

pembroke
VCT plc



HALF-YEARLY REPORT

for the six months ended 30 September 2015

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Investment Objective

Pembroke VCT plc (the "Company") is a generalist VCT focused on private equity style investments in the leisure and luxury brands sectors.

The Company invests in a diversified portfolio of small, principally unquoted companies, selecting those which Oakley Investment Managers LLP (the "Investment Adviser") believes will provide an opportunity for value appreciation.

The Board of Directors of the Company (the "Board") believes that the Company can benefit from leveraging the previous sector experience of the Investment Adviser and also that there are likely to be synergistic advantages from grouping similar businesses. Consequently, most investments fall within one of four sectors:

- Health and Fitness
- Hospitality
- Apparel and Accessories
- Media and Technology

Financial Summary

	Six months ended 30.09.15			Year ended 31.03.15			Six months ended 30.09.14
	Ordinary shares (unaudited)	B Ordinary shares (unaudited)	Total (unaudited)	Ordinary shares (audited)	B Ordinary shares ¹ (audited)	Total (audited)	Ordinary shares/ Total (unaudited)
Net assets	£20,787,726	£5,992,800	£26,780,526	£18,857,630	£1,938,412	£20,796,042	£17,761,813
Number of shares in issue	18,141,202	5,836,120	23,977,322	18,141,202	1,979,400	20,120,602	18,141,202
Net asset value per share	114.59p	102.68p	111.69p	103.95p	97.93p	103.36p	97.91p
Total return ²	117.59p	102.68p	114.69p	106.95p	97.93p	106.36p	97.91p
Investment income	£290,462	£42,525	£332,987	£496,083	–	£496,083	£219,320
Profit on ordinary activities before tax							
Revenue	£179,280	£8,150	£187,430	£166,938	£(745)	£166,193	£101,482
Capital	£1,750,816	£266,653	£2,017,469	£994,610	£(655)	£993,955	£(35,751)
Total	£1,930,096	£274,803	£2,204,899	£1,161,548	£(1,400)	£1,160,148	£65,731
Return per share							
Revenue	0.99p	0.16p	n/a	0.92p	(0.04)p	n/a	0.56p
Capital	9.65p	5.28p	n/a	5.48p	(0.03)p	n/a	(0.20)p
Total	10.64p	5.44p	n/a	6.40p	(0.07)p	n/a	0.36p

¹Figures for B Ordinary shares reflect the period from the date of first allotment (19 March 2015) to 31 March 2015.

²Net asset value plus cumulative dividends paid.

Chairman's Statement

I am pleased to present the half year report for the period ended 30 September 2015.

After having successfully raised £24 million in our first Ordinary Share and B Ordinary Share offers, the Board has agreed to launch a new share offer to raise up to £15 million in the B Ordinary Share class, with a further £10 million over-allotment facility. The Investment Adviser is positive about the pipeline of new opportunities and has a number of existing portfolio companies which require follow-on investments to fulfil their growth plans.

We believe the Company is well placed to take advantage of the new VCT regulatory changes which were proposed in the Summer Budget 2015. Our investment strategy will not be materially affected by these changes, as currently we focus on providing development capital to high growth companies rather than management buy-out transactions, which may be affected by the regulatory changes. With respect to our current portfolio, we have assessed that 20 out of 23 of these transactions would have qualified irrespective of the proposed regulatory changes.

We have now invested £15.7 million from the Ordinary Share offer and £3.3 million from the B Ordinary Share in 23 companies.

During the period the Total Return (NAV plus cumulative dividends paid) of the Company has risen from 106.36 pence per share at 31 March 2015 to 114.69 pence per share at 30 September 2015.

Investment Overview

During the period, Pembroke has invested £0.4 million in two new companies (cheekfrills and ME+EM) and £2.6 million of further follow-on investments in eight companies (Second Home, Plenish, Dilly & Wolf, Chucs Bar & Grill, La Bottega, Penfield, Five Guys UK and Boat International) from the B Ordinary Share class. Additionally, we made further investments of £0.15 million in-line with original commitments (Bella Freud Perfume and Boom Cycle) and one follow-on investment from the Ordinary Share class which related to Rated People of £0.1 million.

There have been a number of revaluations across the portfolio resulting in total investments valued at £23.7 million at the end of the period, representing a 25% increase on cost of £19.0 million. For further details please see the Investment Adviser's Review and Investment Portfolio on pages 8 to 12.

Dividends

In September 2015 the Company approved a dividend of 0.6 pence per Ordinary Share which is due to be paid on 30 October 2015. The Board plans to pay dividends of 3 pence per B Ordinary Share each year throughout the life of the Company, payable annually.

Results

The Company made a profit of £2.2 million in the period to 30 September 2015, representing a weighted profit per Ordinary share of 10.64 pence and a weighted profit per B Ordinary Share of 5.44 pence. Income arose from the unrealised revaluation of investments of £2.1 million and interest income, principally from loan notes provided to a number of the portfolio companies, of £0.3 million. This was offset by Company expenses and Investment Adviser fees amounting, in total, to £0.2 million. Total expenses in the Company (including Investment Adviser fees) are capped at 0.5% of NAV per quarter. NAV at 30 September 2015 was £26.8 million, equivalent to 111.69 pence per Share. This includes the cost to NAV of the issue costs of the offer, which were fixed at 2% of the gross proceeds raised.

Outlook

The Investment Adviser is positive about the current pipeline, and sees a number of attractive opportunities to invest in 2016.

Jonathan Djanogly
Chairman

26 October 2015

If you have any questions relating to your investment please contact the company secretary on 0131 243 7210 or email info@pembrokevct.com. For further information refer to the Company's website: www.pembrokevct.com.

Investment Adviser's Review

for the six months ended 30 September 2015

Overview

The Company has invested a total of £3.3 million this period from the Ordinary and B Ordinary Share class, making two new investments and eight follow-on investments of £2.9 million in a mix of debt and equity. At the year end, the portfolio comprised 23 investments with a cost of £19.0 million and a fair valuation of £23.7 million representing a 24.6% increase.

Portfolio Review

The Company has made two new investments in this period from the B Ordinary Share totalling £0.4 million in cheekfrills (£0.2 million) and ME+EM (£0.2 million) which are both in the Apparel and Accessories segment. cheekfrills is a London based underwear brand that focuses on comfort with sustainably sourced materials. Currently the brand is stocked in leading international retailers including Selfridges, Saks, Barneys, Fenwick and Galeries Lafayette. ME+EM, founded in 2008, is a contemporary womenswear brand which sells its range primarily through catalogues and online, with one retail site in Connaught Street, London.

