

Summary Annual Report and Accounts

for the year ended 30 September 2009



THE INCOME & GROWTH VCT PLC

Investment Objective

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

The Company invests in companies at various stages of development. In some instances this may include investments in new and secondary issues of companies which may already be quoted on the Alternative Investment Market (“AiM”) or PLUS.

Contents

Financial Highlights	1
Chairman’s Statement	4
Ten Largest Investments	7
Investment Portfolio Summary	10
Board of Directors	13
Summary Directors’ Report	14
Summary Directors’ Remuneration Report	19
Summary Corporate Governance Statement	21
Unaudited Non-Statutory Analysis between the ‘O’ Share and ‘S’ Share Funds	23
Independent Auditors’ Statement	26
Summary Financial Statements	27
Notices of Annual General Meeting and Class Meetings	30
Corporate Information	37

Summary Annual Report

This Summary Annual Report has been prepared voluntarily by the Directors in accordance with the relevant requirements of section 426 of the Companies Act 2006 (“the 2006 Act”). It does not contain sufficient information to allow a full understanding of the results and state of affairs of the Company and of the policies and arrangements in respect of Directors’ remuneration. For further information, the full Annual Financial Statements, the Auditors’ Report on those financial statements and the Directors’ Report should be consulted. A copy of the Annual Report, which may be obtained free of charge from the Company Secretary will be delivered to the Registrar of Companies after the Annual General Meeting. Shareholders wishing to receive the full Annual Report in future years may elect to do so by sending signed, written notice to the Company Secretary. This Summary Annual Report contains additional information derived from the Directors’ Report. It does not however contain the full text of that Report. PKF (UK) LLP have reported on the Company’s statutory accounts for the year ended 30 September 2009. This report was unqualified and contained no statement under section 498 (2) and (3) of the 2006 Act.

Financial Highlights

– ordinary shares of 1p each ('O' Shares)

-  Increase of 24.3% in year in cumulative dividends paid to Shareholders
-  Annual dividends paid to Shareholders maintained at 2008 level
-  Decrease of 21.7% in year in total return to Shareholders (share price basis)
-  Decrease of 8.1% in year in total return to Shareholders (net asset value basis)

