

## Kings Arms Yard VCT PLC

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**This Half-yearly Financial Report has not been audited or reviewed by the Auditor.**

# Company information

<b>Company number</b>	03139019
<b>Directors</b>	R A Field, Chairman T W Chambers M G Fiennes
<b>Manager, company secretary, AIFM and registered office</b>	Albion Ventures LLP 1 King's Arms Yard London, EC2R 7AF
<b>Registrar</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol, BS99 6ZZ
<b>Auditor</b>	BDO LLP 55 Baker Street London, W1U 7EU
<b>Taxation adviser</b>	Robertson Hare LLP 1st Floor 4 Staple Inn London, WC1V 7QH
<b>Legal adviser</b>	Bird & Bird LLP 15 Fetter Lane London, EC4A 1JP

Kings Arms Yard VCT PLC is a member of The Association of Investment Companies ([www.theaic.co.uk](http://www.theaic.co.uk)).

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**Shareholder enquiries**

For help relating to dividend payments, shareholdings and share certificates please contact Computershare Investor Services PLC:  
Tel: 0870 873 5858 (UK National Rate call, lines are open 8.30am – 5.30pm; Mon-Fri, calls may be recorded)  
Website: [www.investorcentre.co.uk](http://www.investorcentre.co.uk)

Shareholders can access holdings and valuation information regarding any of their shares held with Computershare by registering on Computershare's website.

**Financial adviser enquiries**

For enquiries relating to the performance of the Company, and information for financial advisers, please contact Albion Ventures LLP:  
Tel: 020 7601 1850 (lines are open 9.00am – 5.30pm; Mon-Fri, calls may be recorded)  
Email: [info@albion-ventures.co.uk](mailto:info@albion-ventures.co.uk)  
Website: [www.albion-ventures.co.uk](http://www.albion-ventures.co.uk)

**Please note that these contacts are unable to provide financial or taxation advice.**

# Investment objectives

The Company is a Venture Capital Trust. The investment policy is intended to produce a regular and predictable dividend stream with an appreciation in capital value as set out below.

- The Company intends to achieve its strategy by adopting an investment policy for new investments which over time will rebalance the portfolio such that approximately 50 per cent. of the portfolio comprises an asset-backed portfolio of more stable, ungeared businesses, principally operating in the healthcare, environmental and leisure sectors (the “Asset-Backed Portfolio”). The balance of the portfolio, other than funds retained for liquidity purposes, will be invested in a portfolio of higher growth businesses across a variety of sectors of the UK economy. These will range from more stable, income producing businesses to a limited number of higher risk technology companies (the “Growth Portfolio”).
- In neither category would portfolio companies normally have any external borrowing with a charge ranking ahead of the Company. Up to two-thirds of qualifying investments by cost will comprise loan stock secured with a first charge on the portfolio company’s assets.
- The Company’s investment portfolio will thus be structured to provide a balance between income and capital growth for the longer term. The Asset-Backed Portfolio is designed to provide stability and income whilst still maintaining the potential for capital growth. The Growth Portfolio is intended to provide highly diversified exposure through its portfolio of investments in unquoted UK companies.
- Funds held pending investment or for liquidity purposes will be held as cash on deposit or in floating rate notes or similar instruments with banks or other financial institutions with high credit ratings assigned by international credit rating agencies.

# Financial calendar

Record date for second dividend	2 October 2015
Payment date of second dividend	30 October 2015
Financial year end	31 December 2015

# Financial highlights

	<b>Unaudited six months ended 30 June 2015 (pence per share)</b>	Unaudited six months ended 30 June 2014 (pence per share)	Audited year ended 31 December 2014 (pence per share)
Net asset value	<b>19.90</b>	19.98	19.31
Dividends paid	<b>0.50</b>	0.50	1.00
Revenue return	<b>0.16</b>	0.15	0.27
Capital return/(loss)	<b>0.92</b>	(0.13)	(0.43)
Net asset value enhancement as a result of share buy-backs	<b>0.01</b>	0.01	0.02

## Shareholder net asset value total return

	From Launch to 31 December 2010 (pence per share)	1 January 2011* to 30 June 2015 (pence per share)	From Launch to 30 June 2015 (pence per share)
Subscription price per share at launch	100.00	–	100.00
Dividends paid	58.66	4.17	62.83
(Decrease)/increase in shareholder net asset value	(83.40)	3.30	(80.10)
Shareholder net asset value total return	<u>75.26</u>	<u>7.47</u>	<u>82.73</u>

\* Date that Albion Ventures LLP was appointed Manager.

<b>Current annual dividend objective (pence per share)</b>	<b>1.00</b>
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The Directors have declared a second dividend of 0.5 pence per share for the year ended 31 December 2015, which will be paid on 30 October 2015 to shareholders on the register as at 2 October 2015.

The above financial summary is for the Company, Kings Arms Yard VCT PLC only. Details of the financial performance of the various Quester, SPARK and Kings Arms Yard VCT 2 PLC companies, which have been merged into the Company, can be found on page 21.

# Chairman's statement

## Introduction

We are pleased to report a total return of 5.6% in the six month period to 30 June 2015. The Manager continues to rebalance the portfolio so that asset backed investments now comprise approximately a third of net asset value. The Company reported a profit in the period, excluding the uplift in portfolio valuation, as investment income covered the annual operating costs including management fee and other expenses.

## Results

Net asset value per share increased in the period from 19.31 pence per share at 31 December 2014 to 19.90 pence per share at 30 June 2015, following the payment of a 0.50 pence per share dividend on 30 April 2015. Total net asset value return (per 100 pence originally invested) has risen in the period from 81.64 pence per share at 31 December 2014 to 82.73 pence per share on 30 June 2015 (30 June 2014: 81.81 pence per share).

Both the asset-backed investment portfolio and the growth portfolio have shown overall improvements in value.

## Investment activity

There has been a reasonable level of investment activity in the six months ended 30 June 2015 with £2.2m invested in existing portfolio companies. No new companies were added to the portfolio in the period, partly as a result of the significant investment activity in 2014 and related follow-on investments in 2015 which include three new build freehold care homes in Cumnor Hill (Oxford), Hillingdon (Uxbridge) and Shinfield (Reading).