The Company also committed further capital of £2.6 million from the B Ordinary Share to eight of its existing portfolio companies (Second Home, Plenish, Dilly & Wolf, Chucs Bar & Grill, La Bottega, Penfield, Five Guys UK, and Boat International) in the Ordinary Share portfolio which require further investment to fulfil their growth plans.

In the Ordinary Share class, the Company made £0.15 million of investments in-line with original commitments in Bella Freud Perfume and Boom Cycle, and one follow-on investment in Rated People of £0.1 million as part of a new funding round.

Investment Performance

There have been a number of revaluations in the Ordinary Share portfolio in the period. Those that were revalued at a premium as a result of a recent funding round are Plenish, Troubadour, and Bella Freud. Further assets have been revalued upwards using trading multiples as a result of current trading performance which include Sourced Market, Five Guys UK and La Bottega, with KX Gym being revalued downwards due to lower profitability than forecast. Several investments have been held at cost, as they have performed in-line with the Investment Adviser's expectation therefore no adjustments are required; Boom Cycle, Bella Freud Perfume, Boat International, Blaze and Stillking Films.

Performance in Five Guys UK has been exceptionally strong with sites opening nationwide at an incredible pace. As a result of such strong performance, the business has called additional funding which has been allocated to the B Ordinary Share (£0.6 million) due to limited funds in the Ordinary Share pool. La Bottega has undergone some restructuring at company level with a deferred consideration balance to the vendor being removed and replaced with a lower interest bearing loan note from the Company (£0.25 million) at a discount to the face value of the original deferred consideration, hence creating more equity value for shareholders.

Please refer to the individual company profiles below for further detail on performance.

Valuation

Investments held by the Company have been valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Through these guidelines, investments are valued as defined at 'fair value'. Ordinarily, unquoted investments will be valued at cost for a limited period following the date of acquisition, being the most suitable approximation of fair value unless there is an impairment or significant accretion in value during the period.

Portfolio valuations are prepared by the Investment Adviser, reviewed and approved by the Board quarterly and subject to audit annually.

All of the investments, including the new investments made in the reporting period, are described in more detail in the Investment Review.

Investment Portfolio
as at 30 September 2015

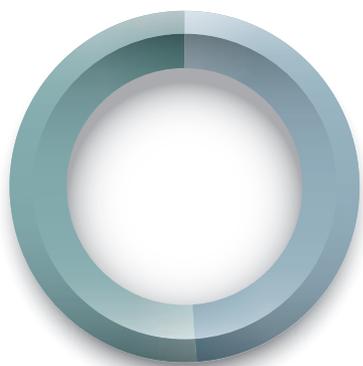
	Ordinary Shares			B Ordinary Shares			Total		
	Cost £	Fair value £	% of net assets	Cost £	Fair value £	% of net assets	Cost £	Fair value £	% of net assets
Health and Fitness									
Boom Cycle	429,460	429,460	2.1	–	–	–	429,460	429,460	1.6
KX Gym	700,000	623,092	3.0	–	–	–	700,000	623,092	2.3
Plenish	325,000	1,392,664	6.7	250,000	250,000	4.2	575,000	1,642,664	6.1
Dilly & Wolf	270,000	270,000	1.3	100,000	100,000	1.7	370,000	370,000	1.4
Hospitality									
Chilango	549,850	695,040	3.3	–	–	–	549,850	695,040	2.6
Five Guys UK	1,512,800	3,195,284	15.4	570,400	860,142	14.4	2,083,200	4,055,426	15.1
La Bottega	1,960,000	1,616,682	7.8	250,000	250,000	4.2	2,210,000	1,866,682	7.0
Chucs Bar & Grill	614,278	822,221	4.0	125,000	125,000	2.1	739,278	947,221	3.5
Second Home	525,074	833,349	4.0	510,034	510,034	8.5	1,035,108	1,343,383	5.0
Sourced Market	830,000	1,061,226	5.1	–	–	–	830,000	1,061,226	4.0
Apparel and Accessories									
Kat Maconie	320,000	711,236	3.4	–	–	–	320,000	711,236	2.7
Troubadour Goods	590,000	1,106,265	5.3	–	–	–	590,000	1,106,265	4.1
Bella Freud	350,000	933,333	4.5	–	–	–	350,000	933,333	3.5
Bella Freud Perfume	240,000	240,000	1.2	–	–	–	240,000	240,000	0.9
Chucs	990,039	340,000	1.6	–	–	–	990,039	340,000	1.3
Penfield	614,400	525,060	2.5	324,733	324,733	5.4	939,133	849,793	3.2
cheekfrills	–	–	–	205,000	205,000	3.4	205,000	205,000	0.8
ME+EM	–	–	–	200,000	200,000	3.3	200,000	200,000	0.7
Media and Technology									
Boat International Media	2,100,000	2,100,000	10.1	500,000	500,000	8.3	2,600,000	2,600,000	9.7
Rated People	585,738	139,790	0.7	–	–	–	585,738	139,790	0.5
Zenos Cars	500,000	550,550	2.6	–	–	–	500,000	550,550	2.1
Blaze	200,000	200,000	1.0	290,000	290,000	4.8	490,000	490,000	1.8
Stillking Films	1,451,771	1,451,771	7.0	–	–	–	1,451,771	1,451,771	5.4
Investments before interest	15,658,410	19,237,023	92.6	3,325,167	3,614,909	60.3	18,983,577	22,851,932	85.3
Interest rolled up in fixed income investments*	775,093	775,093	3.7	29,952	29,952	0.5	805,045	805,045	3.0
Total investments	16,433,503	20,012,116	96.3	3,355,119	3,644,861	60.8	19,788,622	23,656,977	88.3
Net current assets	775,610	775,610	3.7	2,347,939	2,347,939	39.2	3,123,549	3,123,549	11.7
Net assets	17,209,113	20,787,726	100.0	5,703,058	5,992,800	100.0	22,912,171	26,780,526	100.0

*Added to investments in Financial Statements.

Segment analysis

The charts below show the segment analyses of the investments committed by the Company across the Ordinary and B Ordinary Shares at 30 September 2015.

