

# LF Arch cru Investment Funds

LF Arch cru Investment Portfolio  
LF Arch cru Specialist Portfolio

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INTERIM UNAUDITED REPORT AND FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2018



## AUTHORISED CORPORATE DIRECTOR ('ACD')

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## DIRECTORS OF THE ACD

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K.J. Midl  
A.J. Stuart

## INVESTMENT MANAGER

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### LINK FUND SOLUTIONS LIMITED

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(Authorised and regulated by  
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## DEPOSITARY

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### THE BANK OF NEW YORK MELLON (INTERNATIONAL) LIMITED

One Canada Square  
London E14 5AL  
(Authorised by the Prudential Regulation Authority  
and regulated by the Financial Conduct Authority  
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## REGISTRAR

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### LINK FUND ADMINISTRATORS LIMITED

Customer Service Centre:  
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## INDEPENDENT AUDITOR

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## ACD'S REPORT

for the half year ended 30 September 2018

### Authorised Status

LF Arch cru Investment Funds ('the Company') is an open-ended investment company with variable capital incorporated in England and Wales under registered number IC000456 and authorised by the Financial Conduct Authority ('FCA') with effect from 30 June 2006.

It is a Non-UCITS Retail Scheme and the currency of the Company and each sub-fund is pounds sterling.

Shareholders are not liable for the debts of the Company.

The Company is currently being wound up following receipt of the FCA's approval on 1 February 2010. As a result, the financial statements of all the Company's sub-funds have been prepared on a break-up basis.

### Authorised Corporate Director's Report

Link Fund Solutions Limited ('LFSL') in its capacity as the Authorised Corporate Director ('the ACD'), the sole director of LF Arch cru Investment Funds ('the Company'), presents its report and the Interim unaudited Financial Report and Statements of the Company for the period 1 April 2018 to 30 September 2018. During the relevant period the sub-funds of the Company ('the Fund') have continued to take a number of actions that were previously brought to the attention of shareholders in the Annual Audited Report and Financial Statements for the year ended 31 March 2018.

### Status of the Fund

Dealings in the shares of the Fund were suspended on 13 March 2009. The Fund continues to be substantially invested in certain Guernsey Incorporated Cell Companies ('the Cells') and in line with previous statements made, the Fund has been in wind up, by way of an orderly realisation, since February 2010.

### Alternative Investment Fund Managers Directive ('AIFMD')

The FCA approved the commencement of the termination of the Company from 1 February 2010 and, therefore, the Company falls outside the scope of the AIFMD.

### Orderly Realisation

The realisation of the assets of the Funds involves the assets of the Cells being sold or realised in an orderly manner over a reasonable period of time that balances the need to achieve a fair value for shareholders in the Funds (having regard to the current value of the Cells) with the need to generate liquidity. We confirmed to shareholders in December 2009 that there would not be a 'fire sale' of the Fund's shares in the Cells or of the assets in the Cells (i.e. a sale to realise the shares or assets as quickly as possible at any price), as we believed that this would significantly reduce the return for shareholders. The orderly realisation process continued to be the approach adopted in the period and this will continue until the Funds' investments in the Cells have been realised. In the Annual Audited Report and Accounts for the year ended March 2018 we noted in the section General background the following "At the time of writing this report it is still not possible to predict with any accuracy

## **AUTHORISED CORPORATE DIRECTOR'S REPORT** *continued*

as to when the orderly realisation process will be concluded, other than, based on the Report and Financial Statements issued by the Cells on 2 July 2018, and as noted last year, we do not expect this to be any sooner than the end of 2020." Please see the Investment Manager's Reports on pages 7 and 22 for more details regarding the orderly realisation process during the period.

### **Payment Scheme**

The acceptance deadline for the payment scheme established for investors in the LF Arch cru Funds has passed. Full details and other relevant information are on our website – [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk) enter the 'Investor services' section, then following the link 'Investor Communications' and then click on 'LF Arch cru fund'.

