

# The Income & Growth VCT plc

A VENTURE CAPITAL TRUST

**Unaudited Half-Year Report**  
for the six months ended 31 March 2018

**The Income & Growth VCT plc** (“the Company”, “the VCT” or “I&G VCT”) is a Venture Capital Trust (“VCT”) listed on the London Stock Exchange. Its investment portfolio is advised by Mobeus Equity Partners LLP (“Mobeus”).

## Company Objective

The objective of The Income & Growth VCT plc (“I&G VCT” or “the Company”) is to provide investors with an attractive return, by maximising the stream of tax-free dividend distributions from the income and capital gains generated by a diverse and carefully selected portfolio of investments, while continuing at all times to qualify as a VCT.

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## WARNING TO SHAREHOLDERS

### **Boiler Room fraud and unsolicited communications to shareholders**

We are aware that, from time to time, our shareholders may receive unsolicited telephone calls and/or mail which purport to come from the Company or to be authorised by it.

Further information on boiler room scams, and whom to contact should you believe that you have been approached in such a manner, is included in the reply to the FAQ, “What should I do if I receive an unsolicited offer for my shares?”, in the VCT Investor Area of the Investment Adviser’s website. Details of any share dealing facilities that the Company endorses will be included in Company mailings.





# Financial Highlights

Results for the Half-Year ended 31 March 2018

As at 31 March 2018:

Net assets: **£83.58 million**

Net asset value ("NAV") per share: **79.28 pence**

-  Net asset value total return per share was 1.3% for the six months.
-  Share price total return per share was 1.4% for the six months.
-  The Board has declared an interim dividend in respect of the current year of 2.50 pence per share, to be paid to shareholders on 21 June 2018.
-  The Company made three new investments and three follow-on investments totalling £3.10 million during the six months.

## Performance Summary

The net asset value ("NAV") per share at 31 March 2018 was 79.28 pence.

The table below shows the recent past performance of the Company's existing class of shares for each of the last five years, and the current year to date.

Reporting date	Net assets	NAV per share	Share price <sup>1</sup>	Cumulative dividends paid per share	Cumulative total return per share to shareholders <sup>2</sup>		Dividends paid and proposed in respect of each year (p)
					(NAV basis) (p)	(Share price basis) (p)	
As at	(£m)	(p)	(p)	(p)	(p)	(p)	(p)
31 March 2018	83.58	79.28	71.00	105.50	184.78	176.50	2.50 <sup>4</sup>
30 September 2017	64.35	81.24	73.00	102.50	183.74	175.50	21.00
30 September 2016	70.84	98.51	88.80	80.50	179.01	169.30	10.00
30 September 2015	75.20	106.38	93.50	68.50	174.88	162.00	12.00
30 September 2014	69.31	114.60	103.50 <sup>3</sup>	50.50	165.10	154.00	18.00
30 September 2013	60.47	113.90	99.50	40.50	154.40	140.00	10.00

<sup>1</sup> Source: Panmure Gordon & Co (mid-market price).

<sup>2</sup> Cumulative total return per share comprises the NAV per share (NAV basis) or the mid-market price per share (share price basis) plus cumulative dividends paid since launch of the current share class.

<sup>3</sup> The share price at 30 September 2014 has been adjusted to add back the dividend of 8.00 pence per share paid on 30 October 2014, as the listed share price was quoted ex this dividend at the year-end.

<sup>4</sup> An interim dividend of 2.50 pence per share, referred to in the Financial Highlights above, is payable to shareholders on 21 June 2018.

Detailed performance data, including a table of dividends paid to date for all share classes and fundraising rounds, is shown in the Performance Data appendix on pages 26. The tables, which give information by allotment date on NAVs and dividends paid per share, are also available on the Company's website at [www.incomeandgrowthvct.co.uk](http://www.incomeandgrowthvct.co.uk) where they can be accessed by clicking on "table" under "Reviewing the performance of your investment" on the home page.

# Chairman's Statement

I am pleased to present the Company's Half-Year Report for the six months ended 31 March 2018.

## Overview

The half-year has again seen steady progress and a small positive return for the period, which is detailed in the Performance section below, and a continuation in the rate of growth capital investments made since the change in Investment Policy approved by shareholders in February 2016.

Twelve growth capital investments have now been completed in accordance with the Investment Policy, in response to the VCT legislation introduced by the Finance (No 2) Act 2015. Most recently, additional changes to VCT legislation that were proposed in the 2017 Autumn Budget Statement were enacted in March 2018. Further details and comments on these changes are set out on page 5 and under the 'Industry and regulatory developments' section of my statement below.

The Investment Adviser continues to report a healthy pipeline of growth capital opportunities. Meanwhile, the existing MBO focused portfolio constructed under the previous VCT rules has continued to perform steadily.

We are delighted with the strong support from investors for our recent fundraising, which was fully subscribed in March. The Board appreciates the continued support from existing shareholders and at the same time welcomes new shareholders.

## Performance

The Company's NAV total return per share was 1.3% for the six months to 31 March 2018 (2017: 2.0%) while the total share price return was 1.4% (2017: 1.9%).

The Cumulative NAV total return per share (being the closing net asset value plus total dividends paid to date) has increased to 184.78 pence compared to 183.74 pence at the year end. This represents an increase of 0.6% over the period.

## Investment portfolio

The portfolio has performed satisfactorily during the period, increasing in value by 1.2% (2017: 1.5%) on a like-for-like basis. The aggregate portfolio saw a net increase of £1.81 million in realised gains against £1.25 million in unrealised losses over the six month period. The portfolio was valued at £47.11 million at the period-end (30 September 2017: £48.03 million).

During the six months under review, the Company invested a total of £3.10 million, (2017: £4.07 million, including £0.72 million via a company preparing to trade) into six (2017: five) investments. Three of these investments were into new businesses; Proactive Investors, a provider of investor media services; Super Carers Limited, an online platform connecting people seeking home care; and Hemmels Limited, a restorer of classic cars.

The Company received cash proceeds of £4.63 million during the six month period, mostly attributable to the sale of the Company's investment in Gro-Group Holdings Limited in December 2017, an excellent result.

Details of these transactions and the performance of the portfolio are contained in the Investment Review on page 6 and the Investment Portfolio Summary on page 8.

## Revenue account

The results for the period are set out in the Unaudited Condensed Income Statement on pages 12 and 13 and show a revenue return (after tax) of 0.92 pence per share (2017: 1.42 pence per share). The revenue return for the period of £0.86 million has decreased from last year's comparable figure of £1.02 million. This decrease is mainly due to a fall in income receivable arising from the realisation of Entanet as well as a provision against loan interest receivable for two companies which are currently experiencing a challenging trading environment.

## Dividends

The Board continues to be committed to endeavouring to provide an attractive dividend stream to shareholders, and is pleased to declare an interim dividend of 2.50 pence per share for the year ending

30 September 2018, comprising 0.80 pence from income and 1.70 pence from capital. This dividend will be paid on 21 June 2018 to shareholders on the Register on 25 May 2018 and will bring cumulative dividends paid per share to 108.00 pence.

Shareholders are encouraged to ensure that Link, the Company's Registrar, has up-to-date details for them and to check whether they have received all dividends payable to them. We are aware that a number of dividends remain unclaimed by shareholders and whilst we continue to endeavour to contact shareholders if this is the case, we cannot guarantee that we will be able to do so if the Registrars do not have up-to-date contact details.

## Dividend Investment Scheme

The Company's Dividend Investment Scheme ("the Scheme") is a convenient, easy and cost effective way for shareholders to build up their shareholding in the Company. Instead of receiving cash dividends, shareholders can elect to receive new shares in the Company. By opting to receive a dividend in this manner, there are three benefits to shareholders:

- The dividend remains tax free;
- Shareholders are allotted new shares in the Company which will, subject to their particular circumstances, attract VCT tax reliefs applicable for the tax year in which the shares are allotted. The tax relief currently available to investors in new VCT shares is 30% for the 2018/19 tax year for investments up to £200,000 in any one tax year; and
- The Scheme also has one particular advantage. Under its terms, a member is able to re-invest at an advantageous price, being the average market price of the shares for the five business days prior to the dividend being paid. This price is likely to be at a discount of 10% to the underlying net asset value (provided that this is greater than 70% of the latest published net asset value per share).

Shareholders wishing to join the Scheme should submit a mandate form to Link Asset Services, the Scheme Administrator, by no later than Wednesday, 6 June 2018,

to ensure that they receive the above dividend as shares. Details of where to obtain an application form can be found under Shareholder Information on page 24.

### Industry and regulatory developments

As mentioned in my overview, the 2017 Autumn Budget Statement outlined the key findings from the Patient Capital Review, which was tasked with identifying and tackling factors considered to be adversely affecting the supply of longer-term capital to small and developing firms. These findings have resulted in a number of legislative changes to the VCT scheme which include measures to exclude purely tax motivated investments where capital is not at risk (that is, principally seeking to preserve investors' capital) and to encourage VCTs to put their funds to work faster.

Your Board notes these changes, some of which place further restrictions on the way investments may be structured. However, they are not expected to materially affect the Company's present investment approach.

A summary of the current VCT regulations is included on page 5 of this Half-Year Report.

### Liquidity

The recent fundraising round, which closed fully subscribed in March 2018 raising £25 million, has provided the Company with sufficient liquidity to meet its cash needs and maintain the current rate of investment in the medium term. It is unlikely the Company will seek to raise further funds in the current 2018/19 tax year.

### Cash available for investment

The Board continues to monitor credit risk in respect of its cash balances and to prioritise the security and protection of the Company's capital. Cash and liquidity fund balances as at 31 March 2018 amounted to £35.95 million. This figure included £31.32 million held in money market funds with AAA credit ratings and £4.63 million held in deposit accounts with a number of well-known financial

institutions across a range of maturities. In addition, the investment portfolio contained £1.82 million in companies preparing to trade that also hold cash in money market funds.

### Share buy-backs

During the six months ended 31 March 2018, the Company bought back and cancelled 1,173,968 of its own shares, representing 1.5% (2017: 0.1%) of the shares in issue at the beginning of the period, at a total cost of £0.85 million (2017: £0.03 million) inclusive of expenses.