**Total investments
(Ordinary and B Ordinary Share)
£19.0 million**



48.9% Late stage (£9.3 million)

51.1% Early stage (£9.7 million)

**Total investments
by industry group**



9% Health and Fitness

39% Hospitality

22% Apparel and Accessories

30% Media and Technology

Investment Review



Health and Fitness			
Boom Cycle	Ordinary Shares	B Ordinary Shares	Total
Cost	£429,460	–	£429,460
Valuation	£429,460 ¹	–	£429,460
Equity holding	27.2%	–	27.2%
Investment in the period at cost	£40,898	–	£40,898
Qualifying income recognised in period	£nil	–	£nil

¹Valuation basis of Ordinary Shares: Cost



Boom Cycle is an indoor cycling concept which offers a fun, high-intensity cardiovascular workout. The business currently has two studios based in London (Shoreditch and Holborn), where they combine indoor spin cycling with various exercise classes for both upper and lower body work-outs. Boom Cycle is one of the first dedicated spinning studios in London, and it has the potential to replicate the success of some larger players in the US.

KX Gym	Ordinary Shares	B Ordinary Shares	Total
Cost	£700,000	–	£700,000
Valuation	£623,092 ¹	–	£623,092
Equity holding	11.8%	–	11.8%
Investment in the period at cost	£nil	–	£nil
Qualifying income recognised in period	£nil	–	£nil

¹Valuation basis of Ordinary Shares: EBITDA multiple



KX Gym, founded in 2002, is a private members gym and spa, which includes a restaurant and clubroom, located in Chelsea, London. KX offers members an exclusive holistic approach to wellbeing, incorporating fitness, diet and relaxation. The business has performed in-line with budget at a revenue level, however, increasing staff costs have impacted profitably in 2015.

Plenish	Ordinary Shares	B Ordinary Shares	Total
Cost	£325,000	£250,000	£575,000
Valuation	£1,392,664 ¹	£250,000 ²	£1,642,664
Equity holding	26.3%	5.1%	31.4%
Investment in the period at cost	£nil	£250,000	£250,000
Qualifying income recognised in period	£6,016	£nil	£6,016

¹Valuation basis of Ordinary Shares: Price of recent investment ²Valuation basis of B Ordinary Shares: Cost



Plenish, founded in 2012, is one of the leading cold-pressed juicing businesses in the UK, offering 100% raw organic (unpasteurised) juice. Cold-press juicing is a convenient way to pack a large amount of vegetables and fruit into your diet. The company offers both a full body cleanse package and off-the-shelf juice bottles. The company is currently selling through two main channels: online and through select retailers (e.g. Waitrose, Ocado, Selfridges, Planet Organic and Harvey Nichols). The business has traded well in 2015 with strong revenue growth, and as such has launched a new funding round at a premium to fund growing working capital and new product development in 2016.

Dilly & Wolf	Ordinary Shares	B Ordinary Shares	Total
Cost	£270,000	£100,000	£370,000
Valuation	£270,000 ¹	£100,000 ²	£370,000
Equity holding	17.0%	10.0%	27.0%
Investment in the period at cost	£nil	£100,000	£100,000
Short term loan converted to long term loan in period	£100,000	£nil	£100,000
Qualifying income recognised in period	£nil	£nil	£nil

¹Valuation basis of Ordinary Shares: Price of recent investment ²Valuation basis of B Ordinary Shares: Cost



Founded in 2013, Dilly & Wolf is a new premium snack brand. The company produces tasty and nourishing food using globally inspired recipes such as kabuki beans, quinoa and fava beans. Their flagship products are stocked in multiple retailers including Ocado and Natural Kitchen, with plans to extend the range and launch in Marks & Spencer in Q4.

Hospitality			
Chilango	Ordinary Shares	B Ordinary Shares	Total
Cost	£549,850	–	£549,850
Valuation	£695,040 ¹	–	£695,040
Equity holding	3.0%	–	3.0%
Investment in the period at cost	£nil	–	£nil
Qualifying income recognised in period	£nil	–	£nil

¹Valuation basis of Ordinary Shares: Price of recent investment



Chilango is a fast-casual Mexican restaurant chain concept based on successful US business models. There are currently nine restaurants in London: Upper Street, Fleet Street, Chancery Lane, London Wall, Brushfield Street, Monument, Camden, London Bridge and Leather Lane. The team raised £2 million in a crowdfunded bond in 2014 which has helped build momentum and secure further sites in London.

Five Guys UK	Ordinary Shares	B Ordinary Shares	Total
Cost	£1,512,800	£570,400	£2,083,200
Valuation	£3,195,284 ¹	£860,142 ²	£4,055,426
Equity holding³	3.4%	0.9%	4.3%
Investment in the period at cost	£nil	£570,400	£570,400
Qualifying income recognised in period	£91,514	£1,500	£93,014

¹Valuation basis of Ordinary Shares: Sales multiple ²Valuation basis of B Ordinary Shares: Sales multiple

³Equity holding is partnership interest



Five Guys was founded in 1986 in the US. The company serves a range of hand-made burgers made with fresh locally sourced beef and cooked on a grill, along with fresh-cut fries, served with unlimited toppings. Pembroke has invested in the UK joint venture and currently there are thirty restaurants across the UK with several more sites in the pipeline. Due to the rapid growth of the business, Pembroke has invested further capital in the form of further loans to fund expansion across the UK.

La Bottega	Ordinary Shares	B Ordinary Shares	Total
Cost	£1,960,000	£250,000	£2,210,000
Valuation	£1,616,682 ¹	£250,000 ²	£1,866,682
Equity holding	40.0%	0%	40%
Investment in the period at cost	£nil	£250,000	£250,000
Qualifying income recognised in period	£90,74	£2,808	£93,548

¹Valuation basis of Ordinary Shares: Sales multiple ²Valuation basis of B Ordinary Shares: Cost



La Bottega is an Italian chain of delicatessens in London, which serve high-quality, authentic Italian food and coffee. Currently, there are six shops trading in London in Chelsea, Belgravia, South Kensington, Ryder Street, Monmouth Street and Pont Street. Growing competition in the areas that La Bottega operates have negatively impacted sales. The Company is embarking on a re-design process on the flagship site to modernise and improve the layout of the store, in addition, they have now launched a new and improved menu offering a mixture of healthy and traditional Italian food.

Chucs Bar & Grill	Ordinary Shares	B Ordinary Shares	Total
Cost	£614,278	£125,000	£739,278
Valuation	£822,221 ¹	£125,000 ²	£947,221
Equity holding	21.5%	5.7%	27.1%
Investment in the period at cost	£nil	£125,000	£125,000
Qualifying income recognised in period	£21,058	£nil	£21,058

¹Valuation basis of Ordinary Shares: Price of recent investment ²Valuation basis of B Ordinary Shares: Cost



Chucs Bar & Grill is a new restaurant concept which will reflect the same style and branding of the Chucs retail brand. The first restaurant is located on Dover Street in Mayfair, next door to the Chucs retail store, which opened in 2014. Further sites in London have been identified and with the second site planned to open in Westbourne Grove in late 2015.