### **FCA Consumer Redress Scheme**

In December 2012 the FCA published a policy statement setting out rules on a consumer redress scheme where there is evidence of unsuitable advice being given to investors. The redress scheme has now concluded.

### **Valuation of the Funds**

The ACD, based on the quarterly Cell Net Asset Value ('NAV'), publishes on its website the price of each share class of the sub-funds. This information can be found on the 'Investor Communications' tab of our website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

### **Investor Communications**

Please note that since the suspension of the sub-funds all shareholder communications including information regarding the progress being made with the orderly realisation of the Cells' assets and up to date valuation information can be found on our website [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk), under the heading 'Investor Communications'.

### **Important Information**

On 1 February 2010, the FCA granted permission to wind up the Company.

### **Cross Holdings**

No sub-funds had holdings in any other sub-fund of the Company at the end of the period.

## **AUTHORISED CORPORATE DIRECTOR'S REPORT** *continued*

### **Securities Financing Transactions**

The Company has the ability to utilise Securities Financing Transactions (being transactions such as lending or borrowing of securities, repurchase or reverse repurchase transactions, buy-sell back or sell-buy back transactions, or margin lending transactions). No such transactions have been undertaken in the period covered by this report.

### **DIRECTOR'S STATEMENT**

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

**N. BOYLING**

**LINK FUND SOLUTIONS LIMITED**

ACD of LF Arch cru Investment Funds  
*30 November 2018*

## **LF ARCH CRU INVESTMENT PORTFOLIO ACD'S REPORT**

for the half year ended 30 September 2018

### **Important Information**

Refer to 'Important Information' section on page 4.

### **Investment Objective and Policy**

Given that LF Arch cru Investment Portfolio ('the Fund') is being terminated on an orderly realisation basis, and given the illiquidity of the Guernsey Cells, the management of the Fund does not involve active investment management of the assets. The investment management required for the Fund is essentially limited to a cash management role, i.e. receiving distributions/realisation proceeds from the Cells and passing these on to shareholders in the Fund.

The Fund is in the course of being terminated and is no longer available for investment.



## **LF ARCH CRU INVESTMENT PORTFOLIO**

### **ACD'S REPORT** *continued*

### **INVESTMENT MANAGER'S REPORT**

**for the half year ended 30 September 2018**

Link Fund Solutions Limited ('LFSL'), in its capacity as Investment Manager, has since February 2010, been managing the LF Arch cru Investment Funds ('the Company') on the basis of an orderly realisation with periodic capital payments being made to shareholders as the sub-funds of the Company ('the Fund') underlying assets are realised. As such LFSL's investment management activity for the Fund continues to be principally focused on decision making regarding whether to participate in tender offers, off-market and on-market buybacks proposed by the Guernsey Cells, and cash management (i.e. receiving distributions/realisation proceeds from the Guernsey Incorporated Cell Companies ('the Cells') and passing these on to shareholders in the Fund). LFSL is not charging any fees for performing this role. In the Annual Audited Report and Accounts for the year ended March 2018 we noted that on the 7 May 2018 the twelfth return of capital was announced, payable to shareholders of the LF Arch cru Investment Funds and LF Arch cru Diversified Funds (together the 'Arch Funds') effective 9 May 2018, returning a further £9.5million to investors. This, combined with previous returns of capital, means that £143.9million has now been returned to investors since the commencement of the orderly realisation of the Arch Funds in February 2010. In the past period the directors of the underlying assets have not been able to make any recommendations to LFSL to participate in any action which would enable LFSL to make a further capital distribution, LFSL continues to monitor this position closely and further capital distribution, making the thirteenth such distribution, will be made at some point during the next six to twelve months. The value of each Fund is directly related to the valuation ascribed to the individual Cells held by that Fund.

#### **LINK FUND SOLUTIONS LIMITED**

Investment Manager

*30 November 2018*

## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

#### FUND INFORMATION

##### Fund Performance

Due to the suspension of the Fund on 13 March 2009, no Fund Performance is reported for the period to 30 September 2018.