It is the Company's policy to cancel all shares bought back in this way. The Board regularly reviews its buyback policy and currently seeks to maintain the discount at which the Company's shares trade at around 10% below the latest published NAV.

### Shareholder communications

May I remind you that the Company has its own website which is available at [www.incomeandgrowthvct.co.uk](http://www.incomeandgrowthvct.co.uk).

The Investment Adviser held its eighth annual Shareholder Event in January 2018 which, from the feedback submitted, was well received by Shareholders. The event included presentations on the investment activity and performance of all the Mobeus VCTs. I would like to thank those Shareholders who attended for helping to make it a success. The next Event will take place in February 2019 and Shareholders will be sent further details and an invitation nearer the time.

### Outlook

UK growth is expected to remain modest due to subdued real consumer spending growth. The environment is characterised by uncertainty which in turn will lead to continuing economic volatility. The invested portfolio is well positioned against this backdrop as it is robustly funded, using conservative levels of third party bank debt alongside the Company's funds. UK interest rates are forecast to remain at low levels, albeit some small rises are predicted for the balance of the year. We believe that there is unlikely to be a step change in economic outlook until there is greater clarity on the UK's post-Brexit relationship with the EU.

Your Board remains of the opinion that your Company is well positioned to take advantage of the strong demand for growth capital investment, despite the uncertainties faced within the UK economy. The portfolio has a solid foundation of investments made under the previous MBO strategy, and the Investment Adviser continues to source interesting growth capital investment opportunities to complement the portfolio. Mobeus has continued to recruit additional experienced growth capital investors into its team.

Once again, I would like to take this opportunity to thank all Shareholders for their continued support.

**Colin Hook**  
*Chairman*

15 May 2018



# Investment Policy

The Company's policy is to invest primarily in a diverse portfolio of UK unquoted companies. Investments are generally structured as part loan and part equity in order to receive regular income and to generate capital gain upon sale.

Investments are made selectively across a number of sectors, principally in established companies.

The Company's cash and liquid resources are held in a range of instruments of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

## VCT regulation

The Investment Policy is designed to ensure that the Company continues to qualify and is approved as a VCT by HMRC.

Amongst other conditions, the Company may not invest more than 15% of its investments (by VCT value at the time of investment) in a single company or group and must currently have at least 70% by VCT value of its investments throughout the period in shares or securities comprised in VCT qualifying holdings of which a

minimum overall of 30% by VCT value (70% for funds raised after 6 April 2011) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules). In addition, although the VCT can invest less than 30% (70% for funds raised after 6 April 2011) of an investment in a specific company in ordinary shares it must have at least 10% by VCT value of its total investments in each VCT qualifying company in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules).

The companies in which investments are made must have no more than £15 million of gross assets at the time of investment and £16 million immediately following the investment to be classed as a VCT qualifying holding.

## Asset Mix

The Company initially holds its funds in a portfolio of interest bearing investments and deposits. The investment portfolio of qualifying investments is built up over a three year period with the aim of investing and maintaining at least 70% of net funds raised in qualifying investments.

## Risk diversification and maximum exposures

Risk is spread by investing in a number of different businesses across different industry sectors. To reduce the risk of high exposure to equities, each qualifying investment is structured to achieve the optimum balance between loan stock and equity to provide protection against downside risk alongside the best potential overall returns.

## Co-investment

The Company is entitled to invest alongside other VCTs advised by Mobeus Equity Partners LLP that have a similar investment policy, normally on a pro rata to net assets basis.

## Borrowing

The Company's articles of association permit borrowing of up to 10% of the adjusted capital and reserves (as defined therein). However, it has never borrowed and the Board has currently no plans to undertake any borrowing.

# Summary of VCT Regulation

To assist shareholders, the following table contains a summary of the most important rules that determine VCT approval:

- To maintain its status as a VCT, the Company must meet a number of conditions, the most important of which are that:
- the Company must hold at least 70%<sup>1</sup>, by VCT tax value<sup>2</sup>, of its total investments (shares, securities and liquidity) in VCT qualifying holdings, within approximately three years of a fundraising;
  - of these qualifying holdings, an overall minimum of 30% by VCT tax value (70% for funds raised on or after 6 April 2011) must be in ordinary shares which carry no preferential rights (save as may be permitted under VCT rules)<sup>3</sup>;
  - no investment in a single company or group of companies may represent more than 15% (by VCT tax value) of the Company's total investments at the date of investment;
  - the Company must pay sufficient levels of income dividend from its revenue available for distribution so as not to retain more than 15% of its income from shares and securities in a year;
  - the Company's shares must be listed on a regulated European stock market; and
  - non-qualifying investments can no longer be made, except for certain exemptions in managing the Company's short-term liquidity.

To be a VCT qualifying holding, new investments must be in companies:

- which carry on a qualifying trade;
- which have no more than £15 million of gross assets at the time of investment and £16 million immediately following investment from VCTs;
- whose maximum age is generally up to seven years (ten years for knowledge intensive businesses);
- that receive no more than an annual limit of £5 million (£10 million from 6 April 2018) and a lifetime limit of £12 million (for knowledge intensive companies the lifetime limit is £20 million, and from 6 April 2018 the annual limit is £10 million), from VCTs and similar sources of State Aid funding; and
- that use the funds received from VCTs for growth and development purposes.

<sup>1</sup> For accounting periods beginning on or after 6 April 2019, this percentage will increase to 80%.

<sup>2</sup> VCT tax value means as valued in accordance with prevailing VCT legislation. The calculation of VCT tax value is arrived at using tax values, based on the cost of the most recent purchase of an investment instrument in a particular company, which differs from the actual cost of each investment shown in the Investment Portfolio Summary.

<sup>3</sup> The requirement for VCTs to hold at least 30% of qualifying investments in "eligible shares" (broadly ordinary equity) from funds raised prior to 6 April 2011 will be withdrawn. All qualifying investments made by VCTs after 5 April 2018 must be included in funds which are required to comprise at least 70% of qualifying investments in "eligible shares".

## Summary of principal changes to VCT regulation announced in 2017 Budget

From the date of Royal Assent (15 March 2018):

- VCTs may no longer offer secured loans to investee companies, and any returns on loan capital above 10% must represent no more than a commercial return on the principal.

From 6 April 2018:

- VCTs are required to invest 30% of funds raised in an accounting period beginning on or after 6 April 2018 in qualifying holdings within 12 months of the end of the accounting period.
- VCTs may not make investments that do not appear to meet the new 'risk to capital' condition (which requires a company, at the time of investment, to be an entrepreneurial company with the objective to grow and develop, and where there is genuine risk of loss of capital).

From 6 April 2019:

- The period for reinvestment of proceeds on disposal of qualifying holdings investments will increase from 6 to 12 months.

For accounting periods beginning on or after 6 April 2019:

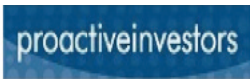


- The proportion of VCT funds that must be held in qualifying holdings will increase from 70% to 80%.

**Please note that the above changes are not exhaustive.**

# Investment Review

## New investments in the half-year

A total of £1.77 million was invested into three new investments during the period under review as detailed below.

	Company	Business	Date of investment	Amount of new investment (£m)
	Proactive Investors	Investor media services	January 2018	0.45
<p>Proactive Investors specialises in up-to-the-minute multi-media news provision, events organisation, digital services and investor research. Proactive provides breaking news, commentary and analysis on hundreds of small-cap listed companies and pre-IPO businesses across the globe, 24/7. The investment will enable Proactive to expand its services into the US market, which is the largest global market in the world. The company's audited accounts for the year ended 30 June 2017 show turnover of £3.99 million and a profit before interest, tax and amortisation of goodwill of £0.53 million.</p>				
	Super Carers	Online care provision	March 2018	0.65
<p>Super Carers provides an online platform connecting people, typically family members seeking home care for their elderly parents, with independent carers. Carers and care-seekers manage care directly thus reducing the administrative burden and the need for care managers, enabling care to be delivered with greater flexibility and more cost effectively. The company's audited accounts for the year ended 31 March 2017 show revenues of £0.18 million and a loss before interest, tax and amortisation of £0.72 million.</p>				
	Hemmels	Classic car restoration	March 2018	0.67
<p>Hemmels specialises in the sourcing, restoration, selling and servicing of high value classic cars. Hemmels currently focusses on classic Mercedes Benz, and plans to expand into the Porsche marque under a separate brand. The investment will enable Hemmels to proceed with its expansion plans and secure sufficient development stock. Hemmels generated £1.21 million of revenues and a £0.28 million loss before interest, tax and amortisation in the year ended 31 December 2017.</p>				




## Further investments in existing portfolio companies in the half-year


A total of £1.33 million was invested into three existing portfolio companies during the period under review as detailed below.

	Company	Business	Date of investment	Amount of new investment (£m)
	BookingTek	A provider of direct-booking systems to major hotel groups	November 2017	0.09

London-based BookingTek provides software that enables hotels to reduce their reliance on third-party booking systems through an enterprise-grade, real-time booking platform for meeting rooms and restaurant reservations. BookingTek's existing clients include two of the world's top 10 hotel groups and the UK's largest hotel chain. The company's latest audited accounts for the year ended 31 July 2016 show turnover of £2.03 million and a loss before interest, tax and amortisation of goodwill of £0.29 million.

	MPB	Online marketplace for used camera and video equipment	December 2017 and February 2018	0.62
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Mpb is Europe's leading online marketplace for used camera and video equipment. Based in Brighton, its custom-designed pricing technology enables Mpb to offer both buy and sell services through the same platform and offers a one-stop shop for all its customers. Having expanded into the US (opening a New York office) and German markets as part of the initial VCT investment round, this follow-on investment, alongside funds provided by the Proven VCTs, is to support its continued growth plan. Having doubled its sales over the last year, this investment will give the company sufficient capital to achieve its next planned expansion. The company's latest audited accounts for the year ended 31 March 2017 show turnover of £13.20 million and a loss before interest, tax and amortisation of goodwill of £0.45 million.