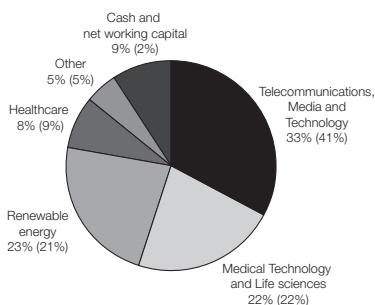
The most significant follow-on investments include: Chonais River Hydro (£550,000); Elateral Group Holdings (£300,000); Perpetuum (£180,000); and Abcodia (£130,000).

During the period, the Company sold its stake in Cluster Seven for £1.9m and disposed of £0.7m worth of shares in Oxford Immunotec Global PLC.

## Valuations

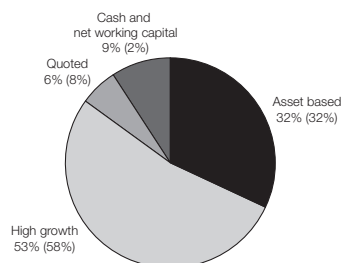
Once again the Board has rigorously examined and revalued the portfolio. The net effect has been a £2.3m uplift partly as a result of third party revaluations following the achievement of critical stages in asset backed projects and partly improved performance in the growth portfolio, including an increase of £0.8m in the value of Lab M Holdings, the disposal of which had been under negotiation for some time. The sale was completed on 27 August after the balance sheet date. Overall the asset backed investments have increased in value by £1.1m and the growth companies have increased in value by £1.2m despite a loss on disposal of Cluster Seven of £0.5m.

## Distribution of net assets at carrying value, by sector as at 30 June 2015



Comparatives for 31 December 2014 are in brackets.  
Source: Albion Ventures LLP

## Distribution of net assets at carrying value, by asset class as at 30 June 2015



Comparatives for 31 December 2014 are in brackets.  
Source: Albion Ventures LLP

# Chairman's statement (continued)

## Dividends

Progress to date gives the Board confidence in the sustainability of our dividend policy and we are therefore pleased to announce a further dividend of 0.50 pence per share to be paid on 30 October 2015, to shareholders on the register as at 2 October 2015.

## Transactions with the Manager

Details of transactions with the Manager for the reporting period can be found in note 4 of this Half-yearly Financial Report. Details of related party transactions can be found in note 12.

## Albion VCTs Top Up Offers

During the period 1 January 2015 to the date of this report, the Company has raised £4.5 million under the Albion VCTs Top Up Offers, which will close on 30 September 2015 unless fully subscribed earlier.

The proceeds of the Offers are being used to provide further resources at a time when a number of attractive new investment opportunities are being seen.

## Share buy-backs

It remains the Company's policy to buy-back shares in the market, subject to the overall constraint that such purchases are in the Company's interest. This includes the maintenance of sufficient cash resources for investment in new and existing portfolio companies and the continued payment of dividends to shareholders. It is the Board's current intention for such buy-backs to be in the region of a 5 per cent. discount to net asset value, so far as market conditions and liquidity permit.

In view of other investment opportunities available, the Company intends to limit the amount of buy-backs during the six month period to 31 December 2015 to approximately £0.75m, unless a material investment exit occurs.

## Risks and uncertainties

The outlook for the UK economy continues to be the key risk affecting your Company. Investment in small and unquoted companies also carries particular risks of its own. The Company's investment risk is mitigated by a number of processes, including our policy of ensuring that the Company has a first charge over portfolio companies' assets wherever possible.

Other risks and uncertainties remain unchanged as set out on pages 13 to 15 of the Annual Report and Financial Statements for the year ended 31 December 2014.

## Changes in VCT legislation

The July budget introduced a number of changes to VCT legislation, including restrictions over the age of investments, a prohibition on management buyouts or the purchase of existing businesses and an overall lifetime investment cap of £12m from tax-advantaged funds into any portfolio company. While these changes are significant, had they been in place previously they would only have affected a relatively small minority of the investments that we have made into new portfolio companies over recent years. Our current view is that there will be no change in our investment policy as a result of these changes, but the legislation is still being worked on and we will have a more detailed view of its effect after Royal Assent, expected in October 2015.

## Outlook

Whilst the UK economy continues to improve, uncertainties remain including the impact of any withdrawal of monetary stimulation (Quantitative Easing and ultra-low interest rates) and sovereign and consumer debt burdens. In addition, the global economic environment remains uncertain.

Your Board nonetheless believes the current investment policy of combining asset-backed, income yielding investments with investments offering a higher risk/return profile, offers the best prospect of further improvements in capital value and a sustainable long term dividend.

## Robin Field

Chairman  
27 August 2015

# Responsibility statement

The Directors, Robin Field, Thomas Chambers and Martin Fiennes, are responsible for preparing the Half-yearly Financial Report. In preparing these condensed Financial Statements for the period to 30 June 2015 we, the Directors of the Company, confirm that to the best of our knowledge:

- (a) the condensed set of Financial Statements, which has been prepared in accordance with the pronouncement on interim reporting issued by the Accounting Standards Board, gives a true and fair view of the assets, liabilities, financial position and profit and loss of the Company as required by DTR 4.2.4;
- (b) the interim management report, of which the Chairman's statement forms a part, includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

- (c) the interim management report, of which the Chairman's statement forms a part, includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

This Half-yearly Financial Report has not been audited or reviewed by the Auditor.

By order of the Board

**Robin Field**

Chairman

27 August 2015



# Portfolio of investments

The following is a summary of fixed asset investments as at 30 June 2015:

Fixed asset investments	% voting rights	Cost <sup>(1)</sup> £'000	Cumulative movement in value in value £'000	Value £'000	Change in value for the period <sup>(2)</sup> £'000
<b>Asset-backed unquoted investments</b>					
Chonais River Hydro Limited	6.5	2,428	302	2,729	276
Active Lives Care Limited	15.5	2,062	96	2,158	46
Alto Prodotto Wind Limited	11.1	1,000	473	1,473	131
The Street by Street Solar Programme Limited	10.0	1,040	417	1,457	68
Regenerco Renewable Energy Limited	9.8	988	244	1,232	120
Ryefield Court Care Limited	11.0	1,103	54	1,158	27
Dragon Hydro Limited	17.2	736	373	1,109	222
Bravo Inns II Limited	5.0	800	17	817	4
Gharagain River Hydro Limited	5.0	620	157	777	150
AVESI Limited	14.8	484	103	587	54
Greenenerco Limited	8.6	300	155	455	53
Erin Solar Limited	5.7	160	(3)	157	(3)
Infinite Ventures (Goathill) Limited	2.7	112	–	112	–
Harvest AD Limited	0.0	70	–	70	–
<b>Total asset-backed unquoted investments</b>		<b>11,903</b>	<b>2,388</b>	<b>14,291</b>	<b>1,148</b>
<b>High growth unquoted investments</b>					
Elateral Group Limited	37.7	3,644	1,617	5,261	(38)
Sift Limited	40.1	3,277	(670)	2,607	(34)
Lab M Holdings Limited	26.4	858	1,243	2,101	759
Proveca Limited	16.4	930	463	1,393	48
Hilson Moran Holdings Limited	15.0	460	770	1,230	272
MyMeds&Me Limited	6.4	730	410	1,140	419
Perpetuum Limited	15.0	1,773	(652)	1,121	170
OmPrompt Holdings Limited	7.4	900	21	921	11
Antenova Limited	21.3	1,585	(728)	857	385
Academia Inc	5.3	351	497	848	(15)
Xention Limited	5.1	608	194	802	–
Symetrica Limited	3.5	389	253	642	8
Egress Software Technology Limited	4.3	430	110	540	32
Haemostatix Limited	18.9	1,642	(1,124)	518	(72)
Abcodia Limited	5.0	428	60	488	57
Anthropics Technology Limited	12.4	–	427	427	(196)
Celoxica Holdings plc	4.4	513	(144)	369	–
Relayware Limited	1.4	325	12	337	4
Grapeshot Limited	2.5	309	–	309	–
Aridhia Informatics Limited	0.8	299	(65)	234	(21)
Cisiv Limited	2.6	170	60	230	61
Mirada Medical Limited	1.1	230	(7)	223	(7)
The Wentworth Wooden Jigsaw Company Limited	5.4	–	145	145	5
Ario Pharma Limited	1.7	–	96	96	–
Silent Herdsman Holdings Limited	3.7	153	(75)	78	(19)
Sandcroft Avenue Limited (T/A payasugym.com)	1.3	84	(10)	74	–
Xtera Communications Inc	0.9	85	(75)	10	–
Uniservity Limited(3)	93.6	250	(240)	10	(140)
Oxonica Limited	2.1	185	(184)	1	–
TeraView Limited	1.0	1	–	1	–
Lectus Therapeutics Limited	4.5	–	1	1	–
Keronite Group Limited	1.1	–	1	1	–
De Nova Pharmaceuticals Limited	0.0	–	1	1	–
Furzeland Limited	0.0	–	1	1	–
<b>Total high growth unquoted investments</b>		<b>20,609</b>	<b>2,408</b>	<b>23,017</b>	<b>1,689</b>
<b>Total unquoted investments</b>		<b>32,512</b>	<b>4,796</b>	<b>37,308</b>	<b>2,837</b>

## Portfolio of investments (continued)

Quoted investments	Cost <sup>(1)</sup> £'000	Cumulative movement in value £'000	Value £'000	Change in value for the period <sup>(2)</sup> £'000
Oxford Immunotec Global PLC (NASDAQ)	1,114	1,407	2,521	19
<b>Total quoted investments</b>	<b>1,114</b>	<b>1,407</b>	<b>2,521</b>	<b>19</b>
<b>Total fixed asset investments</b>	<b>33,626</b>	<b>6,203</b>	<b>39,829</b>	<b>2,856</b>

<b>Total change in value on investments for the period</b>	<b>2,856</b>
Movement in loan stock accrued interest	(119)
<b>Unrealised gains sub-total</b>	<b>2,737</b>
Realised losses in current period	(486)
<b>Total gains on investments as per Income statement</b>	<b>2,251</b>

(1) Amounts shown as cost represent the acquisition cost in the case of investments originally made by the Company and/or the valuation attributed to the investments acquired from Quester VCT 2 plc and Quester VCT 3 plc at the date of the merger in 2005, plus any subsequent acquisition costs, as reduced in certain cases by amounts written off as representing an impairment in value.

(2) As adjusted for additions and disposals during the period.

(3) In accordance with FRS102 a subsidiary shall be excluded from consolidation where the interest in the subsidiary is held exclusively with a view for subsequent re-sale and held as part of an investment portfolio. These should be measured at fair value, with changes in fair value recognised in profit or loss.

Fixed asset realisations in the period to 30 June 2015	Cost £'000	Opening carrying value £'000	Disposal proceeds £'000	Total realised (loss)/gain on cost £'000	(Loss)/gain on opening or acquired value £'000
Cluster Seven Limited	2,076	2,400	1,928	(148)	(472)
Oxford Immunotec Global PLC	307	688	683	376	(5)
Orchard Portman Group	175	206	225	50	19
Perpetuum Limited (loan stock repayment)	51	51	63	12	12
Hilson Moran Holdings Limited (loan stock repayment)	35	48	48	13	–
Clear2Pay NV	–	–	3	3	3
Atego Group Limited (escrow adjustment)	–	–	(43)	(43)	(43)
<b>Total</b>	<b>2,644</b>	<b>3,393</b>	<b>2,907</b>	<b>263</b>	<b>(486)</b>

# Condensed income statement

		Unaudited six months ended 30 June 2015			Unaudited six months ended 30 June 2014			Audited year ended 31 December 2014		
	Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments	2	-	2,251	2,251	-	40	40	-	(370)	(370)
Investment income	3	582	-	582	546	-	546	1,007	112	1,119
Investment management fees	4	(101)	(303)	(404)	(100)	(300)	(400)	(200)	(601)	(801)
Other expenses		(132)	-	(132)	(145)	-	(145)	(270)	-	(270)
Exchange rate movement		(9)	-	(9)	(2)	-	(2)	(2)	-	(2)
<b>Return/(loss) on ordinary activities before tax</b>		<b>340</b>	<b>1,948</b>	<b>2,288</b>	299	(260)	39	535	(859)	(324)
Tax on ordinary activities		-	-	-	-	-	-	-	-	-
<b>Return/(loss) on ordinary activities after tax</b>		<b>340</b>	<b>1,948</b>	<b>2,288</b>	299	(260)	39	535	(859)	(324)
Basic and diluted return/(loss) per share (pence)*	6	0.16	0.92	1.08	0.15	(0.13)	0.02	0.27	(0.43)	(0.16)

\* Excluding treasury shares

The accompanying notes on pages 14 to 20 form an integral part of this Half-yearly Financial Report.

Comparative figures have been extracted from the unaudited Half-yearly Financial Report for the six months ended 30 June 2014 and the audited statutory accounts for the year ended 31 December 2014.

