GBP33,511,840) and an unrealised loss on liabilities of GBP11,917,954 (30 June 2009: GBP3,908,698 gain & 31 December 2009: GBP31,071,712 loss).

7. TRADE AND OTHER RECEIVABLES

	Unaudited 30 June 2010 GBP	Unaudited 30 June 2009 GBP	Audited 31 December 2009 GBP
Accrued bank interest	**–**	7,664	1
Loan interest receivable	**715,745**	741,206	1,155,306
Prepaid expenses	**950,083**	12,378	45,259
	1,665,828	761,248	1,200,566
Current assets			
Note receivable	**500,000**	500,000	500,000

The GBP500,000 note receivable relates to a promissory note that was originally due for payment in 2009 from T2 Advisers, LLC, the Company's Investment Manager. This note, which is subject to certain conditions, was signed on 5 December 2006 and was subject to interest of 8% per annum, compounded annually. On 29 September 2009 it was agreed for payment on the promissory note to be deferred (without interest) until such time as the reduction in the aggregate fees paid by the Company to the Investment Manager, commencing 1 July 2010, is equal to the amount payable under the note, at which point the note will be cancelled. The promissory note has been classified as current at 31 December 2009.

During the year to 31 December 2009, the Company purchased some of the CLO loan notes from its subsidiary T2 Income Fund CLO I Ltd. At a Company level, the loan notes are designated as receivables held at amortised cost.

8. CASH AND CASH EQUIVALENTS

	Unaudited 30 June 2010 GBP	Unaudited 30 June 2009 GBP	Audited 31 December 2009 GBP
Call account	**71**	14	76
Foreign currency accounts	**17,690,933**	23,288,677	24,253,537
	17,691,004	23,288,691	24,253,613

For the purposes of the Consolidated Cash Flow Statement, the above items represent the period/year end cash and cash equivalents.

9. TRADE AND OTHER PAYABLES

	Unaudited 30 June 2010 GBP	Unaudited 30 June 2009 GBP	Audited 31 December 2009 GBP
Current liabilities			
Administrator's fees	**12,864**	11,574	11,410
Custodian's fees	**3,740**	3,750	3,750
Audit fees	**20,000**	30,000	40,000
Directors' fees	**22,500**	16,250	16,250
Finance cost (1)	**416,055**	599,558	327,717
Due to broker	**–**	273,345	–
Other accruals	**214,546**	261,936	209,304
	689,705	1,196,413	608,431
Non current liabilities			
Loan notes	**129,272,947**	83,171,177	117,354,993

9. TRADE AND OTHER PAYABLES CONTINUED

On 19 July 2007 loan notes were issued in the amount of US$309,050,000 with a twelve year term by T2 Income Fund CLO I Ltd. The "Indenture" dated 19 July 2007 is among T2 Income Fund CLO I Ltd as the "Issuer", T2 Income Fund CLO I LLC as the "Co-Issuer" and The Bank of New York Mellon as the "Trustee".

During June 2009, the Company purchased from third parties some of the loan notes of its subsidiary, T2 Income Fund CLO 1 Ltd. Class B loan notes of par value US$1,137,000 and Class D loan notes of par value US$3,000,000 were purchased at a price of 0.435 and 0.1425 respectively. The internally purchased loan notes have been eliminated within the consolidated financial statements for consolidation purposes only and a realised gain of GBP1,458,221 recognised.

(1) Interest on the loan notes is calculated on a weighted average interest rate of LIBOR plus 75 basis points.

10. SHARE CAPITAL

The Company has the power to issue an unlimited number of ordinary shares of no par value.

Upon incorporation, the Investment Manager, T2 Advisers LLC, was granted options to purchase 4,222,222 Ordinary Shares at the Placing Price, as reduced by dividends paid per share, subject to the Company achieving certain performance criteria as follows:

The Investment Manager options vested and became exercisable in respect of 50 per cent immediately on conclusion of the first three month period during which the Company paid dividends on the Shares in an aggregate amount during that three month period equal to or exceeding 8 per cent of the Initial Offer Price on an annualised basis (the hurdle rate). The remaining 50 per cent vested and became exercisable immediately on conclusion of the twelve month period following the date specified above.