	Tapas Revolution	Restaurant chain	March 2018	0.62
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Based in London, Tapas Revolution is a leading Spanish restaurant chain in the casual dining sector focussing on shopping centre sites with high footfall. Having opened its first restaurant in Shepherd's Bush Westfield, with the support of the initial VCT investment in 2017, the business now operates six established restaurants. This follow on investment is to finance the opening of several new locations around the UK. The company's latest audited accounts for the year ended 25 October 2016 show a turnover of £4.25 million and a loss before interest, tax and amortisation of goodwill of £0.25 million.

## Realisation in the half-year

The Company realised its investment in Gro-Group Holdings during the period under review, generating cash proceeds totalling £4.33 million as detailed below.

	Company	Business	Period of investment	Total cash proceeds over the life of the investment/ Multiple over cost
	Gro-Group	Manufacturer and distributor of baby sleep products	March 2013 to December 2017	£5.43 million 2.3 times cost

The Company sold its investment in Gro-Group for £4.19 million in December 2017. Since this date, deferred consideration of £0.14 million has also been received. Including this deferred consideration, the Company has realised a gain over the life of the investment of £3.03 million. This equates to a multiple of 2.3 times the investment cost of £2.40 million and an IRR of 21%.

## Loan stock repayments and other receipts

Loan stock repayments totalled £0.16 million for the period, all from TPSFF Holdings Limited (formerly Plastic Surgeon). Other receipts of £0.14 million were also received; primarily from Alaric Systems, a company realised in a prior period.

# Investment Portfolio Summary

as at 31 March 2018

	Total cost at 31 March 2018 (unaudited) £	Valuation at 30 September 2017 (audited) £	Additional investments in the period £	Valuation at 31 March 2018 (unaudited) £
<b>Tovey Management Limited (trading as Access IS)</b> Provider of data capture and scanning hardware	3,313,932	3,880,197	-	3,812,894
<b>Manufacturing Services Investment Limited (trading as Wetsuit Outlet)</b> Online retailer in the water sports market	3,205,182	3,205,182	-	3,205,182
<b>Virgin Wines Holding Company Limited</b> Online wine retailer	2,745,503	3,483,880	-	2,954,610
<b>ASL Technology Holdings Limited</b> Printer and photocopier services	2,722,106	2,845,619	-	2,766,762
<b>EOTH Limited (trading as Equip Outdoor Technologies)</b> Distributor of branded outdoor equipment and clothing including the Rab and Lowe Alpine brands	1,383,313	1,809,879	-	2,576,214
<b>Media Business Insight Holdings Limited</b> A publishing and events business focussed on the creative production industries	3,666,556	2,443,888	-	2,226,136
<b>MPB Group Limited</b> Online marketplace for used photographic equipment	1,423,974	1,023,613	619,119	2,178,431
<b>CGI Creative Graphics International Limited</b> Vinyl graphics to global automotive, recreation vehicle and aerospace markets	1,943,948	1,301,638	-	2,004,548
<b>Preservica Limited</b> Seller of proprietary digital archiving software	935,000	935,000	-	1,666,214
<b>Vian Marketing Limited (trading as Red Paddle Co)</b> Design, manufacture and sale of stand-up paddleboards and windsurfing sails	1,207,437	1,906,790	-	1,662,334
<b>Tharstern Group Limited</b> Software based management information systems for the printing industry	1,454,278	1,770,484	-	1,634,822
<b>Master Removers Group Limited (trading as Anthony Ward Thomas, Bishopsgate and Aussie Man &amp; Van)</b> A specialist logistics, storage and removals business	682,183	1,379,326	-	1,613,649
<b>Ibericos Etc. Limited (trading as Tapas Revolution)</b> Spanish restaurant chain	1,397,386	776,386	621,000	1,469,615
<b>Pattern Analytics Limited (trading as Biosite)</b> Workforce management and security services for the construction industry	857,014	857,014	-	1,285,521
<b>BookingTek Limited</b> Software for hotel groups	872,646	779,095	93,551	1,235,289
<b>I-Dox plc</b> Developer and supplier of knowledge management products	453,881	2,687,629	-	1,229,226
<b>Bourn Bioscience Limited</b> Management of In-vitro fertilisation clinics	1,610,379	925,420	-	1,188,206
<b>Redline Worldwide Limited</b> Provider of security services to the aviation industry and other sectors	1,129,121	1,145,887	-	1,140,424
<b>Buster + Punch Holdings Limited (formerly Chatfield Services Limited)</b> Industrial inspired lighting and interiors retailer	725,226	725,226	-	920,492
<b>Turner Topco Limited (trading as ATG Media)</b> Publisher and online auction platform operator	1,529,075	1,209,162	-	900,160
<b>Aquasium Technology Limited</b> Manufacturing and marketing of bespoke electron beam welding and vacuum furnace equipment	166,667	706,592	-	850,225
<b>TPSFF Holdings Limited (formerly The Plastic Surgeon Holdings Limited)</b> Supplier of snagging and finishing services to the property sector	105,533	765,694	-	757,276

	Total cost at 31 March 2018 (unaudited) £	Valuation at 30 September 2017 (audited) £	Additional investments in the period £	Valuation at 31 March 2018 (unaudited) £
<b>RDL Corporation Limited</b> Recruitment consultants within the pharmaceutical, business intelligence and IT industries	1,441,667	1,072,527	-	743,145
<b>Hemmels Limited</b> Sourcing and restoration of classic cars	671,203	-	671,203	671,203
<b>Vectair Holdings Limited</b> Designer and distributor of washroom products	53,400	601,006	-	655,985
<b>Super Carers Limited</b> Online introductory platform connecting local individuals with carers	649,528	-	649,528	649,528
<b>Fullfield Limited (trading as Motorclean)</b> Vehicle cleaning and valet services	1,517,734	1,606,346	-	642,445
<b>My Tutorweb Limited</b> Digital marketplace connecting school pupils seeking one-to-one online tutoring	636,477	636,477	-	636,477
<b>Hollydale Management Limited</b> Company seeking to carry on a business in the food sector	994,560	621,600	-	621,600
<b>Blaze Signs Holdings Limited</b> Manufacturer and installer of signs	418,281	438,320	-	596,272
<b>Proactive Group Holdings Inc</b> Media Services and investor conferences	449,514	-	449,514	449,514
<b>Omega Diagnostics Group plc</b> In-vitro diagnostics for food intolerance, autoimmune diseases and infectious diseases	280,026	501,682	-	338,344
<b>Jablite Holdings Limited</b> Manufacturer of expanded polystyrene products	498,790	304,755	-	304,755
<b>Backhouse Management Limited</b> Company seeking to carry on a business in the motor sector	782,080	300,800	-	300,800
<b>Barham Consulting Limited</b> Company seeking to carry on a business in the catering sector	782,080	300,800	-	300,800
<b>Creasy Marketing Services Limited</b> Company seeking to carry on a business in the textile sector	782,080	300,800	-	300,800
<b>McGrigor Management Limited</b> Company seeking to carry on a business in the pharmaceutical sector	782,080	300,800	-	300,800
<b>Veritek Global Holdings Limited</b> Maintenance of imaging equipment	2,289,859	1,752,129	-	243,641
<b>LightWorks Software Limited</b> Provider of software for CAD and CAM vendors	20,471	87,596	-	48,669
<b>BG Training Limited</b> Technical training business	53,125	26,563	-	26,563
<b>Corero Network Security plc</b> Provider of e-business technologies	600,000	7,866	-	5,408
<b>Oxonica Limited</b> International nanomaterials group	2,524,527	-	-	-
<b>Racoon International Group Limited (formerly Racoon International Holdings)</b> Supplier of hair extensions, hair care products and training	655,851	-	-	-
<b>NexxtDrive Limited/Nexxt E-drive Limited</b> Developer and exploiter of mechanical transmission technologies	487,014	-	-	-
<b>CB Imports Group Limited (trading as Country Baskets)</b> Importer and distributor of artificial flowers, floral sundries and home decor products	175,000	-	-	-

# Investment Portfolio Summary

as at 31 March 2018

	Total cost at 31 March 2018 (unaudited) £	Valuation at 30 September 2017 (audited) £	Additional investments in the period £	Valuation at 31 March 2018 (unaudited) £
<b>Biomer Technology Limited</b> Developer of biomaterials for medical devices	137,170	-	-	-
<b>Newquay Helicopters (2013) Limited (in liquidation)</b> Helicopter service operator	15,234	-	-	-
<b>Watchgate Limited</b> Holding company	1,000	-	-	-
<b>Realised investments</b>				
<b>Gro-Group Holdings Limited</b> Baby sleep products	-	2,606,640	-	-
<b>Total</b>	<b>51,229,091</b>	<b>48,030,308</b>	<b>3,103,915</b>	<b>47,114,979</b>

# Statement of the Directors' Responsibilities

## Responsibility statement

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, Colin Hook (Chairman), Jonathan Cartwright (Chairman of the Audit and Nomination & Remuneration Committees) and Helen Sinclair (Chairman of the Investment Committee), being the Directors of the Company, confirm that to the best of their knowledge:

- (a) The condensed set of financial statements, which has been prepared in accordance with Financial Reporting Standard 104 "Interim Financial Reporting" gives a true and fair view of the assets, liabilities, financial position and profit of the Company as required by DTR 4.2.10;
- (b) the Half-Year Management Report, which comprises the Chairman's Statement, Investment Policy, Investment Review and Investment Portfolio Summary, includes a fair review of the information required by DTR 4.2.7, 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;
- (c) a description of the principal risks and uncertainties facing the Company for the remaining six months is set out below, in accordance with DTR 4.2.7; and
- (d) there were no related party transactions in the first six months of the current financial year that are required to be disclosed, in accordance with DTR 4.2.8.

## Principal risks and uncertainties

In accordance with DTR 4.2.7, the Board confirms that the principal risks and uncertainties facing the Company have not materially changed from those identified in the Annual Report and Financial Statements for the year ended 30 September 2017 ("the Annual Report").