The total column of this Condensed income statement represents the profit and loss account of the Company. The supplementary revenue and capital columns have been prepared in accordance with The Association of Investment Companies' Statement of Recommended Practice.

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

The Company has only one class of business and derives its income from investments made in shares and securities and from bank deposits.

There are no recognised gains or losses other than the results for the periods disclosed above. Accordingly a Statement of comprehensive income is not required. The difference between the reported return/(loss) on ordinary activities before tax and the historical cost profit/(loss) is due to the fair value movements on investments. As a result a note on historical cost profit and losses has not been prepared.

# Condensed balance sheet

	Note	Unaudited 30 June 2015 £'000	Unaudited 30 June 2014 £'000	Audited 31 December 2014 £'000
<b>Fixed assets</b>				
Investments		39,829	35,876	38,205
<b>Current assets</b>				
Trade and other receivables less than one year		835	2,304	473
Current asset investments		–	470	–
Cash and cash equivalents	9	3,648	1,463	798
		<b>4,483</b>	3,767	1,271
<b>Total assets</b>		<b>44,312</b>	40,113	39,476
<b>Creditors: amounts falling due within one year</b>				
Trade and other payables less than one year		(341)	(305)	(535)
<b>Net assets</b>		<b>43,971</b>	39,808	38,941
<b>Equity attributable to equity shareholders</b>				
Called-up share capital	7	2,501	2,214	2,265
Share premium		7,796	2,476	3,444
Capital redemption reserve		11	11	11
Investment holding reserve		5,969	338	3,981
Other distributable reserve		27,694	34,769	29,240
<b>Total equity shareholders' funds</b>		<b>43,971</b>	39,808	38,941
Basic and diluted net asset value per share (pence)*		19.90	19.98	19.31

\* Excluding treasury shares

The accompanying notes on pages 14 to 20 form an integral part of this Half-yearly Financial Report.

Comparative figures have been extracted from the unaudited Half-yearly Financial Report for the six months ended 30 June 2014 and the audited statutory accounts for the year ended 31 December 2014.

These Financial Statements were approved by the Board of Directors, and authorised for issue on 27 August 2015 and were signed on its behalf by

**Robin Field**

Chairman

Company number: 03139019

# Condensed statement of changes in equity

	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Investment holding reserve £'000	Other distributable reserve £'000	Total £'000
<b>As at 1 January 2015</b>	<b>2,265</b>	<b>3,444</b>	<b>11</b>	<b>3,981</b>	<b>29,240</b>	<b>38,941</b>
Return/(loss) and total comprehensive income for the period	-	-	-	2,737	(449)	2,288
Transfer of previously unrealised gains on disposal of investments	-	-	-	(749)	749	-
Purchase of treasury shares	-	-	-	-	(767)	(767)
Issue of equity	236	4,484	-	-	-	4,720
Cost of issue of equity	-	(132)	-	-	-	(132)
Equity dividends paid	-	-	-	-	(1,079)	(1,079)
<b>As at 30 June 2015</b>	<b>2,501</b>	<b>7,796</b>	<b>11</b>	<b>5,969</b>	<b>27,694</b>	<b>43,971</b>
<b>As at 1 January 2014</b>	2,099	82	-	1,711	35,370	39,262
Return/(loss) and total comprehensive income for the period	-	-	-	613	(574)	39
Transfer of previously unrealised gains on disposal of investments	-	-	-	(1,986)	1,986	-
Purchase of treasury shares	-	-	-	-	(788)	(788)
Purchase of shares for cancellation	(11)	-	11	-	(214)	(214)
Issue of equity	126	2,466	-	-	-	2,592
Cost of issue of equity	-	(72)	-	-	-	(72)
Equity dividends paid	-	-	-	-	(1,011)	(1,011)
<b>As at 30 June 2014</b>	<b>2,214</b>	<b>2,476</b>	<b>11</b>	<b>338</b>	<b>34,769</b>	<b>39,808</b>
<b>As at 1 January 2014</b>	2,099	82	-	1,711	35,370	39,262
Loss and total comprehensive income for the year	-	-	-	(279)	(45)	(324)
Transfer of previously unrealised losses on disposal of investments	-	-	-	2,549	(2,549)	-
Purchase of shares for cancellation	(11)	-	11	-	(214)	(214)
Purchase of treasury shares	-	-	-	-	(1,297)	(1,297)
Issue of equity	177	3,466	-	-	-	3,624
Cost of issue of equity	-	(104)	-	-	-	(85)
Equity dividends paid	-	-	-	-	(2,025)	(2,025)
<b>As at 31 December 2014</b>	<b>2,265</b>	<b>3,444</b>	<b>11</b>	<b>3,981</b>	<b>29,240</b>	<b>38,941</b>

Comparative figures have been extracted from the unaudited Half-yearly Financial Report for the six months ended 30 June 2014 and the audited statutory accounts for the year ended 31 December 2014.

The total distributable reserves are £27,694,000 (30 June 2014: £34,769,000; 31 December 2014: £29,240,000).

# Condensed statement of cash flows

	Note	Unaudited six months ended 30 June 2015 £'000	Unaudited six months ended 30 June 2014 £'000	Audited year ended 31 December 2014 £'000
<b>Cash flow from operating activities</b>				
Loan stock income received		384	338	829
Deposit interest received		9	151	164
Dividend income received		62	159	77
Investment management fees paid		(596)	(379)	(379)
Other cash payments		(175)	(147)	(451)
<b>Net cash flow from operating activities</b>	8	<b>(316)</b>	122	240
<b>Cash flow from investing activities</b>				
Purchase of fixed asset investments		(2,164)	(4,895)	(8,353)
Disposal of fixed asset investments		3,136	39	3,899
Disposal of current asset investments		-	3,750	3,750
Cash from investments previously sold or written off		-	708	30
<b>Net cash flow from investing activities</b>		<b>972</b>	(398)	(674)
<b>Cash flow from financing activities</b>				
Issue of share capital		3,918	2,479	3,450
Cost of issue of shares		(6)	(2)	(3)
Equity dividends paid*		(1,003)	(968)	(1,929)
Purchase of own shares (including costs)		(715)	(995)	(1,511)
<b>Net cash flow from financing activities</b>		<b>2,194</b>	514	7
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>2,850</b>	238	(427)
Cash and cash equivalents at start of period		798	1,225	1,225
<b>Cash and cash equivalents at end of period</b>	9	<b>3,648</b>	1,463	798
<b>Cash and cash equivalents comprise:</b>				
Cash at bank and in hand		3,648	1,463	798
Cash equivalents		-	-	-
<b>Total cash and cash equivalents</b>		<b>3,648</b>	1,463	798

The accompanying notes on pages 14 to 20 form an integral part of this Half-yearly Financial Report.