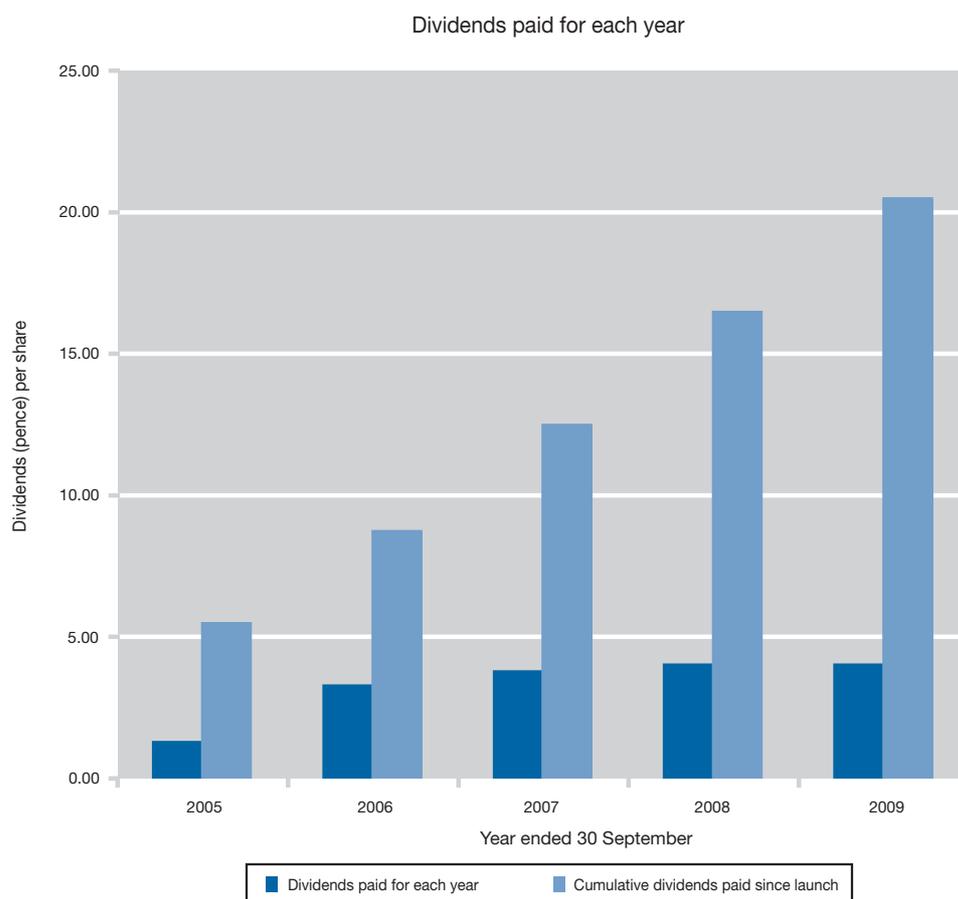
Dividends paid

Year ended 30 September	Dividends paid in each year since launch per share (p)	Cumulative dividends paid since launch per share (p)
2009	4.00	20.45
2008	4.00	16.45
2007	3.75	12.45
2006	3.25	8.70
2005 (restated)	1.25	5.45

Dividends paid include distributions from both income and capital.

Dividends proposed

A final dividend of 2 pence per 'O' Share, comprising 0.5 pence from income and 1.5 pence from capital, will be recommended to Shareholders at the Annual General Meeting of the Company to be held on 3 March 2010 for payment on 17 March 2010.