The principal risks faced by the Company are:

- Investment and strategic
- Loss of approval as a Venture Capital Trust;
- Regulatory;
- Counterparty;
- Economic;
- Financial and operating;
- Market;
- Asset liquidity; and
- Market liquidity;

A detailed explanation of the principal risks facing the Company can be found in the Annual Report on pages 25 and 26, and in Note 16 on Financial Instruments on pages 60 to 67. Copies can be viewed or downloaded from the Company's website: [www.incomeandgrowthvct.co.uk](http://www.incomeandgrowthvct.co.uk).

## Going Concern

The Board has assessed the Company's operation as a going concern. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Half-Year Management Report. The Directors have satisfied themselves that the Company continues

to maintain a significant cash position. The majority of companies in the portfolio continue to trade profitably and the portfolio taken as a whole remains resilient and well-diversified. The major cash outflows of the Company (namely investments, share buybacks and dividends) are within the Company's control.

The Board's assessment of liquidity risk and details of the Company's policies for managing its capital and financial risks are shown in Note 16 on pages 60 to 67 of the Annual Report. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the half-year report and financial statements.

## Cautionary Statement

This report may contain forward looking statements with regards to the financial condition and results of the Company, which are made in the light of current economic and business circumstances. Nothing in this report should be construed as a profit forecast.

For and on behalf of the Board:

Colin Hook  
*Chairman*

15 May 2018

# Unaudited Condensed Income Statement

## for the six months ended 31 March 2018

	Notes	Six months ended 31 March 2018 (unaudited)		
		Revenue £	Capital £	Total £
Unrealised (losses)/gains on investments held at fair value	9	-	(1,251,618)	(1,251,618)
Realised gains on investments held at fair value	9	-	1,810,102	1,810,102
Income	4	1,476,579	-	1,476,579
Investment Adviser's fees	5	(205,694)	(617,082)	(822,776)
Investment Adviser's performance fees	5	-	-	-
Other expenses		(234,496)	-	(234,496)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>1,036,389</b>	<b>(58,598)</b>	<b>977,791</b>
Tax on profit/(loss) on ordinary activities	6	(173,800)	173,800	-
<b>Profit for the period and total comprehensive income</b>		<b>862,589</b>	<b>115,202</b>	<b>977,791</b>
<b>Basic and diluted earnings per share</b>	7	<b>0.92p</b>	<b>0.12p</b>	<b>1.04p</b>

The revenue column of the Income Statement includes all income and expenses. The capital column accounts for the unrealised (losses)/gains and realised gains on investments and the proportion of the Investment Adviser's fee and performance fee charged to capital.

The total column is the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS"). In order to better reflect the activities of a VCT and in accordance with the 2014 Statement of Recommended Practice ("SORP") issued by the Association of Investment Companies ("AIC") and updated in January 2017, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The revenue column of profit attributable to equity shareholders is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 274 Income Tax Act 2007.

All the items in the above statement derive from continuing operations of the Company. No operations were acquired or discontinued in the period.

The notes to the unaudited financial statements on pages 18 - 23 form part of these Half-Year Financial Statements.



Six months ended 31 March 2017 (unaudited)			Year ended 30 September 2017 (audited)		
Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
-	725,815	725,815	-	(794,007)	(794,007)
-	69,100	69,100	-	3,883,829	3,883,829
1,640,297	-	1,640,297	3,266,634	-	3,266,634
(197,406)	(592,219)	(789,625)	(394,012)	(1,182,037)	(1,576,049)
-	-	-	-	(571,879)	(571,879)
(206,829)	-	(206,829)	(423,354)	-	(423,354)
1,236,062	202,696	1,438,758	2,449,268	1,335,906	3,785,174
(211,109)	211,109	-	(421,283)	421,283	-
<b>1,024,953</b>	<b>413,805</b>	<b>1,438,758</b>	<b>2,027,985</b>	<b>1,757,189</b>	<b>3,785,174</b>
<b>1.42p</b>	<b>0.57p</b>	<b>1.99p</b>	<b>2.79p</b>	<b>2.42p</b>	<b>5.21p</b>

# Unaudited Condensed Balance Sheet

## as at 31 March 2018

	Notes	31 March 2018 (unaudited) £	31 March 2017 (unaudited) £	30 September 2017 (audited) £
<b>Fixed assets</b>				
Investments at fair value	9	47,114,979	51,896,586	48,030,308
<b>Current assets</b>				
Debtors and prepayments		718,466	455,875	3,372,032
Current asset investments	10	34,467,981	9,891,458	12,412,671
Cash at bank	10	1,483,126	7,805,131	1,375,065
		36,669,573	18,152,464	17,159,768
<b>Creditors: amounts falling due within one year</b>		(199,647)	(167,622)	(841,325)
<b>Net current assets</b>		36,469,926	17,984,842	16,318,443
<b>Net assets</b>		<b>83,584,905</b>	<b>69,881,428</b>	<b>64,348,751</b>
<b>Capital and reserves</b>				
Called up share capital		1,054,360	724,688	792,047
Capital redemption reserve		25,754	12,313	14,014
Share premium reserve		45,949,915	18,809,469	24,099,311
Revaluation reserve		2,484,528	5,645,322	4,020,689
Special distributable reserve		21,727,185	24,404,104	23,215,643
Realised capital reserve		9,878,415	18,129,188	10,134,703
Revenue reserve		2,464,748	2,156,344	2,072,344
<b>Equity Shareholders' funds</b>		<b>83,584,905</b>	<b>69,881,428</b>	<b>64,348,751</b>
<b>Basic and diluted net asset value:</b>				
Basic and diluted net asset value per share	11	<b>79.28p</b>	<b>96.43p</b>	<b>81.24p</b>

The financial information for the six months ended 31 March 2018 and the six months ended 31 March 2017 has not been audited.

The notes to the unaudited financial statements on pages 18 - 23 form part of these Half-Year Financial Statements.

# Unaudited Condensed Statement of Changes in Equity

## for the six months ended 31 March 2018

	Non-distributable reserves				Distributable reserves			Total
	Called up share capital	Capital redemption reserve	Share premium reserve	Revaluation reserve	Special distributable reserve (Note a)	Realised capital reserve (Note b)	Revenue reserve (Note b)	
	£	£	£	£	£	£	£	£
<b>At 1 October 2017</b>	792,047	14,014	24,099,311	4,020,689	23,215,643	10,134,703	2,072,344	64,348,751
<b>Comprehensive income for the period</b>								
(Loss)/profit for the period	-	-	-	(1,251,618)	-	1,366,820	862,589	977,791
<b>Total comprehensive income for the period</b>	-	-	-	<b>(1,251,618)</b>	-	<b>1,366,820</b>	<b>862,589</b>	<b>977,791</b>
<b>Contributions by and distributions to owners</b>								
Shares issued via Offer for Subscription (Note c)	266,076	-	21,293,047	-	(199,395)	-	-	21,359,728
Dividends re-invested into new shares	7,977	-	557,557	-	-	-	-	565,534
Shares bought back (Note d)	(11,740)	11,740	-	-	(845,781)	-	-	(845,781)
Dividends paid	-	-	-	-	-	(2,350,933)	(470,185)	(2,821,118)
<b>Total contributions by and distributions to owners</b>	<b>262,313</b>	<b>11,740</b>	<b>21,850,604</b>	<b>-</b>	<b>(1,045,176)</b>	<b>(2,350,933)</b>	<b>(470,185)</b>	<b>18,258,363</b>
<b>Other movements</b>								
Realised losses transferred to special reserve (Note a)	-	-	-	-	(443,282)	443,282	-	-
Realisation of previously unrealised appreciation	-	-	-	(284,543)	-	284,543	-	-
<b>Total other movements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(284,543)</b>	<b>(443,282)</b>	<b>727,825</b>	<b>-</b>	<b>-</b>
<b>At 31 March 2018</b>	<b>1,054,360</b>	<b>25,754</b>	<b>45,949,915</b>	<b>2,484,528</b>	<b>21,727,185</b>	<b>9,878,415</b>	<b>2,464,748</b>	<b>83,584,905</b>

### Notes

Note a): The Special distributable reserve also provides the Company with a reserve to absorb any existing and future realised losses and, when considered by the Board to be in the interests of shareholders, to fund share buybacks and for other corporate purposes. All of this reserve originates from funds raised prior to 6 April 2014. The transfer of £443,282 to the special reserve from the realised capital reserve above is the total of realised losses incurred by the Company in the period.

Note b): The realised capital reserve and the revenue reserve together comprise the Profit and Loss Account of the Company.

Note c): Under the 2017/18 Offer, 26,607,590 shares were allotted during the period, raising net funds of £21,359,728 for the Company. This figure differs from that shown in the Statement of Cash Flows by £2,946,209, which are the net funds raised under the first allotment that took place on 28 September 2017. These funds were held in debtors at the previous year end and received in the current period.

Note d): During the period, the Company repurchased 1,173,968 of its own shares at the prevailing market price for a total cost (including stamp duty) of £845,781, which were subsequently cancelled. This differs to the figure shown in the Statement of Cash Flows by £82,638. This amount was included in creditors at the previous year end.

The notes to the unaudited financial statements on pages 18 - 23 form part of these Half-Year Financial Statements.