Comparative figures have been extracted from the unaudited Half-yearly Financial Report for the six months ended 30 June 2014 and the audited statutory accounts for the year ended 31 December 2014.

\* The equity dividend paid in the cash flow is different to the dividend disclosed in note 5 due to the non-cash effect of the Dividend Reinvestment Scheme.

# Notes to the condensed Financial Statements

## 1. Basis of preparation

The condensed Financial Statements have been prepared in accordance with the historical cost convention, modified to include the revaluation of investments, in accordance with applicable United Kingdom law and accounting standards, including Financial Reporting Standard 102 ("FRS 102"), and with the 2014 Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP") issued by The Association of Investment Companies ("AIC"). This is the first period in which the financial statements have been prepared under FRS 102. There has been no material change in the accounting policies and so there has been no restatement of comparatives.

The half-yearly report has not been audited, nor has it been reviewed by the auditor pursuant to the FRC's guidance on Review of interim financial information.

### Accounting policies

#### Consolidation

In accordance with FRS 102, a subsidiary is excluded from consolidation where the interest in the subsidiary is held exclusively with a view for subsequent re-sale and is held as part of an investment portfolio. These should be measured at fair value, with changes in fair value recognised in profit or loss.

The results of UniServity Limited, where the Company holds in excess of 50% of that company's equity are, therefore, excluded from consolidation as the interest in UniServity Limited is held as part of an investment portfolio.

In accordance with the requirements of FRS 102, those undertakings in which the Company holds more than 20 per cent. of the equity as part of an investment portfolio are not accounted for using the equity method. In these circumstances the investment is measured at fair value through profit or loss.

#### Fixed asset investments

The Company's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. This portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with a documented investment policy, and information about the portfolio is provided internally on that basis to the Board.

Upon initial recognition (using trade date accounting) investments are designated by the Company as 'at fair value through profit or loss' and are included at their

initial fair value, which is cost (excluding expenses incidental to the acquisition which are written off to the income statement).

Subsequently, the investments are valued at 'fair value', which is measured as follows:

- Investments listed on recognised exchanges are valued at their bid prices at the end of the accounting period or otherwise at fair value based on published price quotations;
- Unquoted investments, where there is not an active market, are valued using an appropriate valuation technique in accordance with the IPEVCV Guidelines. Indicators of fair value are derived using established methodologies including earnings multiples, the level of third party offers received, prices of recent investment rounds, net assets and industry valuation benchmarks. Where the Company has an investment in an early stage enterprise, the price of a recent investment round is often the most appropriate approach to determining fair value. In situations where a period of time has elapsed since the date of the most recent transaction, consideration is given to the circumstances of the portfolio company since that date in determining fair value. This includes consideration of whether there is any evidence of deterioration or strong definable evidence of an increase in value. In the absence of these indicators, the investment in question is valued at the amount reported at the previous reporting date. Examples of events or changes that could indicate a diminution include:
  - the performance and/or prospects of the underlying business are significantly below the expectations on which the investment was based;
  - a significant adverse change either in the portfolio company's business or in the technological, market, economic, legal or regulatory environment in which the business operates; or
  - market conditions have deteriorated, which may be indicated by a fall in the share prices of quoted businesses operating in the same or related sectors.

Investments are recognised as financial assets on legal completion of the investment contract and are de-recognised on legal completion of the sale of an investment.

# Notes to the condensed Financial Statements (continued)

## **Gains and losses on investments**

Gains and losses arising from changes in the fair value of the investments are included in the Income statement for the period as a capital item and are allocated to the investment holding reserve.

## **Investment income**

Dividends receivable on quoted equity shares are recognised on the ex-dividend date. Income receivable on unquoted equity and non-equity shares and loan notes is recognised when the Company's right to receive payment and expect settlement is established. Fixed returns on non-equity shares and debt securities are recognised on a time apportionment basis using an effective interest rate over the life of the financial instrument. Income which is not capable of being received within a reasonable period of time is reflected in the capital value of the investment. Interest income is recognised on an accruals basis using the rate of interest agreed with the bank.

## **Investment management fees and other expenses**

All expenses, including expenses incidental to the acquisition or disposal of an investment, are accounted for on an accruals basis and are charged to the Income statement except for 75% of management fees which are allocated to capital to the extent that these relate to an enhancement in the value of the investments. This is in line with the Board's expectation that over the long term 75% of the Company's investment returns will be in the form of capital gains.

Costs associated with the issue of shares are charged to the share premium account. Costs associated with the buy-back of shares are charged to the other distributable reserve, which now includes the special reserve to which these costs were previously charged.

## **Taxation**

Taxation is applied on a current basis in accordance with FRS 102. Current tax is tax payable (refundable) in respect of the taxable profit (tax loss) for the current period or past reporting periods using the tax rates and laws that have been enacted or substantively enacted at the financial reporting date. Taxation associated with capital expenses is applied in accordance with the SORP.

Deferred tax is provided in full on all timing differences at the reporting date. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

## **Foreign exchange**

The currency of the primary economic environment in which the Company operates (the functional currency) is pounds Sterling ("Sterling"), which is also the presentational currency of the Company. Transactions involving currencies other than Sterling are recorded at the exchange rate ruling on the transaction date. At each Balance sheet date, monetary items and non-monetary assets and liabilities that are measured at fair value, which are denominated in foreign currencies, are retranslated at the closing rates of exchange. Exchange differences arising on settlement of monetary items and from retranslating at the Balance sheet date of investments and other financial instruments measured at fair value through profit or loss, and other monetary items, are included in the Income statement. Exchange differences relating to investments and other financial instruments measured at fair value are subsequently included in the Investment holding reserve.

## **Reserves**

### *Share premium account*

This reserve accounts for the difference between the price paid for shares and the nominal value of the shares, less issue costs and transfers to other distributable reserve.

### *Capital redemption reserve*

This reserve accounts for amounts by which the issued share capital is diminished through the repurchase and cancellation of the Company's own shares.

### *Investment holding reserve*

Increases and decreases in the valuation of investments held at the year end against cost are included in this reserve.

### *Other distributable reserve*

This reserve accounts for movements from the revenue column of the Income statement, gains and losses compared to cost on the realisation of investments, expenses charged in accordance with the above policies, the payment of dividends, the buy-back of shares and other non-capital realised movements.