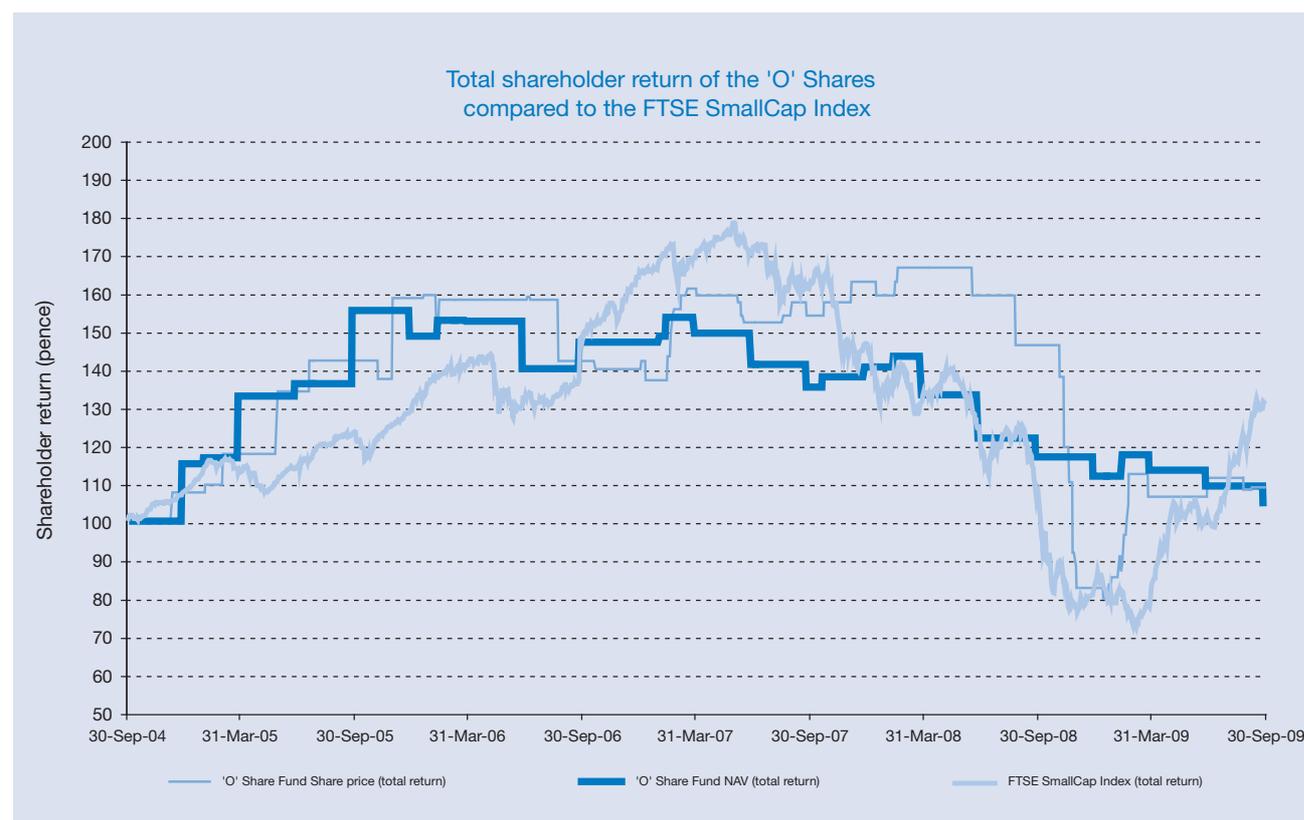
Performance Summary

Year ended	Net assets	Net asset value per 'O' Share	NAV total return to shareholders since launch per 'O' Share	Share price	Share price total return to shareholders since launch per 'O' Share
30 September	(£ million)	(p)	(p)	(p) ¹	(p)
2009	24.9	71.5	91.9	54.8	75.2
2008	29.6	83.6	100.0	79.5	96.0
2007	36.8	100.5 ²	115.0	87.5	100.0
2006	44.2	112.9	121.6	84.5	93.2
2005 (restated)	49.2	122.5	128.0	87.5	93.0

¹Source: London Stock Exchange.

²After deducting the dividend of 2p per share paid on 24 October 2007.

In the graph below, the total return figures have been rebased to 100 at 1 October 2004.



Source: Matrix Corporate Capital LLP

The share price and net asset value (NAV) total return comprise the share price and NAV respectively per share assuming the dividends paid were re-invested on the date on which the shares were quoted ex-dividend in respect of each dividend.

Financial Highlights

– S ordinary shares of 1p each ('S' Shares)

-  Initial income dividend of 0.5 pence proposed
-  Decrease of 5.5% in year in total return to Shareholders (share price basis)
-  Decrease of 1.5% in year in total return to Shareholders (net asset value basis)

Dividends proposed

A final income dividend of 0.5 pence per 'S' Share will be recommended to Shareholders at the Annual General Meeting of the Company to be held on 3 March 2010 for payment on 17 March 2010.

Performance Summary

Year ended	Net assets (£ million)	Net asset value per 'S' Share (p)	NAV total return to shareholders since launch per 'S' Share (p)	Share price (p) ¹	Share price total return to shareholders since launch per 'S' Share (p)
30 September					
2009	11.0	93.2	93.2	94.5	94.5
2008	11.2	94.6	94.6	100.0	100.0
At close of Offer for Subscription	11.2	94.5	94.5	100.0	100.0

¹ Source: London Stock Exchange.

In the graph below, the total return figures have been rebased to 100 at 8 February 2008, the date on which the Company's 'S' Shares were first admitted to trading.



Source: Matrix Corporate Capital LLP

The share price and net asset value (NAV) total return comprise the share price and NAV respectively per share assuming the dividends paid were re-invested on the date on which the shares were quoted ex-dividend in respect of each dividend.

Chairman's Statement

I am pleased to present to Shareholders the Summary Annual Report of the Company for the year ended 30 September 2009.