##### Risk and Reward Profile

Due to the suspension of the Fund on 13 March 2009, no Risk and Reward Profile is reported.

##### Income Distributions

There were no income distributions during the half year.

##### Comparative Tables

Due to the suspension of the Fund on 13 March 2009, no highest and lowest prices are reported.

##### 'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.82	9.78	10.38	13.70
Return before operating charges*	0.41	0.20	3.15	(1.00)
Operating charges	–	–	(0.01)	(0.01)
Return after operating charges	0.41	0.20	3.14	(1.01)
Distributions	–	(3.16)	(3.74)	(2.31)
Closing net asset value per share	7.23	6.82	9.78	10.38
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	6.01%	2.04%	30.25%	(7.37)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	395	373	535	567
Closing number of shares	5,463,726	5,463,726	5,463,726	5,463,726
Operating charges	0.06%	0.05%	0.07%	0.06%
Direct transaction costs	–	–	–	–

## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.87	9.85	10.44	13.78
Return before operating charges*	0.41	0.20	3.18	(1.01)
Operating charges	–	–	(0.01)	(0.01)
Return after operating charges	0.41	0.20	3.17	(1.02)
Return of capital	–	(3.18)	(3.76)	(2.32)
Closing net asset value per share	7.28	6.87	9.85	10.44
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.97%	2.03%	30.36%	(7.40)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	6,404	6,041	8,661	9,182
Closing number of shares	87,947,665	87,947,665	87,947,665	87,947,665
Operating charges	0.06%	0.05%	0.07%	0.06%
Direct transaction costs	–	–	–	–

## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'B' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.90	9.87	10.48	13.83
Return before operating charges*	0.41	0.22	3.17	(1.01)
Operating charges	–	–	(0.01)	(0.01)
Return after operating charges	0.41	0.22	3.16	(1.02)
Distributions	–	(3.19)	(3.77)	(2.33)
Closing net asset value per share	7.31	6.90	9.87	10.48
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.94%	2.23%	30.15%	(7.38)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	2,662	2,511	3,594	3,814
Closing number of shares	36,398,778	36,398,778	36,398,778	36,398,778
Operating charges	0.06%	0.05%	0.07%	0.06%
Direct transaction costs	–	–	–	–

## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'B' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.97	10.00	10.60	14.00
Return before operating charges*	0.42	0.20	3.23	(1.03)
Operating charges	–	–	(0.01)	(0.01)
Return after operating charges	0.42	0.20	3.22	(1.04)
Return of capital	–	(3.23)	(3.82)	(2.36)
Closing net asset value per share	7.39	6.97	10.00	10.60
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	6.03%	2.00%	30.38%	(7.43)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	6,686	6,307	9,045	9,592
Closing number of shares	90,477,697	90,477,697	90,477,697	90,477,697
Operating charges	0.06%	0.05%	0.07%	0.06%
Direct transaction costs	–	–	–	–

## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'C' USD INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 US\$ per share	31.03.18 US\$ per share	31.03.17 US\$ per share	31.03.16 US\$ per share
Opening net asset value per share	0.0942	0.1185	0.1453	0.1971
Return before operating charges*	(0.0037)	0.0196	0.0187	(0.0190)
Operating charges	–	(0.0001)	(0.0001)	(0.0001)
Return after operating charges	(0.0037)	0.0195	0.0186	(0.0191)
Distributions	–	(0.0438)	(0.0454)	(0.0327)
Closing net asset value per share	0.0905	0.0942	0.1185	0.1453
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	(3.93)%	16.46%	12.80%	(9.69)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	–	–	–	–
Closing number of shares	3,997	3,997	3,997	3,997
Operating charges	0.06%	0.05%	0.07%	0.06%
Direct transaction costs	–	–	–	–

## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'C' USD ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 US\$ per share	31.03.18 US\$ per share	31.03.17 US\$ per share	31.03.16 US\$ per share
Opening net asset value per share	0.0973	0.1223	0.1499	0.2035
Return before operating charges*	(0.0038)	0.0204	0.0193	(0.0197)
Operating charges	–	(0.0001)	(0.0001)	(0.0001)
Return after operating charges	(0.0038)	0.0203	0.0192	(0.0198)
Return of capital	–	(0.0453)	(0.0468)	(0.0338)
Closing net asset value per share	0.0935	0.0973	0.1223	0.1499
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	(3.91)%	16.60%	12.81%	(9.73)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	21	20	28	30
Closing number of shares	289,356	289,356	289,356	289,356
Operating charges	0.06%	0.05%	0.07%	0.06%
Direct transaction costs	–	–	–	–

## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'D' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.85	9.81	10.41	13.74
Return before operating charges*	0.41	0.21	3.16	(1.00)
Operating charges	–	–	(0.01)	(0.01)
Return after operating charges	0.41	0.21	3.15	(1.01)
Distributions	–	(3.17)	(3.75)	(2.32)
Closing net asset value per share	7.26	6.85	9.81	10.41
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.99%	2.14%	30.26%	(7.35)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	27	25	36	38
Closing number of shares	366,013	366,013	366,013	366,013
Operating charges	0.06%	0.05%	0.07%	0.06%
Direct transaction costs	–	–	–	–



## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'D' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.89	9.87	10.47	13.82
Return before operating charges*	0.41	0.21	3.18	(1.01)
Operating charges	–	–	(0.01)	(0.01)
Return after operating charges	0.41	0.21	3.17	(1.02)
Return of capital	–	(3.19)	(3.77)	(2.33)
Closing net asset value per share	7.30	6.89	9.87	10.47
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.95%	2.13%	30.28%	(7.38)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	1,029	970	1,391	1,475
Closing number of shares	14,088,501	14,088,501	14,088,501	14,088,501
Operating charges	0.06%	0.05%	0.07%	0.06%
Direct transaction costs	–	–	–	–

## LF ARCH CRU INVESTMENT PORTFOLIO

### ACD'S REPORT *continued*

### PORTFOLIO STATEMENT

as at 30 September 2018

Holding	Portfolio of Investments	Value £'000	30.09.18 %
	INVESTMENT COMPANIES – 99.80% (31.09.18 – 99.76%)		
6,525,172	SPL Parallel Private Equity (PE2) – GBP	6,836	39.69
2,411,880	SPL Private Finance (PF2) – GBP	411	2.39
25,800,113	SPL Realisation	9,941	57.72
	TOTAL INVESTMENT COMPANIES	<u>17,188</u>	<u>99.80</u>
	Portfolio of investments	17,188	99.80
	Net other assets	<u>36</u>	<u>0.20</u>
	Net assets	<u>17,224</u>	<u>100.00</u>

The investments are Guernsey Incorporated Cell Companies.

All investments are currently delisted.

**LF ARCH CRU INVESTMENT PORTFOLIO  
INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
STATEMENT OF TOTAL RETURN**

for the half year ended 30 September 2018

	£'000	30.09.18 £'000	£'000	30.09.17 £'000
Income:				
Net capital gains		980		114
Revenue	3		-	
Expenses	(6)		(7)	
Net expense before taxation	(3)		(7)	
Taxation	-		-	
Net expense after taxation		(3)		(7)
<b>Total return before distributions</b>		977		107
Distributions		-		-
<b>Change in net assets attributable to shareholders from investment activities</b>		977		107

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**

for the half year ended 30 September 2018

	30.09.18 £'000	30.09.17 £'000
<b>Opening net assets attributable to shareholders</b>	16,247	23,290
Change in net assets attributable to shareholders from investment activities	977	107
<b>Closing net assets attributable to shareholders</b>	17,224	23,397

The above statement shows the comparative closing net assets at 30 September 2017 whereas the current accounting period commenced 1 April 2018.