## **Dividends**

Dividends by the Company are accounted for in the period in which the dividend is paid or approved at the Annual General Meeting.



## Notes to the condensed Financial Statements (continued)

### 2. Gains/(losses) on investments

	<b>Unaudited six months ended 30 June 2015 £'000</b>	Unaudited six months ended 30 June 2014 £'000	Audited year ended 31 December 2014 £'000
Unrealised gains/(losses) on fixed asset investments held at fair value through profit or loss	2,737	140	(279)
Unrealised gains on current asset investments held at fair value through profit or loss	–	470	–
Unrealised gain on deferred consideration held at fair value through profit or loss	–	3	–
<b>Unrealised gains sub-total</b>	<b>2,737</b>	<b>613</b>	<b>(279)</b>
Realised losses on fixed asset investments held at fair value through profit or loss	(486)	(638)	(156)
Realised gains in respect of escrow receipts from previously sold investments and distributions from investments in liquidation	–	65	65
<b>Realised losses sub-total</b>	<b>(486)</b>	<b>(573)</b>	<b>(91)</b>
	<b>2,251</b>	<b>40</b>	<b>(370)</b>

### 3. Investment income

	<b>Unaudited six months ended 30 June 2015 £'000</b>	Unaudited six months ended 30 June 2014 £'000	Audited year ended 31 December 2014 £'000
<b>Income recognised on investments held at fair value through profit or loss</b>			
Dividends	62	146	176
Loan stock interest	505	360	892
	<b>567</b>	<b>506</b>	<b>1,068</b>
<b>Income recognised on investments held at amortised cost</b>			
Bank deposit interest	15	40	51
	<b>582</b>	<b>546</b>	<b>1,119</b>

# Notes to the condensed Financial Statements (continued)

## 4. Investment management fees

	<b>Unaudited six months ended 30 June 2015 £'000</b>	Unaudited six months ended 30 June 2014 £'000	Audited year ended 31 December 2014 £'000
Investment management fees charged to revenue	101	100	200
Investment management fees charged to capital	303	300	601
	<b>404</b>	<b>400</b>	<b>801</b>

Further details of the management agreement under which the investment management fee is paid are given in the Strategic report on page 11 of the Annual Report and Financial Statements for the year ended 31 December 2014.

During the period, services with a value of £404,000 (30 June 2014: £400,000; 31 December 2014: £801,000) and £25,000 (30 June 2014: £25,000; 31 December 2014: £50,000) were purchased by the Company from Albion Ventures LLP in respect of investment management and administration fees respectively. At the period end, the amount due to Albion Ventures LLP in respect of these services disclosed as accruals was £221,000 (30 June 2014: £216,000; 31 December 2014: £426,000).

Albion Ventures LLP is, from time to time, eligible to receive transaction fees and Directors' fees from portfolio companies. During the period, fees of £52,000 (30 June 2014: £153,000; 31 December 2014: £294,000) attributable to the investments of the Company were received pursuant to these arrangements.

Albion Ventures LLP holds 7,487 Ordinary shares as a result of fractional entitlements and dissenting shareholders arising from the merger with Kings Arms Yard VCT 2 PLC on 30 September 2011. In addition, Albion Ventures LLP holds a further 82,031 Ordinary shares in the Company.

## 5. Dividends

	<b>Unaudited six months ended 30 June 2015 £'000</b>	Unaudited six months ended 30 June 2014 £'000	Audited year ended 31 December 2014 £'000
First dividend of 0.5 pence per share paid on 30 April 2014	–	1,017	1,017
Second dividend of 0.5 pence per share paid on 31 October 2014	–	–	1,014
First dividend of 0.5 pence per share paid on 30 April 2015	1,109	–	–
Unclaimed dividends returned to Company	(30)	(6)	(6)
	<b>1,079</b>	<b>1,011</b>	<b>2,025</b>

The Directors have declared a second dividend of 0.5 pence per share for the year ended 31 December 2015, which will be paid on 30 October 2015 to shareholders on the register as at 2 October 2015.

# Notes to the condensed Financial Statements (continued)

## 6. Basic and diluted return/(loss) per share

	Unaudited six months ended 30 June 2015		Unaudited six months ended 30 June 2014		Audited year ended 31 December 2014	
	Revenue	Capital	Revenue	Capital	Revenue	Capital
Return/(loss) attributable to shares (£'000)	340	1,948	299	(260)	535	(859)
Weighted average shares in issue (excluding treasury shares)	212,279,721		197,858,496		199,680,249	
Return/(loss) per share (pence)	0.16	0.92	0.15	(0.13)	0.27	(0.43)

The weighted average number of shares is calculated excluding the treasury shares of 29,132,000 (30 June 2014: 22,130,000; 31 December 2014: 24,875,000)

There are no convertible instruments, derivatives or contingent share agreements in issue so basic and diluted return/(loss) per share are the same.

## 7. Called-up share capital

	Unaudited 30 June 2015 £'000	Unaudited 30 June 2014 £'000	Audited 31 December 2014 £'000
<b>Allotted, issued and fully paid:</b>			
Allotted, issued and fully paid			
Ordinary shares of 1 penny nominal value (£'000)	2,501	2,214	2,265
Number of shares of 1 penny nominal value	250,103,228	221,416,908	226,503,705
<b>Voting rights</b>			
Number of shares of 1 penny nominal value with voting rights	220,971,228	199,286,908	201,628,705

The Company operates a share buy-back programme, as detailed in the Chairman's statement on page 6. During the period the Company purchased 4,257,000 Ordinary shares at a cost of £767,000 including stamp duty (30 June 2014: £788,000; 31 December 2014: £1,297,000) to be held in treasury. The Company holds a total of 29,132,000 Ordinary shares in treasury, representing 11.6 per cent. of the issued Ordinary share capital as at 30 June 2015. The shares purchased for treasury were funded from Other distributable reserve.

During the period the Company did not purchase any shares for cancellation (30 June 2014: 1,134,000 shares at a cost of £214,000; 31 December 2014: 1,134,000 shares at a cost of £214,000).