Performance

'O' Shares

At 30 September 2009, the Net Asset Value (NAV) per 'O' Share was 71.45 pence (2008: 83.56 pence). Adjusted for the dividends paid to shareholders during the year, this represents a decrease of 9.7% over the twelve month period. This compares with an increase of 17.45% in the FTSE SmallCap Index and an increase of 3.96% in the FTSE AiM All-Share Index during the same period, both on a capital return basis. The NAV Total Return per 'O' Share fell in the year by 8.1% from 100.01 pence at 30 September 2008 to 91.90 pence at 30 September 2009.

The headline performance figures appear somewhat disappointing and will be discussed later. In general the underlying performance of the portfolio in the year offers encouragement. The MPEP portfolio achieved realised gains of £597,637 but these were offset by provisions and lower valuations giving rise to unrealised losses of £3.2 million, resulting in net losses of some £2.6 million. The Foresight legacy portfolio suffered a fall in value with further provisions leading to unrealised net losses of some £311,938.

UK sector price earnings multiples have, in the main, increased over this twelve month period. These do, of course, impact on our portfolio valuation in both the quoted and unquoted sectors. Some sectors have shown increases whilst several have experienced declines. The MPEP portfolio at the year-end represented 78.5% of total venture capital investments, whilst the Foresight and Nova legacy portfolios represented the balance.

Falls in the share prices of several of our quoted stocks, particularly Oxonica, have been partially off-set by gains elsewhere in the portfolio. The total dividends paid in the year under review was 4 pence per share which is equal to a total of 4 pence per share paid in the financial year 2008.

Cumulative dividends paid to date have been 20.45 pence per 'O' Share.

'S' Shares

At 30 September 2009, the NAV and NAV Total Return per 'S' Share both fell marginally to 93.18 pence (2008: 94.59 pence) and 93.18 pence (2008: 94.59 pence), both being a decrease of 1.5%.

Economic background

Investors have moved stock markets up a long way but the real economy is still tough.

After several months of almost consistent gains equity markets appeared to have consolidated around current levels. Poorer than expected US jobs figures have been

held responsible for these recent market conditions. The number of workers on US payrolls during September 2009 fell almost 50% more than was expected and the unemployment rate now stands at a 26 year high. This data released recently together with the impact of events surrounding financial problems in Dubai reinforces strongly the argument that the economic recovery will not be plain sailing.

The portfolios

'O' Shares

Overall, the MPEP portfolio continues to hold-up well given the current economic climate. Good trading performances have been produced by some of the investments; notably DiGiCo Europe, which produced an unrealised gain of £511,337 and Amaldis (2008) of £337,767 but Blaze Signs Holdings, Youngman Group and PXP Holdings, all companies in the broader construction sector, provided unrealised losses of £1.26 million, £914,937 and £454,124 respectively. Despite the Construction & Materials sector price earnings multiple showing a strong rise over the year, this has not evidenced itself yet in the trading performances of these three companies and this has had a material adverse effect on the valuation of the portfolio over the period. There is an old adage that stock markets anticipate events while trading results lag the events!

Within the MPEP portfolio, in October 2008 an investment of £595,842 was made into ATG Media Holdings to support the MBO of Metropress, publisher of the Antiques Trade Gazette and online auction operator. In 2009, a new investment was made into MC440 to support the management buy-out of Westway Cooling, a company based in Greenford, Middlesex, specialising in installing, servicing and maintaining high quality air-conditioning systems and associated building services plant in the refurbishment and maintenance market. The 'O' Share Fund invested £389,703. Further investments of £129,264 and £47,158 in November 2008 and January 2009 respectively were made in the loan stocks of PXP Holdings and Monsal Holdings.

In March 2009 SectorGuard plc acquired Legion Group and subsequently changed its name to Legion Group plc.

In March 2009 DiGiCo Europe also repaid £142,804 of the 'O' Share Fund's loan stock investment. At the beginning of July 2009, the 'O' Share Fund then sold its investment in Tottel Publishing to Bloomsbury Group earning a fourfold gain on its original investment by returning a total of £2.05 million in terms of income and proceeds to the Fund throughout the life of the investment. The 'O' Share Fund's original investment cost of £514,800 had been reduced to £325,182 in March of this year when Tottel Publishing repaid 50% of the Company's loan stock investment.