# Unaudited Condensed Statement of Changes in Equity

## for the six months ended 31 March 2017

	Non-distributable reserves				Distributable reserves			Total £
	Called up share capital £	Capital redemption reserve £	Share premium reserve £	Revaluation reserve £	Special distributable reserve £	Realised capital reserve £	Revenue reserve £	
<b>At 1 October 2016</b>	719,140	11,985	18,308,887	4,744,396	24,980,045	20,225,980	1,850,205	70,840,638
<b>Comprehensive income for the period</b>								
Profit/(loss) for the period	-	-	-	725,815	-	(312,010)	1,024,953	1,438,758
<b>Total comprehensive income for the period</b>	-	-	-	<b>725,815</b>	-	<b>(312,010)</b>	<b>1,024,953</b>	<b>1,438,758</b>
<b>Contributions by and distributions to owners</b>								
Dividends re-invested								
into new shares	5,876	-	500,582	-	-	-	-	506,458
Shares bought back	(328)	328	-	-	(29,170)	-	-	(29,170)
Dividends paid	-	-	-	-	-	(2,156,442)	(718,814)	(2,875,256)
<b>Total contributions by and distributions to owners</b>	<b>5,548</b>	<b>328</b>	<b>500,582</b>	<b>-</b>	<b>(29,170)</b>	<b>(2,156,442)</b>	<b>(718,814)</b>	<b>(2,397,968)</b>
<b>Other movements</b>								
Realised losses transferred to special reserve	-	-	-	-	(546,771)	546,771	-	-
Realisation of previously unrealised depreciation	-	-	-	175,111	-	(175,111)	-	-
<b>Total other movements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>175,111</b>	<b>(546,771)</b>	<b>371,660</b>	<b>-</b>	<b>-</b>
<b>At 31 March 2017</b>	<b>724,688</b>	<b>12,313</b>	<b>18,809,469</b>	<b>5,645,322</b>	<b>24,404,104</b>	<b>18,129,188</b>	<b>2,156,344</b>	<b>69,881,428</b>

The composition of each of these reserves is explained below:

**Called up share capital** - The nominal value of shares originally issued increased for subsequent share issues either via an Offer for Subscription or Dividend Investment Scheme or reduced due to shares bought back by the Company.

**Capital redemption reserve** - The nominal value of shares bought back and cancelled is held in this reserve, so that the company's capital is maintained.

**Share premium reserve** - This reserve contains the excess of gross proceeds less issue costs over the nominal value of shares allotted under recent Offers for Subscription and the Company's Dividend Investment Scheme.

**Revaluation reserve** - Increases and decreases in the valuation of investments held at the period-end are accounted for in this reserve, except to the extent that the diminution is deemed permanent.

In accordance with stating all investments at fair value through profit and loss, all such movements through both revaluation and realised capital reserves are shown within the Income Statement for the period.

**Special distributable reserve** - The cost of share buybacks is charged to this reserve. In addition, any realised losses on the sale or impairment of investments (excluding transaction costs), and 75% of the Investment Adviser fee expense, and the related tax effect, are transferred from the realised capital reserve to this reserve. The cost of any IFA facilitation fee payable as part of the Offer for Subscription is also charged to this reserve.

**Realised capital reserve** - The following are accounted for in this reserve:

- Gains and losses on realisation of investments;
- Permanent diminution in value of investments;
- Transaction costs incurred in the acquisition of investments;
- 75% of the Investment Adviser fee expense and 100% of any performance incentive fee payable, together with the related tax effect to this reserve in accordance with the policies; and
- Capital dividends paid.

**Revenue reserve** - Income and expenses that are revenue in nature are accounted for in this reserve together with the related tax effect, as well as income dividends paid that are classified as revenue in nature.

The notes to the unaudited financial statements on pages 18 - 23 form part of these Half-Year Financial Statements.

# Unaudited Condensed Statement of Cash Flows

## for the six months ended 31 March 2018

Notes	Six months ended 31 March 2018 (unaudited) £	Six months ended 31 March 2017 (unaudited) £	Year ended 30 September 2017 (audited) £
<b>Cash flows from operating activities</b>			
Profit for the financial period	977,791	1,438,758	3,785,174
<b>Adjustments for:</b>			
Net unrealised losses/(gains) on investments	1,251,618	(725,815)	794,007
Realised gains on realisations on investments	(1,810,102)	(69,100)	(3,883,829)
Increase in debtors	(228,772)	(150,940)	(120,887)
Decrease in creditors and accruals	(559,039)	(1,152,217)	(561,152)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(368,504)</b>	<b>(659,314)</b>	<b>13,313</b>
<b>Cash flows from investing activities</b>			
Purchase of investments	9 (3,103,915)	(3,347,495)	(5,304,234)
Disposal of investments	9 4,513,856	6,610,782	14,728,706
No change/decrease in bank deposits with a maturity over three months	-	2,028,243	2,028,243
<b>Net cash inflow from investing activities</b>	<b>1,409,941</b>	<b>5,291,530</b>	<b>11,452,715</b>
<b>Cash flows from financing activities</b>			
Shares issued as part of Offer for Subscription	24,305,937	-	-
Equity dividends paid	8 (2,255,584)	(2,368,798)	(13,062,948)
Purchase of own shares	(928,419)	(66,509)	(115,024)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>21,121,934</b>	<b>(2,435,307)</b>	<b>(13,177,972)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>22,163,371</b>	<b>2,196,909</b>	<b>(1,711,944)</b>
Cash and cash equivalents at start of period	10,635,967	12,347,911	12,347,911
<b>Cash and cash equivalents at end of period</b>	<b>32,799,338</b>	<b>14,544,820</b>	<b>10,635,967</b>
<b>Cash and cash equivalents comprise:</b>			
Cash at bank and in hand	10 1,483,126	7,805,131	1,375,065
Cash equivalents	10 31,316,212	6,739,689	9,260,902

The notes to the unaudited financial statements on pages 18 - 23 form part of these Half-Year Financial Statements.

# Notes to the Unaudited Condensed Financial Statements for the six months ended 31 March 2018

## 1. Company information

The Income and Growth VCT plc is a public limited company incorporated in England, registration number 04069483. The registered office is 30 Haymarket, London, SW1Y 4EX.

## 2. Basis of preparation of the Financial Statements

These Financial Statements prepared in accordance with accounting policies consistent with Financial Reporting Standard 102 ("FRS102"), Financial Reporting Standard 104 ("FRS104") - Interim Financial Reporting, with the Companies Act 2006 and the 2014 Statement of Recommended Practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('the SORP') (updated in January 2017) issued by the Association of Investment Companies. The Financial Statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in note 9.

The Half-Year Report has not been audited, nor has it been reviewed by the auditor pursuant to the Financial Reporting Council's (FRC) guidance on Review of Interim Financial Information.

## 3. Principal accounting policies

The accounting policies have been applied consistently throughout the period. Full details of principal accounting policies will be disclosed in the Annual Report, while the policy in respect of investments is included within an outlined box at the top of note 9 on investments.

## 4. Income

	Six months ended 31 March 2018 (unaudited) £	Six months ended 31 March 2017 (unaudited) £	Year ended 30 September 2017 (audited) £
Dividends	121,857	180,519	288,843
Money market funds	33,569	10,951	21,960
Loan stock interest	1,290,981	1,412,723	2,899,869
Bank deposit interest	22,433	36,036	55,893
Other income	7,739	68	69
<b>Total Income</b>	<b>1,476,579</b>	<b>1,640,297</b>	<b>3,266,634</b>



## 5. Investment Adviser's fees and performance fees

	Six months ended 31 March 2018 (unaudited) £	Six months ended 31 March 2017 (unaudited) £	Year ended 30 September 2017 (audited) £
<b>Allocated to revenue return:</b> Investment Adviser's fees	205,694	197,406	394,012
<b>Allocated to capital return:</b> Investment Adviser's fees	617,082	592,219	1,182,037
Investment Adviser's performance fees	-	-	571,879
<b>Total</b>	<b>822,776</b>	<b>789,625</b>	<b>2,147,928</b>
<b>Investment Adviser's fee</b>	822,776	789,625	1,576,049
<b>Investment Adviser's performance fees</b>	-	-	571,879
<b>Total</b>	<b>822,776</b>	<b>789,625</b>	<b>2,147,928</b>

The Directors have charged 75% of the fees payable under the Investment Adviser's agreement, and 100% of the amounts payable under the Incentive Agreements, to the capital reserve. The Directors believe it is appropriate to charge the incentive fees wholly against the capital return, as any fees payable depend on capital performance, as explained below.

On 30 September 2014, a new incentive fee agreement was signed between the Board and Mobeus, with effect from 1 October 2013, to amend and replace the previous agreement. The previous agreement remains in force, but only with the former adviser, Foresight Group LLP. For the period ended 31 March 2018, no amount has been accrued under the previous agreement. Mobeus waived their right to their portion of the fee under the previous agreement. This agreement is due to expire on 10 March 2019.

Any payment under the new incentive agreement is now 15% of net realised gains for each year, payable in cash. It is payable only if Cumulative Net Asset Value (NAV) total return per share (being the closing NAV at a year-end plus cumulative dividends paid to that year-end, since 1 October 2013) equals or exceeds a "Target Return". The Target Return is the greater of two targets, being either:

- (i) compound growth of 6% per annum (but 5% per annum for the year ended 30 September 2014 only), before deducting any incentive fee payable (for the year of calculation only) under both this amended agreement and the existing incentive agreement with Foresight in Cumulative NAV total return per share; or
- (ii) the cumulative percentage change in the Consumer Prices Index since 1 October 2013 to the relevant financial year-end, the resultant figure then being multiplied by  $(100+A)/100$ , where A is the number of full 12 month periods (or part thereof) that have passed between 1 October 2013 and the relevant financial year end.

Both measures of Target Return are applied to the same opening base, being NAV per share as at 30 September 2013 of 113.90 pence. The objective of this Target Return is to enable shareholders to benefit from a cumulative NAV return of at least 6% per annum (5% in the financial year ended 30 September 2014), before any incentive fee is payable. Once a payment has been made, cumulative NAV total return is calculated after deducting past years' incentive fees paid and payable.

Under this new incentive agreement, any fee payments to Mobeus are subject to an annual cap of an amount equal to 2% of the net assets of I&G VCT as at the immediately preceding year-end. This cap will include any fee payable to Foresight under the old agreement, although any such payment to Foresight is not capped. Any excess over the 2% remains payable to Mobeus in the following year(s), subject to the 2% annual cap in such subsequent year(s) and after any payment in respect of such subsequent year(s).

For the year ending 30 September 2018, the Target Return will be 150.99p per share (being a 6% uplift on the Target Return at the previous year end of 142.44 pence per share). As at 31 March 2018, the Cumulative Total NAV return is 144.28p per share, so the Target Return for the 2018 financial year has currently not been met and so no fee has been accrued.

# Notes to the Unaudited Condensed Financial Statements for the six months ended 31 March 2018

## 6. Taxation

There is no tax charge for the period as the Company has tax losses brought forward from previous periods, which can be offset against taxable income.