During the period, the Company issued the following new Ordinary shares of nominal value 1 penny each under the terms of the Dividend Reinvestment Scheme Circular dated 19 April 2011:

Date of allotment	Number of shares allotted	Aggregate nominal value of shares (£'000)	Issue price (pence per share)	Net consideration received (£'000)	Opening market price on allotment date (pence per share)
30 April 2015	411,322	4	18.81	75	18.00

# Notes to the condensed Financial Statements (continued)

## 7. Called-up share capital (continued)

Under the terms of the Albion VCTs Prospectus Top Up Offers 2014/2015, the following new Ordinary shares of nominal value 1 penny each were allotted during the period to 30 June 2015:

Date of allotment	Number of shares allotted	Aggregate nominal value of shares (£'000)	Issue price (pence per share)	Net consideration received (£'000)	Opening market price on allotment date (pence per share)
30 January 2015	3,630,710	36	19.90	708	18.00
30 January 2015	2,026,810	20	20.00	395	18.00
2 April 2015	14,511,698	145	20.00	2,815	17.88
30 June 2015	118,239	2	20.10	23	18.50
30 June 2015	41,253	–	20.20	8	18.50
30 June 2015	2,859,491	29	20.30	563	18.50
	<u>23,188,201</u>	<u>232</u>		<u>4,512</u>	

The Albion VCTs Prospectus Top Up Offers 2014/2015 will close on 30 September 2015 (unless fully subscribed by an earlier date).

## 8. Reconciliation of revenue return on ordinary activities before taxation to net cash flow from operating activities

	Unaudited six months ended 30 June 2015 £'000	Unaudited six months ended 30 June 2014 £'000	Audited year ended 31 December 2014 £'000
Revenue return on ordinary activities before tax	340	299	535
Exchange rate movement	9	2	2
Investment management fees allocated to capital	(303)	(300)	(601)
Movement in accrued loan stock interest	(119)	(3)	(66)
Decrease in debtors	6	111	127
(Decrease)/increase in creditors	(249)	13	243
<b>Net cash flow from operating activities</b>	<b>(316)</b>	<b>122</b>	<b>240</b>

## 9. Analysis of change in cash during the period

	Unaudited six months ended 30 June 2015 £'000	Unaudited six months ended 30 June 2014 £'000	Audited year ended 31 December 2014 £'000
Opening cash balances	798	1,225	1,225
Net cash flow	2,850	238	(427)
<b>Closing cash balances</b>	<b>3,648</b>	<b>1,463</b>	<b>798</b>

# Notes to the condensed Financial Statements (continued)

## 10. Commitments, contingencies and guarantees

As at 30 June 2015, the Company was committed to making investments of £3,634,000 in respect of further funding to be provided to existing portfolio companies (30 June 2014: £6,502,000; 31 December 2014: £923,000).

## 11. Post balance sheet events

Since 30 June 2015, the Company has made investments in the following:

- £160,000 in Haemostatix Limited;
- £150,000 in Active Lives Care Limited;
- £118,000 in MyMeds&Me Limited;
- £50,000 in Ryefield Court Care Limited;
- £25,000 in Anthropics Technology Limited; and
- Proceeds of £2,200,000 from the disposal of Lab M Holdings Limited.

## 12. Related party disclosures

Albion Ventures LLP, the Company's Manager and Company Secretary did not receive any monitoring or arrangement fees from UniServy Limited during the period (30 June 2014: nil; 31 December 2014: nil).

Kings Arms Yard VCT PLC received loan stock interest of £5,000 (30 June 2014: £5,000; 31 December 2014: £10,000) from UniServy Limited.

Details of the holding in UniServy Limited can be found in note 11 on page 48 of the Annual Report and Financial Statements for the year ended 31 December 2014.

There are no other related party transactions or balances requiring disclosure.

## 13. Going concern

The Board's assessment of liquidity risk remains unchanged and is detailed on pages 52 and 53 of the Annual Report and Financial Statements for the year ended 31 December 2014.

The Company has adequate cash and liquid resources, and the major cash outflows of the Company (namely investments, dividends and share buy-backs) are within the Company's control. Accordingly, after making diligent enquiries the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors have adopted the going concern basis in preparing the accounts in accordance with "Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009", published by the Financial Reporting Council.

## 14. Other information

The information set out in this Half-yearly Financial Report does not constitute the Company's statutory accounts within the terms of section 435 of the Companies Act 2006 for the periods ended 30 June 2015 and 30 June 2014, and is unaudited. The information for the year ended 31 December 2014 does not constitute statutory accounts within the terms of section 435 of the Companies Act 2006 and is derived from the statutory accounts for that financial year, which have been delivered to the Registrar of Companies. The Auditor reported on those accounts; their report was unqualified and did not contain a statement under s498 (2) or (3) of the Companies Act 2006.

## 15. Publication

This Half-yearly Financial Report is being sent to shareholders and copies will be made available to the public at the registered office of the Company, Companies House, the National Storage Mechanism and also electronically at <http://www.albion-ventures.co.uk/ourfunds/KAY.htm>

# Financial summary for the Company and for previous funds

	<b>Unaudited six months ended 30 June 2015 (pence per share)</b>	Unaudited six months ended 30 June 2014 (pence per share)	Audited year ended 31 December 2014 (pence per share)
<b>Net asset value of the Company</b>	<b>19.90</b>	19.98	19.31
<b>Dividends paid to shareholders of the Company</b>			
Dividends paid during the period	<b>0.50</b>	0.50	1.00
Cumulative dividend paid	<b>62.83</b>	61.83	62.33
<b>Total net asset value return<sup>(1)</sup> (per 100p invested)</b>			
To shareholders of the Company (formerly SPARK VCT plc; Quester VCT plc)	<b>82.73</b>	81.81	81.64
Total net asset value return including tax benefits <sup>(2)</sup>	<b>102.73</b>	101.81	101.64
<b>Total net asset value return to former shareholders of:</b>			
<b>Quester VCT 2 plc, per 100p invested in shares of that company</b>			
Total net asset value return	<b>68.85</b>	67.91	67.74
Total net asset value return including tax benefits <sup>(2)</sup>	<b>88.85</b>	87.91	87.74
<b>Quester VCT 3 plc, per 100p invested in shares of that company</b>			
Total net asset value return	<b>42.40</b>	41.50	41.33
Total net asset value return including tax benefits <sup>(2)</sup>	<b>62.40</b>	61.50	61.33
<b>Quester VCT 4 plc (renamed SPARK VCT 2 PLC and then Kings Arms Yard VCT 2 PLC), per 100p invested in shares of that company</b>			
Total net asset value return	<b>38.87</b>	37.69	37.47
Total net asset value return including tax benefits <sup>(2)</sup>	<b>58.87</b>	57.69	57.47
<b>Quester VCT 5 plc (renamed SPARK VCT 3 PLC), per 100p invested in shares of that company</b>			
Total net asset value return	<b>50.21</b>	48.49	48.17
Total net asset value return including tax benefits <sup>(2)</sup>	<b>70.21</b>	68.49	68.17

(1) Net asset value plus cumulative dividend per share to ordinary shareholders in the Company since the launch of the Company (then called Quester VCT plc) in April 1996.