On 23 February 2007 the hurdle rate was met. Accordingly on 31 March 2007 the options on 2,111,111 of these Ordinary shares became vested. The remaining options for 2,111,111 Ordinary shares vested on 31 March 2008.

Effective 21 April 2008, the options to acquire 4,222,222 ordinary shares were cancelled in consideration of a one-off cash payment by the Company to the Investment Manager of £1.4 million. The amount of the payment was determined by the Board with reference to the present value of the options, with the application of a further discount, and after consultation with the Company's nominated advisor.

The Investment Manager was been granted options to purchase 555,555 Ordinary Shares at 101.75p per Share, based upon the 5,000,000 Ordinary Shares issued in June 2007, in accordance with the terms of the Share Option Plan. Effective 26 March 2010, upon mutual agreement the 555,555 options were cancelled without additional payment as part of the restructuring of the investment management agreement.

In accordance with IFRS2, the value of the options was based upon an estimate of the fair value of the services received. The Company believes that the fair value can be determined by a comparison to a performance-based incentive fee program, which arrangements are common practice in the industry, because the option program was similarly intended to compensate the Investment Manager for achieving superior returns. The fair value estimate was based, in good faith, upon the present value of a hypothetical performance-based incentive fee, assuming a fee of 20% of the excess return above an 8% hurdle rate over a ten-year period; the fair value of the options was determined to be £100,000. For the year ending 31 December 2009 the Company charged £nil (2008: £nil) to expenses representing the amortisation of the fair value of the options, which had been fully expensed during 2007 upon meeting the performance criteria.

On 17 July 2009, the directors were granted options over 350,000 shares in total exercisable at a price of 10p per share at any time up to the second anniversary of the passing of the relevant resolution. On 23 October 2009, 300,000 of these options were exercised. Under IFRS2, the share options granted are measured at fair value at the grant date based on market prices. On exercise of the share options the change in fair value is also recognised and expensed in the Income Statement. There was no share option expense for the period ended 30 June 2010. During the year to 31 December 2009, a share option expense of GBP58,240 was recognised in relation to these share options issued.

Share Capital	**Unaudited 30 June 2010 Shares in issue**	Unaudited 30 June 2009 Shares in issue	Audited 31 December 2009 Shares in issue
Ordinary shares – nil par value			
Balance at start of the period/year	**87,300,000**	43,000,000	43,000,000
Issued during the period/year	**–**	–	44,000,000
Options exercised during the period/year	**–**	–	300,000
Balance at end of the period/year	**87,300,000**	43,000,000	87,300,000

10. SHARE CAPITAL CONTINUED

Share Premium	Unaudited Period to 30 June 2010 GBP	Unaudited Period to 30 June 2009 GBP	Audited Year to 31 December 2009 GBP
Balance at start of the period/year	**16,087,290**	5,619,040	5,619,040
Issued during the period/year	**–**	–	11,000,000
Options exercised during the period/year	**–**	–	85,500
Issue costs during the period/year	**–**	–	(617,250)
Balance at end of the period/year	**16,087,290**	5,619,040	16,087,290

11. NET ASSET VALUE PER SHARE

The net asset value per Ordinary Share is calculated by dividing the net assets at the period end of GBP70,783,484 (30 June 2009: GBP61,880,258 & 31 December 2009: GBP61,247,753) by the Ordinary Shares in issue at the end of the period being 87,300,000 (30 June 2009: 43,000,000 & 31 December 2009: 87,300,000).