**LF ARCH CRU INVESTMENT PORTFOLIO**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 30 September 2018

	30.09.18 £'000	31.03.18 £'000
<b>ASSETS</b>		
<b>Fixed assets</b>		
Investments	17,188	16,208
<b>Current assets</b>		
Cash and bank balances	87	7,642
<b>Total assets</b>	<u>17,275</u>	<u>23,850</u>
<b>LIABILITIES</b>		
<b>Creditors</b>		
Bank overdraft	(45)	(66)
Return of capital payable	–	(7,523)
Other creditors	(6)	(14)
<b>Total liabilities</b>	<u>(51)</u>	<u>(7,603)</u>
<b>Net assets attributable to shareholders</b>	<u>17,224</u>	<u>16,247</u>

**LF ARCH CRU INVESTMENT PORTFOLIO**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**STATEMENT OF CASH FLOWS**

as at 30 September 2018

	£'000	30.09.18 £'000	£'000	30.09.17 £'000
<b>Operating activities</b>				
Loss before tax	(3)		(7)	
Interest received	(3)		–	
(Decrease)/increase in creditors	(8)		5	
Net cash flow used in operating activities		(14)		(2)
<b>Financial investment</b>				
Interest received	3		–	
Net cash flow from financial investment activities		3		–
<b>Financing</b>				
Return of capital	(7,523)		(8,896)	
Net cash flow used in financing activities		(7,523)		(8,896)
<b>Change in cash and cash equivalent</b>		(7,534)		(8,898)
<b>Cash and cash equivalent at the start of the half year</b>		7,576		8,954
<b>Cash and cash equivalent at the end of the half year</b>		42		56

The above statement shows the comparative closing cash and cash equivalent at 30 September 2017 whereas the current accounting period commenced 1 April 2018.

**LF ARCH CRU INVESTMENT PORTFOLIO**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
for the half year ended 30 September 2018

**1. Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2018 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Association in May 2014, as amended.

## **LF ARCH CRU SPECIALIST PORTFOLIO ACD'S REPORT**

for the half year ended 30 September 2018

### **Important Information**

Refer to 'Important Information' section on page 4.

### **Investment Objective and Policy**

Given that LF Arch cru Specialist Portfolio ('the Fund') is being terminated on an orderly realisation basis, and given the illiquidity of the Cells, the management of the Fund does not involve active investment management of the assets. The investment management required for the Fund is essentially limited to a cash management role, i.e. receiving distributions/realisation proceeds from the Cells and passing these on to shareholders in the Fund.

The Fund is in the course of being terminated and is no longer available for investment.

## **LF ARCH CRU SPECIALIST PORTFOLIO**

### **ACD'S REPORT** *continued*

### **INVESTMENT MANAGER'S REPORT**

**for the half year ended 30 September 2018**

Link Fund Solutions Limited ('LFSL'), in its capacity as Investment Manager, has since February 2010, been managing the LF Arch cru Investment Funds ('the Company') on the basis of an orderly realisation with periodic capital payments being made to shareholders as the sub-funds of the Company ('the Fund') underlying assets are realised. As such LFSL's investment management activity for the Fund continues to be principally focused on decision making regarding whether to participate in tender offers, off-market and on-market buybacks proposed by the Guernsey Cells, and cash management (i.e. receiving distributions/realisation proceeds from the Guernsey Incorporated Cell Companies ('the Cells') and passing these on to shareholders in the Fund). LFSL is not charging any fees for performing this role. In the Annual Audited Report and Accounts for the year ended March 2018 we noted that on the 7 May 2018 the twelfth return of capital was announced, payable to shareholders of the LF Arch cru Investment Funds and LF Arch cru Diversified Funds (together the 'Arch Funds') effective 9 May 2018, returning a further £9.5million to investors. This, combined with previous returns of capital, means that £143.9million has now been returned to investors since the commencement of the orderly realisation of the Arch Funds in February 2010. In the past period the directors of the underlying assets have not been able to make any recommendations to LFSL to participate in any action which would enable LFSL to make a further capital distribution, LFSL continues to monitor this position closely and further capital distribution, making the thirteenth such distribution, will be made at some point during the next six to twelve months. The value of each Fund is directly related to the valuation ascribed to the individual Cells held by that Fund.