Second Home	Ordinary Shares	B Ordinary Shares	Total
Cost	£525,074	£510,034	£1,035,108
Valuation	£833,349 ¹	£510,034 ²	£1,343,383
Equity holding	4.1%	1.1%	5.2%
Investment in the period at cost	£nil	£510,034	£510,034
Qualifying income recognised in period	£nil	£329	£329

¹Valuation basis of Ordinary Shares: Price of recent investment ²Valuation basis of B Ordinary Shares: Cost



Second Home offers flexible and modern office space for fast-growing technology firms and creative businesses. Combining architectural design with first class amenities, Second Home provides users with an impressive office environment in which to locate their business for the short, medium and long term. Their first site in Hanbury Street in East London is at full capacity and is expanding to add an additional 20,000 sq ft, utilising new equity funds raised at a premium. The team have also issued a convertible loan to fund new site expansion.

Sourced Market	Ordinary Shares	B Ordinary Shares	Total
Cost	£830,000	–	£830,000
Valuation	£1,061,226 ¹	–	£1,061,226
Equity holding	20.7%	–	20.7%
Investment in the period at cost	£nil	–	£nil
Qualifying income recognised in period	£nil	–	£nil

¹Valuation basis of Ordinary Shares: Sales multiple



Sourced Market, launched in 2007, is a retail and café concept, that offers a curated selection of locally sourced fresh produce replicating the products and ambience found at a farmers market. The company's flagship site is in St Pancras International in King's Cross with two further sites secured for 2015 and 2016. Strong performance at St Pancras with double-digit revenue growth in 2015 has led to an increase in valuation.

Apparel and accessories	Ordinary Shares	B Ordinary Shares	Total
Kat Maconie			
Cost	£320,000	–	£320,000
Valuation	£711,236 ¹	–	£711,236
Equity holding	23.9%	–	23.9%
Investment in the period at cost	£nil	–	£nil
Loan repaid in period (including interest)	£105,392	–	£105,392
Qualifying income recognised in period	£3,255	–	£3,255

¹Valuation basis of Ordinary Shares: Price of recent investment



Kat Maconie, founded in 2008, designs and manufactures ladies' shoes which are sold online, in department stores and in boutiques globally. As a result of the growing success of the brand in China, the licensing partner in China has invested equity capital into the business to grow Kat Maconie as a brand in the UK and internationally.

Troubadour Goods	Ordinary Shares	B Ordinary Shares	Total
Cost	£590,000	–	£590,000
Valuation	£1,106,265 ¹	–	£1,106,265
Equity holding	44.3%	–	44.3%
Investment in the period at cost	£nil	–	£nil
Qualifying income recognised in period	£nil	–	£nil

¹Valuation basis of Ordinary Shares: Price of recent investment



Troubadour Goods is a London-based luxury men's accessories brand specialising in designing and creating superior handcrafted leather goods. The brand continues to grow and is gaining new wholesale accounts at a fast pace. As a result, the team are raising new equity capital at a premium, which is expected to close in Q4 2015.

Bella Freud	Ordinary Shares	B Ordinary Shares	Total
Cost	£350,000	–	£350,000
Valuation	£933,333 ¹	–	£933,333
Equity holding	27.8%	–	27.8%
Investment in the period at cost	£nil	–	£nil
Qualifying income recognised in period	£4,093	–	£4,093

¹Valuation basis of Ordinary Shares: Price of recent investment



Bella Freud is a fashion designer and manufacturer producing a range of high-end men's and women's clothing, focusing on knitwear. Currently, her products are available at her own e-commerce site and through a range of luxury boutiques and department stores in the UK, Asia and US. The company has secured their first retail location in London with plans to open the flag-ship store by the end of the year. As a result of continued growth and the launch of the new store, the company is raising new equity proceeds.

Bella Freud Perfume	Ordinary Shares	B Ordinary Shares	Total
Cost	£240,000	–	£240,000
Valuation	£240,000 ¹	–	£240,000
Equity holding	30.0%	–	30.0%
Investment in the period at cost	£100,000	–	£100,000
Qualifying income recognised in period	£6,608	–	£6,608

¹Valuation basis of Ordinary Shares: Cost



With the continuing success of her fashion brand, Bella Freud, in co-operation with perfumer Azzi Glasser, has launched a series of fragrances with three scents blending modernity and heritage, including Je t'aime Jane, Ginsberg is God and the 1970. Bella Freud Parfum is now stocked in a range of boutiques and department stores globally. The brand is now stocked through international retailers in the USA, Hong Kong, Europe and Australia.

Chucs	Ordinary Shares	B Ordinary Shares	Total
Cost	£990,039	–	£990,039
Valuation	£340,000 ¹	–	£340,000
Equity holding	31.5%	–	31.5%
Investment in the period at cost	£nil	–	£nil
Qualifying income recognised in period	£17,297	–	£17,297

¹Valuation basis of Ordinary Shares: Price of recent investment



Chucs is a luxury brand of men's leisure wear. Chucs is currently sold predominantly through their retail store on Dover Street, London and through a number of select stockists. The equity value has been written down entirely and the business has been re-capitalised with new equity funds from new investors. Pembroke intends to convert some of their outstanding loans into equity in the Company in Q4.

Penfield	Ordinary Shares	B Ordinary Shares	Total
Cost	£614,400	£324,733	£939,133
Valuation	£525,060 ¹	£324,733 ²	£849,793
Equity holding	4.9%	3.8%	8.7%
Investment in the period at cost	£nil	£324,733	£324,733
Short term loan converted to long term loan in period	£250,000	£nil	£250,000
Qualifying income recognised in period	£nil	£nil	£nil

¹Valuation basis of Ordinary Shares: Price of recent investment ²Valuation basis of B Ordinary Shares: Cost



Penfield is an outdoor clothing brand, founded in 1975 in Hudson Massachusetts. The brand's range now consists of highest-quality down-filled jackets, fleece, anoraks, t-shirts, shorts and accessories for both men and women. Penfield products can be purchased online and in over 30 countries globally in a range of large retailers (e.g. Urban Outfitters, J Crew, Size). The business has underperformed in comparison to budget, and as such was required to raise additional equity capital at a discount to fund working capital requirements.

cheekfrills	Ordinary Shares	B Ordinary Shares	Total
Cost	–	£205,000	£205,000
Valuation	–	£205,000 ¹	£205,000
Equity holding	–	25.5%	25.5%
Investment in the period at cost	–	£205,000	£205,000
Qualifying income recognised in period	–	£nil	£nil

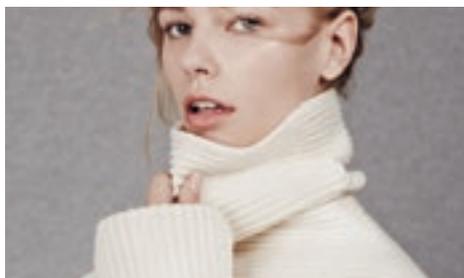
¹Valuation basis of B Ordinary Shares: Cost



cheekfrills, founded in 2012, is a women's underwear brand which focuses on premium everyday knickers. The company first launched with a range of knickers, and soon expanded to include other undergarments including: vests, pyjamas, bralets, robes, shorts and chemises. The cheekfrills brand is renowned for high-quality, comfortable and fun knickers with bright hues, cheeky slogans and beautiful box sets.