## 7. Basic and diluted earnings and return per share

	Six months ended 31 March 2018 (unaudited) £	Six months ended 31 March 2017 (unaudited) £	Year ended 30 September 2017 (audited) £
i) Total earnings after taxation:	977,791	1,438,758	3,785,174
<b>Basic earnings per share</b>	<b>1.04p</b>	<b>1.99p</b>	<b>5.21p</b>
ii) Revenue earnings from ordinary activities after taxation	862,589	1,024,953	2,027,985
<b>Basic revenue earnings per share</b>	<b>0.92p</b>	<b>1.42p</b>	<b>2.79p</b>
Net unrealised capital (losses)/gains on investments	(1,251,618)	725,815	(794,007)
Net realised capital gains on investments	1,810,102	69,100	3,883,829
Capitalised Investment Adviser fees and performance fees less taxation	(443,282)	(381,110)	(1,332,633)
iii) Total capital return	115,202	413,805	1,757,189
<b>Basic capital earnings per share</b>	<b>0.12p</b>	<b>0.57p</b>	<b>2.42p</b>
iv) Weighted average number of shares in issue in the period	93,616,928	72,037,688	72,621,839

### Notes:

- Basic earnings per share is total earnings after taxation divided by the weighted average number of shares in issue.
- Basic revenue earnings per share is the revenue return after taxation divided by the weighted average number of shares in issue.
- Basic capital earnings per share is the total capital return after taxation divided by the weighted average number of shares in issue.

## 8. Dividends

Dividend	Type	For the year ended 30 September	Pence per share	Date paid	Six months ended 31 March 2018 (unaudited) £	Six months ended 31 March 2017 (unaudited) £	Year ended 30 September 2017 (audited) £
<b>Final</b>	Income	2016	1.00p	15 February 2017	-	718,814	718,814
<b>Final</b>	Capital	2016	3.00p	15 February 2017	-	2,156,442	2,156,442
<b>Interim</b>	Income	2017	1.50p	20 June 2017	-	-	1,087,032
<b>Interim</b>	Capital	2017	1.50p	20 June 2017	-	-	1,087,032
<b>Special</b>	Capital	2017	15.00p	31 August 2017	-	-	10,931,992
<b>Final</b>	Income	2017	0.50p	15 February 2018	470,185	-	-
<b>Final</b>	Capital	2017	2.50p	15 February 2018	2,350,933	-	-
<b>Total*</b>					<b>2,821,118</b>	<b>2,875,256</b>	<b>15,981,312</b>

\* - £2,821,118 (31 March 2017: £2,875,256; 30 September 2017: £15,981,312) disclosed above differs to that shown in the Statement of Cash Flows of £2,255,584 (31 March 2017: £2,368,798; 30 September 2017: £13,062,948) due to £565,534 (31 March 2017: £506,458; 30 September 2017: £2,918,364) of new shares issued as part of the Company's Dividend Investment Scheme.

## 9. Summary of movement on investments during the period

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of investments at 'fair value through profit and loss' ("FVTPL"). All investments held by the Company are classified as FVTPL, and measured in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") guidelines, as updated in December 2015. This classification is followed as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income.

For investments actively traded in organised financial markets, fair value is generally determined by reference to Stock Exchange market quoted bid prices at the close of business on the balance sheet date. Purchases and sales of quoted investments are recognised on the trade date where a contract of sale exists whose terms require delivery within a time frame determined by the relevant market. Purchases and sales of unlisted investments are recognised when the contract for acquisition or sale becomes unconditional.

Unquoted investments are stated at fair value by the Directors in accordance with the following rules, which are consistent with the IPEV guidelines:

All investments are held at the price of a recent investment for an appropriate period where there is considered to have been no change in fair value. Where such a basis is no longer considered appropriate, the following factors will be considered:

- (i) Where a value is indicated by a material arms-length transaction by an independent third party in the shares of a company, this value will be used.
- (ii) In the absence of i), and depending upon both the subsequent trading performance and investment structure of an investee company, the valuation basis will usually move to either:-
  - a) a multiple basis. The investments may be valued by applying a suitable price-earnings ratio, revenue or gross profit multiple to that company's historic, current or forecast post-tax earnings before interest and amortisation, or revenue, or gross profit (the ratio used being based on a comparable sector but the resulting value being adjusted to reflect points of difference identified by the Investment Adviser compared to the sector including, inter alia, a lack of marketability).or:-
  - b) where a company's underperformance against plan indicates a diminution in the value of the investment, provision against cost is made, as appropriate.
- (iii) Premiums to the extent that they are considered capital in nature, and that will be received upon repayment of loan stock investments are accrued at fair value when the Company receives the right to the premium and when considered recoverable.
- (vi) Where a multiple or cost less impairment basis is not appropriate and overriding factors apply a, discounted cash flow, net asset valuation or realisation proceeds basis may be applied.

Capital gains and losses on investments, whether realised or unrealised, are dealt with in the profit and loss and revaluation reserves and movements in the period are shown in the Income Statement.

All investments are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement.

A key judgement made in applying the above accounting policy relates to investments that are permanently impaired. Where the value of an investment has fallen permanently below cost, the loss is treated as a permanent impairment and as a realised loss, even though the investment is still held. The Board assesses the portfolio for such investments and, after agreement with the Investment Adviser, will agree the values that represent the extent to which an investment has become realised. This is based upon an assessment of objective evidence of that investment's future prospects, to determine whether there is potential for the investment to recover in value.

The methods of fair value measurement are classified in to hierarchy based on the reliability of the information used to determine the valuation.

- Level 1 - Fair value is measured based on quoted prices in an active market.
- Level 2 - Fair value is measured based on directly observable current market prices or indirectly being derived from market prices.
- Level 3 - Fair value is measured using valuation techniques using inputs that are not based on observable market data.

# Notes to the Unaudited Condensed Financial Statements for the six months ended 31 March 2018

	Traded on AIM Level 1 £	Unquoted ordinary shares Level 3 £	Unquoted Preference shares Level 3 £	Unquoted Loan stock Level 3 £	Total £
Valuation at 1 October 2017	3,197,177	14,353,491	414,186	30,065,454	48,030,308
Purchases at cost	-	1,739,323	-	1,364,592	3,103,915
Sales - proceeds (Note a)	-	(2,293,975)	(1,017)	(2,332,736)	(4,627,728)
- realised gains (Note b)	-	1,860,102	-	-	1,860,102
Unrealised (losses)/gains on investments in the period	(1,624,199)	2,209,217	6,131	(1,842,767)	(1,251,618)
<b>Valuation at 31 March 2018</b>	<b>1,572,978</b>	<b>17,868,158</b>	<b>419,300</b>	<b>27,254,543</b>	<b>47,114,979</b>
Book cost at 31 March 2018	1,333,907	23,271,311	24,740	26,599,133	51,229,091
Unrealised gains at 31 March 2018	739,071	608,300	394,560	742,597	2,484,528
Permanent impairment of valuation of investments	(500,000)	(6,011,453)	-	(87,187)	(6,598,640)
<b>Valuation at 31 March 2018</b>	<b>1,572,978</b>	<b>17,868,158</b>	<b>419,300</b>	<b>27,254,543</b>	<b>47,114,979</b>
<b>(Losses)/gains on investments</b>					
Realised gains based on historical cost	-	2,067,814	-	26,831	2,094,645
Less amounts recognised as unrealised gains in previous years	-	(257,712)	-	(26,831)	(284,543)
Realised gains based on carrying value at 30 September 2017	-	1,810,102	-	-	1,810,102
Net movement in unrealised (losses)/ gains in the period	(1,624,199)	2,209,217	6,131	(1,842,767)	(1,251,618)
<b>(Losses)/gains on investments for the period ended 31 March 2018</b>	<b>(1,624,199)</b>	<b>4,019,319</b>	<b>6,131</b>	<b>(1,842,767)</b>	<b>558,484</b>

Note a) Investment proceeds shown above of £4,627,728 differs from the sale proceeds shown in the Statement of Cash flows of £4,513,856 by £113,872. This difference arises because of deferred consideration due from the disposal of Gro-Group held in debtors at the period end.

Note b) Realised gains above of £1,860,102 differ from that shown in the Income Statement of £1,810,102. The difference of £50,000 is a reduction for the period in the estimated fair value of contingent consideration held at the Balance Sheet date, to nil. This reduction is because such consideration of £134,241 was received in the period in respect of Alaric Systems, an investment realised in a prior period, of which £50,000 was recognised in a previous year.

There has been no significant change in the risk analysis as disclosed in Note 18 of the Financial Statements in the Company's Annual Report. The decrease in unrealised valuations of the loan stock investments above reflect the changes in the entitlement to loan premiums, and/or in the underlying enterprise value of the investee company. The decrease does not arise from assessments of credit or market risk upon these instruments.

Level 3 unquoted equity and loan investments are valued in accordance with IPEV guidelines as follows:

	as at 31 March 2018 (unaudited) £	as at 31 March 2017 (unaudited) £	as at 30 September 2017 (audited) £
<b>Valuation methodology</b>			
Recent investment price	7,436,704	9,308,196	9,739,180
Multiple of earnings, revenue, gross margin as appropriate	37,773,979	39,077,106	34,762,633
Discounted realisation proceeds	26,563	53,125	26,563
Net asset value	304,755	-	304,755
<b>Total</b>	<b>45,542,001</b>	<b>48,438,427</b>	<b>44,833,131</b>

## 10. Current asset investments and Cash at bank

	as at 31 March 2018 (unaudited) £	as at 31 March 2017 (unaudited) £	as at 30 September 2017 (audited) £
OEIC Money market funds	31,316,212	6,739,689	9,260,902
Cash equivalents per Statement of Cash Flows	31,316,212	6,739,689	9,260,902
Bank deposits that mature after three months	3,151,769	3,151,769	3,151,769
<b>Current asset investments</b>	<b>34,467,981</b>	<b>9,891,458</b>	<b>12,412,671</b>
<b>Cash at bank</b>	<b>1,483,126</b>	<b>7,805,131</b>	<b>1,375,065</b>

## 11. Net asset value per share

	as at 31 March 2018 (unaudited)	as at 31 March 2017 (unaudited)	as at 30 September 2017 (audited)
Net assets	£83,584,905	£69,881,428	£64,348,751
Number of shares in issue	105,435,973	72,468,771	79,204,702
<b>Net asset value per share - basic and diluted</b>	<b>79.28p</b>	<b>96.43p</b>	<b>81.24p</b>

## 12. Post balance sheet events

On 30 April 2018, TPSFF Holdings Limited (formerly Plastic Surgeon) repaid loan stock of £77,560.