Chairman's Statement

Following the year-end, in November 2009, the 'O' Share Fund invested a further £90,909 into British International Holdings and sold its investment in PastaKing Holdings for initial proceeds of £779k. This realisation contributed to total returns of £949k to the Fund throughout the life of the investment, representing a 3.25 fold return on the Company's original investment of £292,405. In December 2009, 'O' Share Fund utilised the investment vehicle Calisamo Management Limited to invest £696,551 to support the MBO of CB Imports plc (trading as Country Baskets), a leading importer and distributor of artificial flowers and floral sundries.

The former Foresight portfolio continues to underperform with Oxonica, mentioned above, producing an unrealised loss for the year of £1.11 million. By contrast, Camwood provided an unrealised gain of £460,789.

'S' Shares

During the year the 'S' Share Fund produced a satisfactory performance given the economic environment.

In October 2008 the 'S' Share Fund invested £404,158 into ATG Media Holdings referred to above. In June 2009, the 'S' Share Fund also invested £169,483 in the management buy-out of Westway Cooling, a company specialising in installing, servicing and maintaining high quality air-conditioning systems and associated building services plant in the refurbishment and maintenance market. Following the year-end in December 2009, the 'S' Share Fund invested £303,449 alongside the 'O' Share Fund to support the MBO of CB Imports plc.

Cash available for investment

During this economic turmoil, both the Board and the Investment Manager have continued to work to ensure that our cash deposits for both the 'O' and 'S' Share Funds remain as secure as possible. We have for some time been spreading our significant cash deposits with a number of the leading global cash funds rather than depositing direct to individual banks, thereby reducing our exposure to any one particular bank. However, the current low level of interest rates on cash deposits means it will continue to be difficult for the Company to pay dividends from income for both the 'O' and 'S' Share Funds. The Board and Investment Manager both strongly believe that at this time the security and protection of capital is more important than striving for a small increase in deposit rates at the cost of much higher risk.

Revenue account

The Revenue return for the Company as a whole has decreased sharply from £717,196 to £193,683 over the year.

Management fees and other running costs at the Company level have remained constant between the years. The principal cause for the decline in revenue is the fall in the Company's income of £523,365. This can be

attributed to three main reasons. First, the significant fall in interest rates has caused income from the liquidity funds to more than halve by £367,447; secondly, dividends from investee companies fell by £106,873 and finally, loan stock interest received declined by £45,659.

In 2008, the 'O' Share Fund benefited from a non-recurring estimated VAT recovery on past management fees of £83,278.

Dividends

'O' Shares

The Company's revenue return per 'O' Share was 0.52 pence (2008: 1.66 pence per share). Your Board will be recommending a final income dividend of 0.5 pence per 'O' Share and a final capital dividend of 1.5 pence per 'O' Share in respect of the year ended 30 September 2009 at the Annual General Meeting to be held on 3 March 2010. Including these dividends, cumulative dividends paid to date amount to 22.45 pence per 'O' Share.

'S' Shares

The Company's revenue return per 'S' Share was 0.09 pence (2008: 1.26 pence per share). Your Board will be recommending a final income dividend of 0.5 pence per 'S' Share in respect of the year ended 30 September 2009 at the Annual General Meeting to be held on 3 March 2010.

The dividends will be paid on 17 March 2010 to both 'O' and 'S' Shareholders on the Register on 19 February 2010.

Dividend investment scheme

The Company's Dividend Investment Scheme ("The Scheme") provides **Shareholders of both classes** with the opportunity to re-invest their dividends into new shares of the relevant class. It provides a convenient, easy and cost effective way for Shareholders to build their shareholding in the Company as, instead of receiving cash dividends, they can elect to receive new shares in the Company.

Board members have indicated that they will be participating in the Scheme to the extent of their full entitlement. I would encourage all Shareholders to consider participating in the Scheme.