12. CASH GENERATED FROM OPERATIONS

	Unaudited Period to 30 June 2010 GBP	Unaudited Period to 30 June 2009 GBP	Audited Year to 31 December 2009 GBP
Profit for the period/year	**8,866,794**	13,177,851	2,035,164
Adjustments for:			
Realised (gain)/loss arising on adjustment to financial assets and liabilities	**(518,952)**	(2,336,902)	417,906
Unrealised gain arising on adjustment to financial assets and liabilities	**(7,232,357)**	(12,773,405)	(2,440,128)
Share option expense	**–**	–	58,240
Changes in working capital:			
Trade and other receivables	**(465,262)**	656,685	217,367
Trade and other payables	**81,275**	(1,136,125)	(1,724,107)
Cash inflow/(outflow) from operations	**731,498**	(2,411,896)	(1,435,558)

13. CONSOLIDATED SUBSIDIARY UNDERTAKING

Through its 100% ownership of the residual economic interest in T2 Income Fund CLO I Ltd., the Directors consider the following entity as a wholly owned subsidiary of the Company and its results and financial position are included within the consolidated results of the Company.

	Date of incorporation	Country of incorporation	Nature of holding	Percentage holding
T2 Income Fund CLO I Ltd	11 October 2006	Cayman Islands	Income Notes	100%

14. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting used by the Investment Committee of the Investment Manager ("ICIM"). The ICIM is responsible for allocating resources and assessing performance of the portfolio, as well as making strategic investment decisions, subject to the oversight of the Board of Directors. The ICIM is responsible for the entire portfolio, including assets held at the Company level as well as the portfolio of its CLO subsidiary, and considers the business to have a single operating segment. Although the CLO is a legally distinct entity, investment allocation decisions are based upon an integrated investment strategy and performance is evaluated on an overall basis.

The vast majority of the Group's investment income arises from investments in entities incorporated in the US. Approximately 97% of the Group's portfolio is based in the US with the remainder of investments being based in Canada. The Group has a highly diversified portfolio of investments and no single investment accounts for more than 10% of the Group's income.

The internal reporting provided to the ICIM for the Group's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of IFRS.

There were no changes in reportable segments during the period or prior year.

15. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties in addition to the related party transactions disclosed in Note 4:

	Unaudited Period to 30 June 2010 GBP	Unaudited Period to 30 June 2009 GBP	Audited Year to 31 December 2009 GBP
Amounts incurred during the period/year to related parties			
Fees to P Conroy as Chief Financial Officer to the Company	**62,250**	37,500	–
Fees to the Investment Manager, T2 Advisers, LLC	**1,988,648**	1,415,927	2,965,261
Reimbursement due to BDC Partners, LLC	**22,919**	45,578	85,942
Amounts due to related parties at the period/year end			
Fees due to P Conroy as Chief Financial Officer to the Company	**10,417**	6,250	56,250
Amounts due from related parties at the period/year end			
Note receivable from the Investment Manager, T2 Advisers, LLC	**500,000**	500,000	500,000

On 18 December 2009, the Company acquired an investment in senior secured corporate notes, Koosharem 2nd Lien, from the CLO for US$8.55 million (GBP5.31 million). While on a consolidated basis the transaction had no net impact on the Group Statement of Financial Position, the acquisition may improve the CLO's likelihood of being in compliance with certain covenants, and will have the effect of increasing the probability of the Company receiving future interest payments from the CLO.

Directors shareholdings in Company

At 30 June 2010, Geoff Miller had a beneficial interest in 500,000 ordinary shares, representing 0.57% of the Company's issued share capital and Patrick Firth held 50,000 ordinary shares, representing 0.06% of the Company's issued share capital.

16. COMMITMENTS AND CONTINGENCIES

There were no commitments or contingencies as at 30 June 2010 (30 June 2009: none & 31 December 2009: none).