## 13. Statutory Information

The financial information for the six months ended 31 March 2018 and the six months ended 31 March 2017 has not been audited.

The financial information contained in this Half-Year Report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial statements for the year ended 30 September 2017 have been filed with the Registrar of Companies. The auditor has reported on these Financial Statements and that report was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

## 14. Half-Year Report

Copies of this statement are being sent to all shareholders. Further copies are available free of charge from the Company's registered office, 30 Haymarket, London, SW1Y 4EX, or can be downloaded via the Company's website at [www.incomeandgrowthvct.co.uk](http://www.incomeandgrowthvct.co.uk).

# Shareholder Information

## Communication with shareholders

We aim to communicate regularly with our shareholders. In addition to the Half-Year and Annual Reports, shareholders receive a twice-yearly VCT newsletter from the Investment Adviser, approved by the Board. The February annual general meetings provide a useful platform for the Board to meet shareholders and exchange views. Your Board welcomes your attendance at general meetings to give you the opportunity to meet your Directors and representatives of the Investment Adviser. The Company releases Interim Management Statements, in respect of those quarters when it does not publish full or half-year accounts. The Investment Adviser holds an annual shareholder event. This year's event, held on 30 January 2018, is discussed in the Chairman's Statement on page 3. The next Shareholder Event will take place in February 2019 and shareholders will be sent further details and an invitation nearer to the date.

Shareholders wishing to follow the Company's progress can visit its website at [www.incomeandgrowthvct.co.uk](http://www.incomeandgrowthvct.co.uk). The website contains up-to-date information on fund performance, including the most recent NAV, and dividends paid as well as publicly available information on the Company's portfolio of investments and copies of company reports.

This includes a Key Information Document ('KID') which is intended to allow comparison of certain aspects of investments on a common basis. The KID is required to show both a risk rating and a projection of future possible returns under various scenarios. These numbers come from adherence to prescribed and detailed valuation methodologies but, in essence, derive from the historic volatility of the share price over the last five years. While historic volatility is one measure of risk, it is not the only measure nor is it necessarily an accurate guide. Returns, particularly under the stress scenario could be lower than indicated. We would recommend that anyone considering making an investment in the Company reads the KID alongside the other publicly available information on the Company.

There is also a link to the London Stock Exchange's website at [www.londonstockexchange.com](http://www.londonstockexchange.com) which provides up to the minute details of the share price and latest NAV announcements, etc.

## Financial calendar

Mid May 2018	Announcement of the Half-Year results and circulation of the Half-Year Report for the six months ended 31 March 2018.
21 June 2018	Payment of the interim dividend of 2.50 pence per share.
30 September 2018	Year-end.
Late December 2018	Annual Report for the year ended 30 September 2018 to be circulated to shareholders.
February 2019	Shareholder Event
February 2019	Annual General Meeting

## Dividend

Shareholders who wish to have their dividends paid directly into their bank account, rather than having them sent by cheque to their registered address, can complete a mandate for this purpose. Mandates can be obtained by contacting the Company's Registrars, Link Asset Services at the address given on page 30.

**Shareholders are encouraged to ensure that the Registrars have the correct up-to-date details for their accounts and to check whether they have received all dividend payments. This is particularly important if a shareholder has recently moved house or changed their bank. We are aware that a number of dividends remain unclaimed by shareholders and whilst we will endeavour to contact them if this is the case, we cannot guarantee that we will be able to do so if the Registrars do not have an up-to-date postal or email address.**

## Dividend Investment Scheme

The Scheme is a convenient, easy and cost effective way to build up your shareholding in the Company. Instead of receiving cash dividends, you can elect to receive new shares in the Company. By opting to receive your dividend in this manner, there are three benefits to shareholders:

- The dividend is tax free;
- Shareholders are allotted new ordinary shares which will, subject to your particular circumstances, attract VCT tax reliefs applicable for the tax year in which the shares are allotted. The tax relief currently available to investors in new VCT shares is 30% for the 2018/19 tax year for investments up to £200,000 in any one tax year; and
- The Scheme also has one other, particular advantage. Under its terms, a member is able to re-invest at an advantageous price, being the average market price of the shares for the five business days prior to the dividend being paid. This price is likely to be at a discount of 10% to the underlying net asset value (provided that this is greater than 70% of the latest published net asset value per share).

Should you wish to join the Scheme, please contact the Scheme Administrator, Link Asset Services at the address given on page 30 or download an application form from the Company's website on the dividend page.



## Selling your shares

The Company's shares are listed on the London Stock Exchange and as such they can be sold in the same way as any other quoted company through a stockbroker. **However, to ensure that you obtain the best price, you are strongly advised to contact the Company's stockbroker, Panmure Gordon, by telephoning 020 7886 2717, before agreeing a price with your stockbroker.** Shareholders are also advised to discuss their individual tax position with their financial adviser before deciding to sell their shares.

## Common Reporting Standard ("CRS") and Foreign Account Tax Compliance Act ("FATCA")

Tax legislation was introduced with effect from 1 January 2016 under the Organisation for Economic Co-operation and Development Common Reporting Standard for Automatic Exchange of Financial Account Information. The legislation requires investment trust companies to provide personal information to HMRC on certain investors who purchase their shares. As an affected entity, the Company has to provide information annually to HMRC relating to a number of non-UK based certificated shareholders who are deemed to be resident for tax purposes in any of the 90 plus countries who have joined CRS. All new shareholders, excluding those whose shares are held in CREST, entered onto the share register after 1 January 2016 will be asked to provide the relevant information. Additionally, HMRC's policy position on FATCA now means that, as a result of the restricted secondary market in VCT shares, the Company's shares are not considered to be "regularly traded". The Company is therefore also an affected entity for the purposes of this legislation and as such will have to provide information annually to HMRC relating to shareholders who are resident for tax purposes in the United States.

## Managing your shareholding online

For details on your individual shareholding and to manage your account online, shareholders may log into or register with the Link (formerly Capita) Shareholder Portal: [www.signalshares.com](http://www.signalshares.com) You can use the Portal to change your address details, check your holding balance and transactions, view the dividends you have received and add and amend your bank details.

## Shareholder enquiries:

For enquiries concerning the investment portfolio or the Company in general, please contact the Investment Adviser, Mobeus Equity Partners LLP. To contact the Chairman or any member of the Board, please contact the Company Secretary, also Mobeus Equity Partners LLP, in the first instance.

The Registrars may be contacted via their shareholder portal, post or telephone for queries relating to your shareholding including dividend payments, dividend mandate forms, change of address, etc.

Full contact details for each of Mobeus and Link are included under Corporate Information on page 30.

# Performance Data at 31 March 2018 (unaudited)

Share price at 31 March 2018 **71.00p<sup>1</sup>**  
 NAV per share as at 31 March 2018 **79.28p**

## Performance data for all fundraising rounds

The following table shows, for all investors in The Income & Growth VCT plc, how their investments have performed since they were originally allotted shares in each fundraising.

Shareholders from the original fundraising in 2000/01 should note that the funds were managed by three investment advisers, up until 10 March 2009. At that date, Mobeus became the sole Investment Adviser, to this and all subsequent fundraisings.

Total return data, which includes cumulative dividends paid to date, is shown on both a share price and a NAV basis as at 31 March 2018. The NAV basis enables Shareholders to evaluate more clearly the performance of the Fund, as it reflects the underlying value of the portfolio at the reporting date. This is the most widely used measure of performance in the VCT sector.

Allotment date(s)	Allotment price (p)	Net allotment price <sup>2</sup> (p)	Cumulative dividends paid per share (p)	Total return per share to shareholders since allotment		
				(Share price basis) (p)	(NAV basis) (p)	% increase since 30 September 2017 (NAV basis)
<b>Funds raised - O Fund<sup>3</sup> (launched 18 October 2000)</b>						
Between 3 November 2000 and 11 May 2001	100.00	<b>60.62</b>	102.03	<b>155.83</b>	<b>162.11</b>	<b>0.5%</b>
<b>Funds raised 2007/8 - S Share fund (launched 14 December 2007)</b>						
Between 1 April 2008 and 6 June 2008	100.00	<b>70.00</b>	105.50	<b>176.50</b>	<b>184.78</b>	<b>0.6%</b>
<b>Funds raised 2010/11 (launched 12 November 2010)</b>						
21 January 2011	104.80	<b>73.36</b>	105.00	<b>176.00</b>	<b>184.28</b>	<b>0.6%</b>
28 February 2011	107.90	<b>75.53</b>	103.00	<b>174.00</b>	<b>182.28</b>	<b>0.6%</b>
22 March 2011	105.80	<b>74.06</b>	103.00	<b>174.00</b>	<b>182.28</b>	<b>0.6%</b>
1 April 2011	105.80	<b>74.06</b>	101.00	<b>172.00</b>	<b>180.28</b>	<b>0.6%</b>
5 April 2011	105.80	<b>74.06</b>	101.00	<b>172.00</b>	<b>180.28</b>	<b>0.6%</b>
10 May 2011	105.80	<b>74.06</b>	101.00	<b>172.00</b>	<b>180.28</b>	<b>0.6%</b>
6 July 2011	106.00	<b>74.20</b>	101.00	<b>172.00</b>	<b>180.28</b>	<b>0.6%</b>
<b>Funds raised 2012 (launched 20 January 2012)</b>						
8 March 2012	106.40	<b>74.48</b>	77.00	<b>148.00</b>	<b>156.28</b>	<b>0.7%</b>
4 April 2012	106.40	<b>74.48</b>	77.00	<b>148.00</b>	<b>156.28</b>	<b>0.7%</b>
5 April 2012	106.40	<b>74.48</b>	77.00	<b>148.00</b>	<b>156.28</b>	<b>0.7%</b>
10 May 2012	106.40	<b>74.48</b>	77.00	<b>148.00</b>	<b>156.28</b>	<b>0.7%</b>
10 July 2012	111.60	<b>78.12</b>	77.00	<b>148.00</b>	<b>156.28</b>	<b>0.7%</b>
<b>Funds raised 2013 (launched 29 November 2012)</b>						
14 January 2013	116.00	<b>81.20</b>	77.00	<b>148.00</b>	<b>156.28</b>	<b>0.7%</b>
28 March 2013	112.60	<b>78.82</b>	71.00	<b>142.00</b>	<b>150.28</b>	<b>0.7%</b>
4 April 2013	112.60	<b>78.82</b>	71.00	<b>142.00</b>	<b>150.28</b>	<b>0.7%</b>
5 April 2013	112.60	<b>78.82</b>	71.00	<b>142.00</b>	<b>150.28</b>	<b>0.7%</b>
10 April 2013 Pre RDR <sup>4</sup>	115.30	<b>80.71</b>	71.00	<b>142.00</b>	<b>150.28</b>	<b>0.7%</b>
10 April 2013 Post RDR <sup>4</sup>	112.60	<b>78.82</b>	71.00	<b>142.00</b>	<b>150.28</b>	<b>0.7%</b>
7 May 2013	112.60	<b>78.82</b>	71.00	<b>142.00</b>	<b>150.28</b>	<b>0.7%</b>