ME+EM	Ordinary Shares	B Ordinary Shares	Total
Cost	–	£200,000	£200,000
Valuation	–	£200,000 ¹	£200,000
Equity holding	–	5.2%	5.2%
Investment in the period at cost	–	£200,000	£200,000
Qualifying income recognised in period	–	£nil	£nil

¹Valuation basis of B Ordinary Shares: Cost



ME+EM, founded in 2008, is a contemporary womenswear brand founded by Clare Hornby, designing and producing its collections primarily through catalogues and online, with one retail site in Connaught Street. The range now consists of dresses, knitwear, denim, separates and accessories. The brand targets women aged 30-55 who are busy and fashion conscious, offering a classic aesthetic look with designer quality at an affordable price.

Media and Technology	Ordinary Shares	B Ordinary Shares	Total
Boat International Media			
Cost	£2,100,000	£500,000	£2,600,000
Valuation	£2,100,000 ¹	£500,000 ²	£2,600,000
Equity holding	21.0%	n/a	21.0%
Investment in the period at cost	£nil	£500,000	£500,000
Qualifying income recognised in period	£24,065	£nil	£24,065

¹Valuation basis of Ordinary Shares: Cost ²Valuation basis of B Ordinary Shares: Cost



Recognised as a significant worldwide media group serving the superyacht industry, Boat International Media provides information and services across traditional print, digital media and high-quality events. In 2014/2015 the team relaunched the new Boat International and Show Boats magazines, and a new digital website.

Rated People	Ordinary Shares	B Ordinary Shares	Total
Cost	£585,738	–	£585,738
Valuation	£139,790 ¹	–	£139,790
Equity holding	3.0%	–	3.0%
Investment in the period at cost	£95,760	–	£95,760
Qualifying income recognised in period	£nil	–	£nil

¹Valuation basis of Ordinary Shares: Price of recent investment



Rated People, founded in 2005, is one of the UK's leading online market places for homeowners to find tradesmen for home improvement jobs. The Company embarked on a new funding round at a significant discount in Q2 as a result of reduced revenue growth and restructured the board. The new CEO has implemented a number of cost saving initiatives, aiming to bring the company to profitability.

Zenos Cars	Ordinary Shares	B Ordinary Shares	Total
Cost	£500,000	–	£500,000
Valuation	£550,550 ¹	–	£550,550
Equity holding	11.5%	–	11.5%
Investment in the period at cost	£nil	–	£nil
Qualifying income recognised in period	£nil	–	£nil

¹Valuation basis of Ordinary Shares: Price of recent investment



Zenos Cars has created lightweight sports cars that provide thrilling driveability and performance at an affordable price point. Zenos is led by Mark Edwards, previously chief operating officer of Caterham cars. The first E10 sports car has successfully been produced and received excellent reviews from relevant automobile publications, with deliveries taking place in the second half of 2015.

Stilking Films	Ordinary Shares	B Ordinary Shares	Total
Cost	£1,451,771	–	£1,451,771
Valuation	£1,451,771 ¹	–	£1,451,771
Equity holding	30.0%	–	30%
Investment in the period at cost	£nil	–	£nil
Qualifying income recognised in period	£nil	–	£nil

¹Valuation basis of Ordinary Shares: Cost



Stilking Films is a prolific producer of commercials, TV series, feature films and music videos. The company has created commercials for almost all Dow Jones and FTSE advertisers. They have co-produced a number of successful feature films, including Casino Royale, Narnia, Mission Impossible 4 and The Bourne Identity, and created music videos for artists including Beyoncé, Kanye West, Blur, Madonna and One Direction.

Blaze	Ordinary Shares	B Ordinary Shares	Total
Cost	£200,000	£290,000	£490,000
Valuation	£200,000 ¹	£290,000 ²	£490,000
Equity holding	3.0%	4.3%	7.3%
Investment in the period at cost	£nil	£nil	£nil
Transfer between share classes in period	£(290,000)	£290,000	–
Qualifying income recognised in period	£nil	£nil	£nil

¹Valuation basis of Ordinary Shares: Cost ²Valuation basis of B Ordinary Shares: Cost



Blaze designs products which enhance bike safety. Their flagship product is the Blaze Laserlight, which is the world's first and patented bike laserlight. It projects a laser image five to six metres on the ground ahead of the cyclist to let other road users know that you are there. A new product is due to be launched in 2015 with further commercial partnerships in the pipeline including one with Transport for London for the Santander Bicycle Hire scheme which is currently trailing on 250 bikes.

Statement of Principal Risks and Uncertainties

The principal risks facing the company are Venture Capital Trust Status risk and investment valuation and liquidity risk. These risks, and the way in which they are managed are described in more detail under the heading Risk management within the Strategic Report of the Annual Report and Financial Statements for the period ended 31 March 2015.

The Company's assets consist of equity and fixed interest investments and cash. The main risks arising from the Company's financial instruments are credit risk, investment valuation risk, interest rate risk and liquidity risk. These risks, and the way in which they are managed, are described in more detail in Note 16 to the Financial Statements in the Company's Annual Report and Financial Statements for the period ended 31 March 2015.

The Company's principal risks and uncertainties have not changed materially since the date of that report.