17. POST BALANCE SHEET EVENTS

Significant Portfolio Movements

Since the period end the Group has made 5 new investment purchases, these are detailed below:

Closing Date	Par Amount		Purchase Price US$
19 July 2010	US$1,000,000	Dyncorp	98.00
21 July 2010	US$2,000,000	Dyncorp	99.875
30 July 2010	US$4,000,000	Sophos	96.00
12 August 2010	US$2,000,000	Cedar Fair	99.00
18 August 2010	US$3,000,000	Topps	90.00

Since the period end the Group made the following sales:

Closing Date	Par Amount		Realised gain GBP
13 August 2010	US$2,000,000	Cedar Fair	19,241

17. POST BALANCE SHEET EVENTS CONTINUED

Moody's upgrades the ratings of notes issued by T2 Income Fund CLO I Ltd

On the 9 September 2010, Moody's Investors Service announced that it has upgraded the ratings of the following notes issued by T2 Income Fund CLO I Ltd.:

- U.S. $22,000,000 Class C Third Priority Subordinated Deferrable Notes Due 2019, Upgraded to Baa1 (sf); previously on 30 July 2009 Upgraded to Baa3 (sf*);

- U.S. $9,000,000 Class D Fourth Priority Subordinated Deferrable Notes Due 2019, Upgraded to Ba1 (sf); previously on 30 July 2009 Upgraded to Ba3 (sf*);

- U.S. $12,000,000 Class E Fifth Priority Subordinated Deferrable Notes Due 2019, Upgraded to Ba3 (sf); previously on 30 July 2009 Upgraded to B3 (sf*).

*structure finance rating

Investment Manager Agreement Variation

As announced on 26 March 2010, the Company has agreed to amend certain terms of the Investment Manager Agreement with its Investment Adviser, T2 Advisers, LLC ("T2 Advisors") whereby:

With effect from 1 July 2010, the management fee payable T2 Advisors will be reduced by 25 basis points from 2.00% of gross assets to 1.75% of gross assets.

There were no other significant post period end events that require disclose in these financial statements.