#### **LINK FUND SOLUTIONS LIMITED**

Investment Manager

*30 November 2018*



## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

#### FUND INFORMATION

##### Fund Performance

Due to the suspension of the Fund on 13 March 2009, no Fund Performance is reported for the period to 30 September 2018.

##### Risk and Reward Profile

Due to the suspension of the Fund on 13 March 2009, no Risk and Reward Profile is reported.

##### Income Distributions

There were no income distributions during the half year.

##### Comparative Tables

Due to the suspension of the Fund on 13 March 2009, no highest and lowest prices are reported.

##### 'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.82	9.68	10.09	13.27
Return before operating charges*	0.41	0.20	3.12	(1.00)
Operating charges	(0.05)	(0.08)	(0.14)	(0.12)
Return after operating charges	0.36	0.12	2.98	(1.12)
Distributions	–	(2.98)	(3.39)	(2.06)
Closing net asset value per share	7.18	6.82	9.68	10.09
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.28%	1.24%	29.53%	(8.44)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	9	9	12	13
Closing number of shares	128,413	128,413	128,413	128,413
Operating charges	1.22%	0.87%	1.37%	0.98%
Direct transaction costs	–	–	–	–

## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.84	9.72	10.13	13.32
Return before operating charges*	0.41	0.20	3.13	(1.01)
Operating charges	(0.05)	(0.08)	(0.14)	(0.12)
Return after operating charges	0.36	0.12	2.99	(1.13)
Return of capital	–	(3.00)	(3.40)	(2.06)
Closing net asset value per share	7.20	6.84	9.72	10.13
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.26%	1.23%	29.52%	(8.48)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	327	312	443	462
Closing number of shares	4,556,439	4,556,439	4,556,439	4,556,439
Operating charges	1.22%	0.87%	1.37%	0.98%
Direct transaction costs	–	–	–	–

## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'B' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.93	9.84	10.25	13.49
Return before operating charges*	0.42	0.20	3.17	(1.02)
Operating charges	(0.05)	(0.08)	(0.14)	(0.13)
Return after operating charges	0.37	0.12	3.03	(1.15)
Distributions	–	(3.03)	(3.44)	(2.09)
Closing net asset value per share	7.30	6.93	9.84	10.25
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.34%	1.22%	29.56%	(8.52)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	120	114	161	168
Closing number of shares	1,638,603	1,638,603	1,638,603	1,638,603
Operating charges	1.22%	0.87%	1.37%	0.98%
Direct transaction costs	–	–	–	–

## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'B' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.98	9.92	10.34	13.60
Return before operating charges*	0.42	0.20	3.19	(1.02)
Operating charges	(0.05)	(0.08)	(0.14)	(0.13)
Return after operating charges	0.37	0.12	3.05	(1.15)
Return of capital	–	(3.06)	(3.47)	(2.11)
Closing net asset value per share	7.35	6.98	9.92	10.34
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.30%	1.21%	29.50%	(8.46)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	387	368	523	545
Closing number of shares	5,267,194	5,267,194	5,267,194	5,267,194
Operating charges	1.22%	0.87%	1.37%	0.98%
Direct transaction costs	–	–	–	–

## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'C' USD INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 US\$ per share	31.03.18 US\$ per share	31.03.17 US\$ per share	31.03.16 US\$ per share
Opening net asset value per share	0.0978	0.1220	0.1470	0.1987
Return before operating charges*	(0.0038)	0.0199	0.0195	(0.0195)
Operating charges	(0.0006)	(0.0011)	(0.0018)	(0.0019)
Return after operating charges	(0.0044)	0.0188	0.0177	(0.0214)
Distributions	–	(0.0430)	(0.0427)	(0.0303)
Closing net asset value per share	0.0934	0.0978	0.1220	0.1470
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	(4.50)%	15.41%	12.04%	(10.77)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	–	–	–	–
Closing number of shares	964	964	964	964
Operating charges	1.22%	0.87%	1.37%	0.98%
Direct transaction costs	–	–	–	–

## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'C' USD ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 US\$ per share	31.03.18 US\$ per share	31.03.17 US\$ per share	31.03.16 US\$ per share
Opening net asset value per share	0.0991	0.1235	0.1488	0.2013
Return before operating charges*	(0.0038)	0.0204	0.0197	(0.0198)
Operating charges	(0.0006)	(0.0011)	(0.0018)	(0.0019)
Return after operating charges	(0.0044)	0.0193	0.0179	(0.0217)
Return of capital	–	(0.0437)	(0.0432)	(0.0308)
Closing net asset value per share	0.0947	0.0991	0.1235	0.1488
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	(4.44)%	15.63%	12.03%	(10.78)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	2	2	3	3
Closing number of shares	27,529	27,529	27,529	27,529
Operating charges	1.22%	0.87%	1.37%	0.98%
Direct transaction costs	–	–	–	–

## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'D' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.90	9.80	10.21	13.43
Return before operating charges*	0.41	0.20	3.16	(1.02)
Operating charges	(0.05)	(0.08)	(0.14)	(0.12)
Return after operating charges	0.36	0.12	3.02	(1.14)
Distributions	–	(3.02)	(3.43)	(2.08)
Closing net asset value per share	7.26	6.90	9.80	10.21
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.22%	1.25%	29.58%	(8.49)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	7	6	9	9
Closing number of shares	91,983	91,983	91,983	91,983
Operating charges	1.22%	0.87%	1.37%	0.98%
Direct transaction costs	–	–	–	–

## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### 'D' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.09.18 pence per share	31.03.18 pence per share	31.03.17 pence per share	31.03.16 pence per share
Opening net asset value per share	6.91	9.82	10.23	13.45
Return before operating charges*	0.41	0.20	3.16	(1.02)
Operating charges	(0.05)	(0.08)	(0.14)	(0.12)
Return after operating charges	0.36	0.12	3.02	(1.14)
Return of capital	–	(3.03)	(3.43)	(2.08)
Closing net asset value per share	7.27	6.91	9.82	10.23
* after direct transaction costs of:	–	–	–	–

##### PERFORMANCE

Return after charges	5.21%	1.22%	29.52%	(8.48)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	28	26	37	39
Closing number of shares	378,566	378,566	378,566	378,566
Operating charges	1.22%	0.87%	1.37%	0.98%
Direct transaction costs	–	–	–	–



## LF ARCH CRU SPECIALIST PORTFOLIO

### ACD'S REPORT *continued*

### PORTFOLIO STATEMENT

as at 30 September 2018

Holding	Portfolio of Investments	Value £'000	30.09.18 %
	INVESTMENT COMPANIES – 96.93% (31.03.18 – 96.06%)		
313,319	SPL Parallel Private Equity (PE2) – GBP	328	37.27
13,838	SPL Private Finance (PF2) – GBP	2	0.23
1,357,598	SPL Realisation	523	59.43
	TOTAL INVESTMENT COMPANIES	<u>853</u>	<u>96.93</u>
	Portfolio of investments	853	96.93
	Net other assets	27	3.07
	Net assets	<u>880</u>	<u>100.00</u>

The investments are Guernsey Incorporated Cell Companies.

All investments are currently delisted.