Statement of Directors' Responsibilities

in respect of the half-yearly financial report

We confirm that to the best of our knowledge:

- The condensed set of financial statements has been prepared in accordance with the FRS 104 'Interim Financial Reporting'.
- The Chairman's Statement (constituting the interim management report) includes a fair review of the information required by DTR 4.2.7R of the "Disclosure and Transparency Rules", being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements.
- The "Statement of Principal Risks and Uncertainties" on page 26 is a fair review of the information required by DTR 4.2.7R, being a description of the principal risks and uncertainties for the remaining six months of the year; and
- The financial statements include a fair review of the information required by DTR 4.2.8R of the "Disclosure and Transparency Rules", being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

For and on behalf of the Board

Jonathan Djanogly
Chairman
26 October 2015

Income Statement

for the six months ended 30 September 2015

	Note	Six months ended 30.09.15 (unaudited)			Year ended 31.03.15 (audited)			Six months ended 30.09.14 (unaudited)		
		Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Realised/unrealised gains on investments		–	2,127,613	2,127,613	–	1,115,046	1,115,046	–	50,550	50,550
Income		332,987	–	332,987	478,608	17,475	496,083	219,320	–	219,320
Investment adviser's fees		(36,215)	(108,644)	(144,859)	(37,891)	(113,670)	(151,561)	(20,702)	(62,105)	(82,807)
Other expenses		(109,342)	(1,500)	(110,842)	(274,524)	(24,896)	(299,420)	(97,136)	(24,196)	(121,332)
Profit/(loss) on ordinary activities before tax		187,430	2,017,469	2,204,899	166,193	993,955	1,160,148	101,482	(35,751)	65,731
Tax on ordinary activities		–	–	–	–	–	–	–	–	–
Profit attributable to equity shareholders		187,430	2,017,469	2,204,899	166,193	993,955	1,160,148	101,482	(35,751)	65,731
Return per Share – basic and diluted										
Ordinary Shares	4	0.99p	9.65p	10.64p	0.92p	5.48p	6.40p	0.56p	(0.20)p	0.36p
B Ordinary Shares*	4	0.16p	5.28p	5.44p	(0.04)p*	(0.03)p*	(0.07)p*	n/a	n/a	n/a

*Return per Share for B Ordinary Shares reflect the period from 19 March 2015, the date of first allotment, to 31 March 2015.

All revenue and capital items in the above statement derive from continuing operations.

The revenue column of the Income Statement includes all income and expenses. The capital column accounts for the realised and unrealised profit or loss on investments and the proportion of the Investment Adviser fee charged to capital.

The total column of this statement is the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS"). The supplementary revenue return and capital return columns are prepared in accordance with Financial Reporting Standards ("FRS"). The supplementary revenue return and capital return columns are prepared in accordance with the Statement of Recommended Practice issued in November 2014 by the Association of Investment Companies ("AIC SORP").

Income Statement

Unaudited Non-Statutory Analysis between Ordinary and B Ordinary Shares

For the six months ended 30 September 2015	Ordinary Shares			B Ordinary Shares		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Realised/unrealised gains on investments	–	1,837,871	1,837,871	–	289,742	289,742
Income	290,462	–	290,462	42,525	–	42,525
Investment adviser's fees	(29,018)	(87,055)	(116,073)	(7,197)	(21,589)	(28,786)
Other expenses	(82,164)	–	(82,164)	(27,178)	(1,500)	(28,678)
Profit on ordinary activities before tax	179,280	1,750,816	1,930,096	8,150	266,653	274,803
Tax on ordinary activities	–	–	–	–	–	–
Profit attributable to equity shareholders	179,280	1,750,816	1,930,096	8,150	266,653	274,803
Return per Share – basic and diluted	0.99p	9.65p	10.64p	0.16p	5.28p	5.44p

For the year ended 31 March 2015	Ordinary Shares			B Ordinary Shares		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Realised/unrealised gains on investments	–	1,115,046	1,115,046	–	–	–
Income	478,608	17,475	496,083	–	–	–
Investment adviser's fees	(37,672)	(113,015)	(150,687)	(219)	(655)	(874)
Other expenses	(273,998)	(24,896)	(298,894)	(526)	–	(526)
Profit/(loss) on ordinary activities before tax	166,938	994,610	1,161,548	(745)	(655)	(1,400)
Tax on ordinary activities	–	–	–	–	–	–
Profit attributable to equity shareholders	166,938	994,610	1,161,548	(745)	(655)	(1,400)
Return per Share – basic and diluted*	0.92p	5.48p	6.40p	(0.04)p	(0.03)p	(0.07)p

*Return per Share for B Ordinary Shares reflect the period from 19 March 2015, the date of first allotment, to 31 March 2015.

Balance Sheet

as at 30 September 2015

Note	30.09.15 (unaudited) £	31.03.15 (audited) £	30.09.14 (unaudited) £
Fixed assets			
Investments	23,656,977	17,686,375	13,559,323
Current assets			
Debtors	493,070	444,992	23,245
Cash at bank and in hand	2,928,104	3,214,882	4,374,783
	3,421,174	3,659,874	4,398,028
Creditors: amounts falling due within one year	(297,625)	(550,207)	(195,538)
Net current assets	3,123,549	3,109,667	4,202,490
Net assets	26,780,526	20,796,042	17,761,813
Capital and reserves			
Called up share capital	239,773	201,206	181,412
Share premium account	7,260,760	3,519,742	1,599,724
Special reserve	15,443,847	15,443,847	15,443,847
Capital reserves	3,515,112	1,497,643	467,937
Revenue reserves	321,034	133,604	68,893
Total shareholders' funds	26,780,526	20,796,042	17,761,813
Net asset value per Share	4	111.69p	103.36p
			97.91p

The accompanying notes are an integral part of the balance sheet.

Balance Sheet

Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

As at 30 September 2015	Ordinary £	B Ordinary £	Total £
Fixed assets			
Investments	20,012,116	3,644,861	23,656,977
Current assets			
Debtors	32,228	460,842	493,070
Cash at bank and in hand	997,127	1,930,977	2,928,104
	1,029,355	2,391,819	3,421,174
Creditors: amounts falling due within one year	(253,745)	(43,880)	(297,625)
Net current assets	775,610	2,347,939	3,123,549
Net assets	20,787,726	5,992,800	26,780,526
Capital and reserves			
Called up share capital	181,412	58,361	239,773
Share premium account	1,599,724	5,661,036	7,260,760
Special reserve	15,443,847	–	15,443,847
Capital reserves	3,249,114	265,998	3,515,112
Revenue reserves	313,629	7,405	321,034
Total shareholders' funds	20,787,726	5,992,800	26,780,526
Net asset value per Share	114.59p	102.68p	111.69p

Balance Sheet

Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

As at 31 March 2015	Ordinary £	B Ordinary £	Total £
Fixed assets			
Investments	17,686,375	–	17,686,375
Current assets			
Debtors	405,278	39,714	444,992
Cash at bank and in hand	1,314,784	1,900,098	3,214,882
	1,720,062	1,938,812	3,659,874
Creditors: amounts falling due within one year	(548,807)	(1,400)	(550,207)
Net current assets	1,171,255	1,938,412	3,109,667
Net assets	18,857,630	1,938,412	20,796,042
Capital and reserves			
Called up share capital	181,412	19,794	201,206
Share premium account	1,599,724	1,920,018	3,519,742
Special reserve	15,443,847	–	15,443,847
Capital reserves	1,498,298	(655)	1,497,643
Revenue reserves	134,349	(745)	133,604
Total shareholders' funds	18,857,630	1,938,412	20,796,042
Net asset value per Share	103.95p	97.93p	103.36p