Loans	Principal US$	Fair Value US$	Fair Value GBP	% of net assets
4437667 Canada Inc. (Mold Masters)	5,817,900	5,017,939	3,353,565	4.74%
Anchor Glass	4,427,885	4,383,606	2,929,630	4.14%
Aramark Corp.	5,632,909	5,252,688	3,510,451	4.96%
Attachmate	7,568,533	6,981,972	4,666,158	6.59%
Autotrader	4,000,000	4,000,000	2,673,261	3.78%
Boise Paper	4,046,096	4,010,693	2,680,407	3.79%
Broadlane	3,990,000	3,900,225	2,606,580	3.68%
Cablevision	3,069,714	2,993,923	2,000,884	2.83%
Cavalier Telephone	10,631,744	9,630,553	6,436,245	9.09%
Charter Communications	5,969,388	5,529,742	3,695,611	5.22%
Community Health	5,967,691	5,557,412	3,714,103	5.25%
Conner Steel	4,174,528	3,339,623	2,231,920	3.15%
Corel	7,180,336	6,659,762	4,450,820	6.29%
Dean Foods	5,969,231	5,527,150	3,693,878	5.22%
Emdeon Business Solutions	6,012,706	5,779,714	3,862,671	5.46%
First Data Corporation B-1	8,752,500	7,362,165	4,920,247	6.95%
Ford	8,651,786	8,166,248	5,457,627	7.71%
Georgia Pacific TL B	3,216,422	3,103,847	2,074,348	2.93%
Getty Images	4,710,438	4,715,337	3,151,331	4.45%
HCA TL-A	3,066,576	2,892,793	1,933,297	2.73%
Houghton	3,880,107	3,608,499	2,411,615	3.41%
Hudson Products	4,243,182	3,861,295	2,580,562	3.65%
Huish Detergents	5,938,853	5,545,404	3,706,078	5.24%
IM Holding (Inverness Medical)	3,855,128	3,625,208	2,422,782	3.42%
InfoNXX	6,755,000	6,391,919	4,271,816	6.04%
Infor Global	5,775,000	5,347,650	3,573,916	5.05%
Intergraph	3,733,333	3,728,667	2,491,925	3.52%
Keane (Caritor)	4,921,828	4,491,168	3,001,516	4.24%
Koosharem (Select Remedy) 1st lien (1)	2,930,726	2,279,259	1,523,260	2.15%
Koosharem (Select Remedy) 2nd lien (1)	9,000,000	3,016,751	2,016,140	2.85%
Mediacom TL-C	3,958,974	3,597,718	2,404,410	3.40%
Mediacom TL-D	1,985,000	1,932,894	1,291,782	1.82%
Merrill Corp 2nd Lien	1,016,857	826,196	552,160	0.78%
MetroPCS	3,979,328	3,799,860	2,539,504	3.59%
MR Default	2,603,154	2,525,059	1,687,535	2.38%
NameMedia (2)	3,945,469	3,550,922	2,373,135	3.35%
National Cinemedia	5,000,000	4,693,750	3,136,904	4.43%
National Processing 1st lien	3,138,461	3,048,231	2,037,179	2.88%
National Processing 2nd lien	4,000,000	3,590,000	2,399,251	3.39%
Navisite	1,786,546	1,679,353	1,122,337	1.59%
Network Solutions	4,816,241	4,497,165	3,005,524	4.25%
Nusil	2,897,143	2,897,143	1,936,205	2.74%
Peacock Engineering	2,249,169	2,215,431	1,480,606	2.09%
Pegasus	8,770,819	7,762,175	5,187,579	7.33%
Prodigy Health 1st lien	5,766,582	4,901,595	3,275,810	4.63%
Prodigy Health 2nd lien	2,000,000	1,490,000	995,790	1.41%
Proquest	8,160,000	7,670,400	5,126,245	7.23%
Provo Craft	4,000,000	3,890,000	2,599,746	3.66%
QA Master	5,306,393	4,974,743	3,324,697	4.70%
Quebecor (World Color Press)	3,978,333	3,978,333	2,658,781	3.75%
QVC	4,000,000	3,970,000	2,653,211	3.75%
Sally	5,000,000	4,796,900	3,205,841	4.53%
Shearer's Foods	3,990,000	3,870,300	2,586,580	3.65%
SkillSoft	3,000,000	2,975,640	1,988,665	2.81%
Skype	5,925,000	5,845,368	3,906,548	5.51%
Stratus Technologies 2nd Lien	5,418,391	3,088,483	2,064,080	2.92%
SuperValu	3,600,355	3,409,536	2,278,645	3.22%
Sunquest Holdings (Misys)	2,591,878	2,507,642	1,675,895	2.37%
Topps	5,846,412	5,027,914	3,360,231	4.75%
TravelClick	3,509,926	3,194,033	2,134,620	3.02%
TVC Communications	3,614,342	3,207,728	2,143,773	3.03%
UI Holdings (CBA Group) (3)	3,145,314	2,988,048	1,996,958	2.82%
Workflow	2,386,365	1,909,093	1,275,876	1.80%
X-rite	2,095,896	1,951,805	1,304,421	1.84%
Total Loans		268,964,670	179,753,168	253.95%

PORTFOLIO STATEMENT OF THE GROUP CONTINUED
AS AT 30 JUNE 2010

Equity	Nominal	Fair Value US$	Fair Value GBP	% of net assets
Stratus Technologies Bermuda Holdings Limited Series B1 Ordinary Shares	775,631.8730	246,795	164,937	1.07%
Stratus Technologies Bermuda Holdings Limited Series B1 Preference Shares	176,648.8226	1,453,205	971,199	0.53%
CBA Group (UI Acquisition Holding Co) Class A	10.6267	–	–	–
CBA Group (UI Acquisition Holding Co) Class B	0.5542	–	–	–
Total Equity		1,700,000	1,136,136	1.61%
Warrants				
Koosharem – warrants to purchase 6,029 shares of common stock	6,029.0000	–	–	–
Total warrants		–	–	–
Total financial assets at fair value through profit or loss			180,889,304	255.56%
Cash balances			17,691,004	24.99%
Other net liabilities			(127,796,824)	(180.55%)
Net Assets			70,783,484	100.00%

Greenwich *Loan Income Fund Limited*

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