<sup>1</sup> - Source: Panmure Gordon & Co (mid-price basis).

<sup>2</sup> - Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 20% up until 5 April 2004, 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

<sup>3</sup> - Shareholders who invested in 2000/01 received 0.7578 shares in the current share class for each share previously held on 29 March 2010, when the Company's two share classes merged. The net allotment price, NAV, cumulative dividend, total return, share price and percentage return data per share have been adjusted to reflect this conversion ratio.

<sup>4</sup> - RDR means the date of implementation of the Retail Distribution Review on 31 December 2012, which affected the level of charges in the allotment price for applications received before and after that date.

Allotment date(s)	Allotment price (p)	Net allotment price <sup>1</sup> (p)	Cumulative dividends paid per share (p)	Total return per share to shareholders since allotment		
				(Share price basis) (p)	(NAV basis) (p)	% increase since 30 September 2017 (NAV basis)
<b>Funds raised 2014 (launched 28 November 2013)</b>						
9 January 2014	117.82 <sup>2</sup>	<b>82.47</b>	65.00	<b>136.00</b>	<b>144.28</b>	<b>0.7%</b>
11 February 2014	119.02 <sup>2</sup>	<b>83.31</b>	65.00	<b>136.00</b>	<b>144.28</b>	<b>0.7%</b>
31 March 2014	115.64 <sup>2</sup>	<b>80.95</b>	61.00	<b>132.00</b>	<b>140.28</b>	<b>0.7%</b>
3 April 2014	116.17 <sup>2</sup>	<b>81.32</b>	61.00	<b>132.00</b>	<b>140.28</b>	<b>0.7%</b>
4 April 2014	115.45 <sup>2</sup>	<b>80.82</b>	61.00	<b>132.00</b>	<b>140.28</b>	<b>0.7%</b>
6 June 2014	121.55 <sup>2</sup>	<b>85.09</b>	61.00	<b>132.00</b>	<b>140.28</b>	<b>0.7%</b>
<b>Funds raised 2015 (launched 10 December 2014)</b>						
4 January 2015	108.33 <sup>2</sup>	<b>75.83</b>	47.00	<b>118.00</b>	<b>126.28</b>	<b>0.8%</b>
17 February 2015	113.17 <sup>2</sup>	<b>79.22</b>	47.00	<b>118.00</b>	<b>126.28</b>	<b>0.8%</b>
10 March 2015	109.88 <sup>2</sup>	<b>76.92</b>	43.00	<b>114.00</b>	<b>122.28</b>	<b>0.9%</b>
<b>Funds raised 2017/18 (launched 06 September 2017)</b>						
28 September 2017	82.49 <sup>2</sup>	<b>57.74</b>	3.00	<b>74.00</b>	<b>82.28</b>	-
20 October 2017	82.67 <sup>2</sup>	<b>57.87</b>	3.00	<b>74.00</b>	<b>82.28</b>	-
9 November 2017	83.20 <sup>2</sup>	<b>58.24</b>	3.00	<b>74.00</b>	<b>82.28</b>	-
20 November 2017	84.54 <sup>2</sup>	<b>59.18</b>	3.00	<b>74.00</b>	<b>82.28</b>	-
21 November 2017	84.50 <sup>2</sup>	<b>59.15</b>	3.00	<b>74.00</b>	<b>82.28</b>	-
24 January 2018	81.27 <sup>2</sup>	<b>56.89</b>	-	<b>71.00</b>	<b>79.28</b>	-
13 March 2018	82.32 <sup>2</sup>	<b>57.62</b>	-	<b>71.00</b>	<b>79.28</b>	-

<sup>1</sup> - Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 20% up until 5 April 2004, 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

<sup>2</sup> - Average effective offer price. Shares were allotted pursuant to the 2013/14, 2014/15 and 2017/18 offers at individual prices for each investor in accordance with its pricing formula set out in each offer's respective Securities Note.

# Performance Data at 31 March 2018 (unaudited)

## Cumulative dividends paid

	Funds raised 2000/01 'O' Share Fund (p)	Funds raised 2007/08 'S' Share Fund (p)	Funds raised 2010/11 (p)	Funds raised 2012 (p)	Funds raised 2013 (p)	Funds raised 2014 (p)	Funds raised 2015 (p)	Funds raised 2017/18 (p)
15 February 2018	2.27 <sup>1</sup>	3.00	3.00	3.00	3.00	3.00	3.00	3.00
31 August 2017	11.37 <sup>1</sup>	15.00	15.00	15.00	15.00	15.00	15.00	
20 June 2017	2.27 <sup>1</sup>	3.00	3.00	3.00	3.00	3.00	3.00	
15 February 2017	3.03 <sup>1</sup>	4.00	4.00	4.00	4.00	4.00	4.00	
07 July 2016	4.55 <sup>1</sup>	6.00	6.00	6.00	6.00	6.00	6.00	
15 February 2016	4.55 <sup>1</sup>	6.00	6.00	6.00	6.00	6.00	6.00	
30 June 2015	4.55 <sup>1</sup>	6.00	6.00	6.00	6.00	6.00	6.00	
20 March 2015	3.03 <sup>1</sup>	4.00	4.00	4.00	4.00	4.00	4.00	
30 October 2014	6.06 <sup>1</sup>	8.00	8.00	8.00	8.00	8.00	8.00	
03 July 2014	4.55 <sup>1</sup>	6.00	6.00	6.00	6.00	6.00	6.00	
12 March 2014	3.03 <sup>1</sup>	4.00	4.00	4.00	4.00	4.00	4.00	
27 June 2013	4.55 <sup>1</sup>	6.00	6.00	6.00	6.00	6.00	6.00	
08 February 2013	4.55 <sup>1</sup>	6.00	6.00	6.00	6.00	6.00	6.00	
15 February 2012	3.02 <sup>1</sup>	4.00	4.00					
27 January 2012	15.16 <sup>1</sup>	20.00	20.00					
28 March 2011	1.52 <sup>1</sup>	2.00	2.00					
22 February 2011	1.52 <sup>1</sup>	2.00	2.00					
<b>29 March 2010 Merger of the 'O' and 'S' Share Funds</b>								
17 March 2010	2.00	0.50						
16 February 2009	4.00							
15 February 2008	2.00							
24 October 2007	2.00							
15 February 2007	3.75							
14 February 2006	3.25							
04 February 2005	1.25							
11 February 2004	1.25							
12 February 2003	1.75							
18 February 2002	1.20							
<b>Total dividends paid</b>	<b>102.03</b>	<b>105.50</b>	<b>105.00</b>	<b>77.00</b>	<b>77.00</b>	<b>65.00</b>	<b>47.00</b>	<b>3.00</b>

<sup>1</sup> - The dividends paid after the merger, on the former 'O' Share Fund shareholdings have been restated to take account of the merger conversion ratio. The above data relates to an investor in the first allotment of each fundraising. The precise amount of dividends paid to shareholders by date of allotment is shown in the table on the previous page.

# Timeline of the Company

## October 2000

The Company is launched as TriVest VCT plc advised by three managers, Foresight Group, GLE Development Capital and LICA Development Capital.

## April 2001

The Company's first fundraising of its "O Share Fund" is completed.

## October 2007

The Company changes its name to The Income & Growth VCT plc.

## December 2007

The 'S' Share Fund is launched.

## March 2009

The Company becomes a VCT solely advised by Matrix Private Equity Partners. The Company changes its Investment Policy to focus on more mature businesses.

## March 2010

The 'O' Share Fund (launched in 2000) merges with the 'S' Share Fund (launched in 2007) to create the current class of shares.

## November 2011

The Company sells its stake in App-DNA for 32 times cost and pays a special interim capital dividend of 20p per share in the following January.

## June 2012

Matrix Private Equity Partners LLP becomes a fully independent firm owned by its partners and renames itself Mobeus Equity Partners LLP.

## 2010-2014

The Company participates in four linked fundraisings with other Mobeus advised VCTs.

## March 2015

The Company closes a successful fundraising with the other Mobeus advised VCTs in which £10 million was raised for the Company.

## February 2016

The Company changes its Investment Policy to focus on younger, smaller development capital transactions.

## March 2018

The Company closes a successful fundraising, having raised £25 million.

# Corporate Information

## Directors

Colin Hook  
Jonathan Cartwright  
Helen Sinclair

## Company's Registered Office

30 Haymarket  
London  
SW1Y 4EX

## Company Registration Number

4069483

## Legal Entity Identifier

213800FPC15FNM74YD92

## Email

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## Investment Adviser, Company Secretary and Administrator

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[www.signalshares.com](http://www.signalshares.com)

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