Cash Flow Statement

for the six months ended 30 September 2015

	Six months ended 30.09.15 (unaudited) £	Year ended 31.03.15 (audited) £	Six months ended 30.09.14 (unaudited) £
Operating activities			
Investment income received – qualifying	7,207	46,685	22,488
Deposit and similar interest received – non-qualifying	5,098	15,247	4,788
Investment adviser's fees paid	–	(153,801)	(70,992)
Company secretarial and administration fees paid	(86,165)	–	–
Audit fees	(24,473)	–	(25,806)
Cash paid to and on behalf of Directors	(17,605)	(48,854)	(28,847)
Legal and due diligence fees	(1,250)	–	(29,322)
Other cash payments	(72,109)	(127,990)	(42,224)
Net cash outflow from operating activities	(189,297)	(268,713)	(169,915)
Financial investment			
Purchase of investments	(1,727,025)	(4,156,944)	(2,460,371)
Long-term loans made	(1,834,800)	(1,941,600)	(1,027,200)
Long-term loans repaid	100,000	–	–
Short-term loans made	(325,000)	(350,000)	–
Net cash outflow from financial investment	(3,786,825)	(6,448,544)	(3,487,571)
Dividends			
Payment of dividend	–	(544,236)	(544,236)
Net cash outflow from dividends	–	–	–
Net cash outflow before financing	(3,976,122)	(7,261,493)	(4,201,722)
Financing			
New share issue	3,749,204	3,626,200	1,646,800
Share issue expenses	(59,860)	(160,531)	(90,160)
Cost of creation of special reserve	–	(9,159)	–
Net cash inflow from financing	3,689,344	3,456,510	1,556,640
(Decrease) in cash	(286,778)	(3,804,983)	(2,645,082)
Reconciliation of net cash flow to movement in net cash			
Net cash at start of period	3,214,882	7,019,865	7,019,865
Net cash at end of period	2,928,104	3,214,882	4,374,783
(Decrease) in cash	(286,778)	(3,804,983)	(2,645,082)

The accompanying notes are an integral part of the statement.

Cash Flow Statement

Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

For the six months ended 30 September 2015	Ordinary £	B Ordinary £	Total £
Operating activities			
Investment income received – qualifying	7,207	–	7,207
Deposit and similar interest received – non-qualifying	4,731	367	5,098
Investment adviser's fees paid	–	–	–
Company secretarial and administration fees paid	(79,196)	(6,969)	(86,165)
Audit fees	(24,473)	–	(24,473)
Cash paid to and on behalf of Directors	(15,168)	(2,437)	(17,605)
Legal and due diligence fees	–	(1,250)	(1,250)
Other cash payments	(58,164)	(13,945)	(72,109)
Net cash outflow from operating activities	(165,063)	(24,234)	(189,297)
Financial investment			
Purchase of investments	(136,658)	(1,590,367)	(1,727,025)
Long-term loans made	(100,000)	(1,734,800)	(1,834,800)
Long-term loans repaid	100,000	–	100,000
Short-term loans made	–	(325,000)	(325,000)
Net cash outflow from financial investment	(136,658)	(3,650,167)	(3,786,825)
Dividends			
Payment of dividend	–	–	–
Net cash outflow from dividends	–	–	–
Net cash outflow before financing	(301,721)	(3,674,401)	(3,976,122)
Financing			
New share issue	–	3,749,204	3,749,204
Share issue expenses	(15,936)	(43,924)	(59,860)
Cost of creation of special reserve	–	–	–
Net cash inflow from financing	(15,936)	3,705,280	3,689,344
(Decrease)/increase in cash	(317,657)	30,879	(286,778)
Reconciliation of net cash flow to movement in net cash			
Net cash at start of period	1,314,784	1,900,098	3,214,882
Net cash at end of period	997,127	1,930,977	2,928,104
(Decrease)/increase in cash	(317,657)	30,879	286,778

Cash Flow Statement

Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

For the year ended 31 March 2015	Ordinary £	B Ordinary £	Total £
Operating activities			
Investment income received – qualifying	46,685	–	46,685
Deposit and similar interest received – non-qualifying	15,247	–	15,247
Investment adviser's fees paid	(153,801)	–	(153,801)
Company secretarial and administration fees paid	–	–	–
Audit fees	–	–	–
Cash paid to and on behalf of Directors	(48,854)	–	(48,854)
Legal and due diligence fees	–	–	–
Other cash payments	(127,990)	–	(127,990)
Net cash outflow from operating activities	(268,713)	–	(268,713)
Financial investment			
Purchase of investments	(4,156,944)	–	(4,156,944)
Long-term loans made	(1,941,600)	–	(1,941,600)
Short-term loans made	(350,000)	–	(350,000)
Net cash outflow from financial investment	(6,448,544)	–	(6,448,544)
Dividends			
Payment of dividend	(544,236)	–	(544,236)
Net cash outflow from dividends	(544,236)	–	(544,236)
Net cash outflow before financing	(7,261,493)	–	(7,261,493)
Financing			
New share issue	1,646,800	1,979,400	3,626,200
Share issue expenses	(81,229)	(79,302)	(160,531)
Cost of creation of special reserve	(9,159)	–	(9,159)
Net cash inflow from financing	1,556,412	1,900,098	3,456,510
(Decrease)/increase in cash	(5,705,081)	1,900,098	(3,804,983)

Statement of Changes in Equity

For the six months ended 30 September 2015	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2015	201,206	3,519,742	15,443,847	1,497,643	133,604	20,796,042
Net proceeds of share issue	38,567	3,741,018	–	–	–	3,779,585
Profit for the period	–	–	–	2,017,469	187,430	2,204,899
Closing balance as at 30 September 2015	239,773	7,260,760	15,443,847	3,515,112	321,034	26,780,526

For the six months ended 30 September 2014	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2014	181,412	1,599,724	15,988,083	503,688	(32,589)	18,240,318
Dividend paid	–	–	(544,236)	–	–	(544,236)
(Loss)/profit for the period	–	–	–	(35,751)	101,482	65,731
Closing balance as at 30 September 2014	181,412	1,599,724	15,443,847	467,937	68,893	17,761,813