(2) Return after 20 per cent. income tax relief but excluding capital gains deferral.

The total returns stated are applicable only to shareholders of shares at the time of each companies launch. They do not represent the return to subsequent subscribers or purchasers of shares.

Source: Albion Ventures LLP

## Merger history for the Company and for previous funds

<b>February 1996</b>	Quester VCT PLC (QVCT) launched
<b>June 2005</b>	QVCT2 and QVCT3 merged into QVCT
<b>June 2008</b>	All Quester names changed to SPARK: QVCT became Spark VCT plc (SVCT) QVCT4 became Spark VCT 2 plc (SVCT2) QVCT5 became Spark VCT 3 plc (SVCT3)
<b>November 2008</b>	SVCT3 merged into SVCT2
<b>January 2011</b>	Albion Ventures became Manager
<b>February 2011</b>	All SPARK names changed to Kings Arms Yard: SVCT became Kings Arms Yard VCT PLC (KAY) SVCT2 became Kings Arms Yard VCT 2 PLC (KAY2)
<b>September 2011</b>	KAY2 merged into KAY

## Dividend history for the Company and for previous funds

### Kings Arms Yard VCT PLC (“KAY”)

Dividends paid to shareholders of KAY launched in 1996 (formerly SPARK VCT plc (“SVCT”) and originally Quester VCT PLC (“QVCT”)).

	(pence per share)
31 January 1997	0.937
31 January 1998	2.547
31 January 1999	2.875
31 January 2000	7.110
31 January 2001	26.650
31 January 2002	1.350
28 February 2006	1.250
28 February 2007	3.910
31 December 2007	4.220
31 December 2008	2.810
31 December 2010	5.000
31 December 2011	0.670
31 December 2012	1.000
31 December 2013	1.000
31 December 2014	1.000
30 June 2015	0.500
<b>Total dividends paid to 30 June 2015</b>	<b>62.829</b>
Net asset value as at 30 June 2015	19.900
<b>Total net asset value return to 30 June 2015</b>	<b>82.729</b>

# Dividend history for the Company and for previous funds

(continued)

## Quester VCT 2 PLC ("QVCT2")

QVCT2 was launched in 1998 and was merged with KAY (formerly SPARK VCT plc ("SVCT")) and originally Quester VCT PLC ("QVCT") in June 2005 with a share exchange ratio of 1.0249 QVCT shares for each QVCT2 share.

	(pence per share)
28 February 1999	1.000
28 February 2000	3.065
28 February 2001	20.500
28 February 2002	2.000
28 February 2006	1.281
28 February 2007	4.007
31 December 2007	4.325
31 December 2008	2.880
31 December 2010	5.125
31 December 2011	0.687
31 December 2012	1.025
31 December 2013	1.025
31 December 2014	1.025
30 June 2015	0.512
<b>Total dividends paid to 30 June 2015</b>	<b>48.457</b>
Net asset value as at 30 June 2015	20.396
<b>Total net asset value return to 30 June 2015</b>	<b>68.853</b>



# Dividend history for the Company and for previous funds

(continued)

## Quester VCT 3 PLC ("QVCT3")

QVCT3 was launched in 2000 and was merged with KAY (formerly SPARK VCT plc ("SVCT")) and originally Quester VCT PLC ("QVCT") in June 2005 with a share exchange ratio of 0.9816 QVCT shares for each QVCT3 share.

	(pence per share)
28 February 2001	0.750
28 February 2002	1.000
28 February 2003	0.150
28 February 2006	1.227
28 February 2007	3.838
31 December 2007	4.142
31 December 2008	2.758
31 December 2010	4.908
31 December 2011	0.658
31 December 2012	0.982
31 December 2013	0.982
31 December 2014	0.982
30 June 2015	0.491
<b>Total dividends paid to 30 June 2015</b>	<b>22.868</b>
Net asset value as at 30 June 2015	19.534
<b>Total net asset value return to 30 June 2015</b>	<b>42.402</b>

## Quester VCT 4 PLC ("QVCT4")

QVCT4 was launched in 2000 and was renamed SPARK VCT 2 plc ("SVCT2") and then Kings Arms Yard VCT 2 PLC ("KAY2"). KAY2 merged with Kings Arms Yard VCT PLC ("KAY") in September 2011 with a share exchange ratio of 1.2806 KAY shares for each KAY2 share.

	(pence per share)
31 October 2002	1.750
31 October 2003	1.150
31 October 2005	1.000
31 October 2006	1.000
31 December 2007	1.000
31 December 2008	1.000
31 December 2010	1.000
31 December 2011	1.000
31 December 2012	1.281
31 December 2013	1.281
31 December 2014	1.281
30 June 2015	0.640
<b>Total dividends paid to 30 June 2015</b>	<b>13.383</b>
Net asset value as at 30 June 2015	25.484
<b>Total net asset value return to 30 June 2015</b>	<b>38.867</b>

# Dividend history for the Company and for previous funds

(continued)

## Quester VCT 5 PLC ("QVCT5")

QVCT5 was launched in 2002 and was renamed SPARK VCT 3 plc ("SVCT3") and merged with SPARK VCT 2 plc ("SVCT2") (originally QVCT4) in November 2008 with a share exchange ratio of 1.4613 SVCT2 shares for each SVCT5 share. The merged company was then renamed Kings Arms Yard VCT 2 PLC ("KAY2"). KAY2 merged with Kings Arms Yard VCT PLC ("KAY") in September 2011 with a share exchange ratio of 1.2806 KAY shares for each KAY2 share.

	<b>(pence per share)</b>
31 December 2003	0.500
31 December 2004	1.000
31 December 2006	1.000
31 December 2007	1.000
31 December 2010	1.461
31 December 2011	1.461
31 December 2012	1.871
31 December 2013	1.871
31 December 2014	1.871
30 June 2015	0.936
<b>Total dividends paid to 30 June 2015</b>	<b>12.971</b>
Net asset value as at 30 June 2015	37.240
<b>Total net asset value return to 30 June 2015</b>	<b>50.211</b>



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