**LF ARCH CRU SPECIALIST PORTFOLIO  
INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
STATEMENT OF TOTAL RETURN**

for the half year ended 30 September 2018

	£'000	30.09.18 £'000	£'000	30.09.17 £'000
Income:				
Net capital gains		49		5
Revenue	–		–	
Expenses	(6)		(7)	
Net expense before taxation	(6)		(7)	
Taxation	–		–	
Net expense after taxation		(6)		(7)
<b>Total return before distributions</b>		<b>43</b>		<b>(2)</b>
Distributions		–		–
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>43</b>		<b>(2)</b>

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**

for the half year ended 30 September 2018

	30.09.18 £'000	30.09.17 £'000
<b>Opening net assets attributable to shareholders</b>	<b>837</b>	<b>1,188</b>
Change in net assets attributable to shareholders from investment activities	43	(2)
<b>Closing net assets attributable to shareholders</b>	<b>880</b>	<b>1,186</b>

The above statement shows the comparative closing net assets at 30 September 2017 whereas the current accounting period commenced 1 April 2018.

**LF ARCH CRU SPECIALIST PORTFOLIO**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 30 September 2018

	30.09.18 £'000	31.03.18 £'000
<b>ASSETS</b>		
<b>Fixed assets</b>		
Investments	853	804
<b>Current assets</b>		
Cash and bank balances	75	471
<b>Total assets</b>	<u>928</u>	<u>1,275</u>
<b>LIABILITIES</b>		
<b>Creditors</b>		
Bank overdraft	(42)	(61)
Return of capital payable	–	(366)
Other creditors	(6)	(11)
<b>Total liabilities</b>	<u>(48)</u>	<u>(438)</u>
<b>Net assets attributable to shareholders</b>	<u>880</u>	<u>837</u>

**LF ARCH CRU SPECIALIST PORTFOLIO**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**STATEMENT OF CASH FLOWS**

as at 30 September 2018

	£'000	30.09.18 £'000	£'000	30.09.17 £'000
<b>Operating activities</b>				
Loss before tax	(6)		(7)	
(Decrease)/increase in creditors	(5)		7	
Net cash flow used in operating activities		(11)		–
<b>Financing</b>				
Return of capital	(366)		(416)	
Net cash flow used in financing activities		(366)		(416)
<b>Change in cash and cash equivalent</b>		(377)		(416)
<b>Cash and cash equivalent at the start of the half year</b>		410		458
<b>Cash and cash equivalent at the end of the half year</b>		33		42

The above statement shows the comparative closing cash and cash equivalents at 30 September 2017 whereas the current accounting period commenced 1 April 2018.

**LF ARCH CRU SPECIALIST PORTFOLIO**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
for the half year ended 30 September 2018

**1. Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2018 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Association in May 2014, as amended.

## GENERAL INFORMATION

**Head Office:** 6th Floor, 65 Gresham Street, London EC2V 7NQ.

**Address for Service:** The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

**Base Currency:** The base currency of the Company is pounds sterling. Each sub-fund and share class is designated in pounds sterling.

**Share Capital:** The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the net asset values of each of the sub-funds.

### Structure of LF Arch cru Investment Funds

The Company is structured as an umbrella company, in that different sub-funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority and the agreement of the Depositary.

The sub-funds are operated separately and the assets of each sub-fund are managed in accordance with the investment objective and policy applicable to that sub-fund.

It is not the intention of the ACD to launch any further sub-funds.

On 1 February 2010 the FCA granted permission to wind up the Company.

### Classes of Shares

Holders of Income shares are entitled to be paid the income attributable to such shares, in respect of each annual or interim accounting period.

Holders of Accumulation shares are not entitled to be paid the income attributable to such shares, but that income is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

### Buying and Selling Shares

Dealing is currently suspended as the sub-funds are being wound up on an orderly realisation basis.

### Other Information

The Instrument of Incorporation, Prospectus and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office. Copies of these may be obtained upon application and, excepting the Instrument of Incorporation, can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk), by following the link 'Fund Information'.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

## **GENERAL INFORMATION** *continued*

### **Data Protection Act**

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.

### **Risk Warning**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.



 6th Floor, 65 Gresham Street, London EC2V 7NQ

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 0870 607 2550

 [linkfundsolutions.co.uk](http://linkfundsolutions.co.uk)

Part of **Link Group**