For the year ended 31 March 2015	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2014	181,412	1,599,724	15,988,083	503,688	(32,589)	18,240,318
Net proceeds of share issue	19,794	1,920,018	–	–	–	1,939,812
Dividend paid	–	–	(544,236)	–	–	(544,236)
Profit for the year	–	–	–	993,955	166,193	1,160,148
Closing balance as at 31 March 2015	201,206	3,519,742	15,443,847	1,497,643	133,604	20,796,042

Statement of Changes in Equity

Unaudited Non-Statutory Analysis between the Ordinary and B Ordinary Share Funds

Ordinary Shares for the six months ended 30 September 2015	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2015	181,412	1,599,724	15,443,847	1,498,298	134,349	18,857,630
Profit for the period	–	–	–	1,750,816	179,280	1,930,096
Closing balance as at 30 September 2015	181,412	1,599,724	15,443,847	3,249,114	313,629	20,787,726

B Ordinary Shares for the six months ended 30 September 2015	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2015	19,794	1,920,018	–	(655)	(745)	1,938,412
Net proceeds of share issue	38,567	3,741,018	–	–	–	3,779,585
Profit for the period	–	–	–	266,653	8,150	274,803
Closing balance as at 30 September 2015	58,361	5,661,036	–	265,998	7,405	5,992,800

Ordinary Shares for the year ended 31 March 2015	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2014	181,412	1,599,724	15,988,083	503,688	(32,589)	18,240,318
Dividend paid	–	–	(544,236)	–	–	(544,236)
Profit for the year	–	–	–	994,610	166,938	1,161,548
Closing balance as at 31 March 2015	181,412	1,599,724	15,443,847	1,498,298	134,349	18,857,630

B Ordinary Shares for the year ended 31 March 2015	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total £
Opening balance as at 1 April 2014	–	–	–	–	–	–
Net proceeds of share issue	19,794	1,920,018	–	–	–	1,939,812
(Loss) for the year	–	–	–	(655)	(745)	(1,400)
Closing balance as at 31 March 2015	19,794	1,920,018	–	(655)	(745)	1,938,412

Notes to the Financial Statements

for the six months ended 30 September 2015

1. The half-yearly financial results cover the six months ended 30 September 2015. The Company applies UK Generally Accepted Accounting Principles in its annual financial statements, and is intending to adopt FRS 102 and the AIC's Statement of Recommended Practice issued in November 2014 for its financial year ending 31 March 2016. The financial statements for the six months to 30 September 2015 have therefore been prepared in accordance with FRS 104 'Interim Financial Reporting'. The Directors do not expect any significant changes to the Company's accounting policies as a result of the adoption of FRS 102. The accounts have therefore been prepared on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements for the year ended 31 March 2015.

The comparative figures for the financial year ended 31 March 2015 are not the Company's statutory accounts for that financial year, but are based on those accounts, represented as necessary to comply with FRS 102. Those accounts have been reported on by the Company's auditor and lodged with the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The financial information for the six months ended 30 September 2015 has not been audited and does not comprise full financial statements within the meaning of Section 434 of the Companies Act 2006.

2. The Board of Directors is satisfied that the Company has adequate availability of funding in order to continue as a going concern. Therefore the Company continues to adopt the going concern basis in preparing these Financial Statements.

3. The profit per Ordinary Share is based on the profit attributable to Ordinary shareholders for the period and the weighted average number of shares in issue during the period of 18,141,202 (31 March 2015: 18,141,202; 30 September 2014: 18,141,202).

The profit per B Ordinary Share is based on the profit attributable to B Ordinary shareholders for the period and the weighted average number of shares in issue during the period of 5,049,581 (31 March 2015: 1,979,400).

4. The net asset value per Ordinary Share at 30 September 2015 is based on net assets of £20,787,726 (31 March 2015: £18,857,630; 30 September 2014: £17,761,813) and the number of shares in issue of 18,141,202 (31 March 2015: 18,141,202; 30 September 2014: 18,141,202).

The net asset value per B Ordinary Share at 30 September 2015 is based on net assets of £5,992,800 (31 March 2015: £1,938,412) and the number of shares in issue of 5,836,120 (31 March 2015: 1,979,400).

5. The Company has one reportable segment, being investing primarily in unquoted companies.

6. The Company is required to report the category of fair value measurements used in determining the value of its investments, to be disclosed by the source of inputs, using a three-level hierarchy:

Quoted market prices in active markets – "Level 1"

Inputs to Level 1 fair values are quoted prices in active markets for identical assets. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company has no investments classified in this category.

Valued using models with significant observable market parameters – “Level 2”

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. The Company has no investments classified in this category.

Valued using models with significant unobservable market parameters – “Level 3”

Inputs to Level 3 fair values are unobservable inputs for the asset. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date (or market information for the inputs to any valuation models). As such, unobservable inputs reflect the assumptions the Company considers that market participants would use in pricing the asset. All the Company's investments are classified within this category.

7. The Company retains Oakley Investment Managers LLP as its Investment Adviser.

Peter Dubens, a non-executive Director of the Company, is a designated member of the Investment Adviser. During the six months ended 30 September 2015, £144,859 (30 September 2014: £82,807) was payable to the Investment Adviser for investment adviser services of which £213,612 (30 September 2014: £82,807) was owed to the Investment Adviser at the period end.

The number of ordinary shares (all of which are held beneficially) by the Directors and certain members of the management team of the Investment Adviser are:

		30 September 2015 shares held		
		Ordinary Shares	B Ordinary Shares	Total
Jonathan Djanogly	Director	25,000	25,000	50,000
Laurence Blackall	Director	200,000	100,000	300,000
Peter Dubens	Director	400,000	400,000	800,000
Stewart Porter	Investment adviser	75,000	–	75,000
Tristan Manuel	Investment adviser	3,000	–	3,000

Save as disclosed in this paragraph there is no conflict of interest between the Company, the duties of the Directors, the duties of the designated members of the Investment Adviser and their private interests and other duties.

8. Copies of the half-yearly report are being sent to all shareholders. Further copies are available free of charge from the Company's registered office.

Corporate Information

Directors (all non-executive) All of the registered office and principal place of business

Independent

Jonathan Simon Djanogly
Laurence Charles Neil Blackall

3 Cadogan Gate
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SW1X 0AS

Not independent

Peter Adam Daiches Dubens

www.pembrokevct.com

Investment Adviser

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SW1X 0AS

Secretary

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Reporting calendar

for year ending 31 March 2016

Results announced:

Interim – November 2016

Annual – July 2016

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VCT plc

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Company number: 08307631