The Scheme currently provides that the issue price of new shares is at net asset value per share. We are proposing that the Scheme be altered so as to allow shares to be issued to Shareholders at the share price at the relevant time. We consider that this proposal provides a more equitable basis to Shareholders for ascertaining the issue price under the Scheme. A resolution will, therefore, be proposed at the Annual General Meeting of the Company to be held on 3 March 2010 to authorise the Directors to allot shares of both classes at their mid market share price even if this is less than the net asset value per share of that class. For further information on the proposed change please see pages 18-19 of the Summary Directors' Report.

Under the Scheme, Shareholders are allotted new ordinary shares in the relevant class. These shares will then, subject to Shareholders' individual circumstances, attract VCT tax reliefs applicable for the tax year in which the shares are allotted (currently at 30%).

Copies of the Scheme Rules are available on the Company's website, www.incomeandgrowthvct.co.uk, and personalised application forms for the Scheme are enclosed with Shareholder's copies of this Report. Further copies of the forms can be obtained from the Scheme Administrator, Capita Registrars by telephoning: 0871 664 0300 (Calls cost 10p per minute plus network extras. Lines are open 8.30 am – 5.30 pm Mon-Fri. If calling from overseas please ring +44 208 639 2157). Shareholders who hold their shares in uncertificated form in CREST at the relevant record date must complete a CREST Dividend Election Input Message in respect of each dividend to elect to receive the dividend in the form of new shares. Application forms may be submitted at any time and should be returned to Capita Registrars at the address given on the form. Application forms and elections via CREST should be sent so as to be received no later than 5.00 pm on the date that is at fifteen days before the payment date for a particular dividend to ensure that you qualify to receive the dividend as shares. Please note that in the case of the proposed final dividends payable on 17 March 2010 this deadline will be 5.00 pm on 2 March 2010.

Separate application forms **do** need to be completed in respect of each class of share but you do not need to resubmit an 'O' Share application form if you have already joined the Scheme in respect of the 'O' Shares.

Merger of 'O' and 'S' Share Classes

The Board is currently considering proposals which may result in resolutions being put forward to Shareholders in the near future regarding a merger of the 'O' and 'S' Share Funds.

Valuation policy

For several years now, quoted stocks have been valued at bid prices, rather than mid-market prices. It is worth commenting that the Fund does hold a number of relatively early stage AiM-quoted stocks with limited marketability. In such cases, the price at which a sizeable block of shares could be traded, if at all, may vary significantly from the market price used.

Share buy-backs

During the year ended 30 September 2009, the Company bought back 754,444 'O' Fund Shares (representing 2.13% of the 'O' Fund Shares in issue at the beginning of the period) at a total cost of £350,963 (net of expenses).

Outlook

In a recent special report on the world economy entitled 'The long climb', *The Economist* highlighted various views and projections for the global economy. A variety of

economic indicators have been contributing to renewed confidence but the latest US jobs data was perceived as a 'reality check' for economists worldwide. The report indicated that certain parts of the global economy have a long road ahead of them and governments around the globe will play a crucial role in securing recovery and, more importantly, maintaining it once recovery is assured by playing a greater role, particularly in the financial sector, through increased regulation to protect balance sheets and the tax-payer from further liability.

On a positive note, Olivier Blanchard, chief economist at the International Monetary Fund, was quoted two months ago in *The Sunday Times* saying "The recovery has started. In most countries growth will be positive for the rest of the year, as well as in 2010". However, the view remains among many observers that the strength of stock markets over the last few months may be highlighting a 'false dawn'. Commentators are discussing the possibility of the market being 'W' shaped or experiencing a 'double-bottom'. If such an event occurs, small, early stage growth businesses will be tested further. The recent news from Dubai may well be the catalyst for this eventuality.

The Company overall retains its significant cash position. This continues to place the Company in an excellent position to take advantage of what are expected to be increasingly attractive purchase opportunities which should become available as this recession continues or as the economy climbs out of recession. Therefore, while short term valuations may be subject to continuing pressures, your Board still expects to see attractive investment opportunities and a recovery in performance and portfolio values over the longer term.

The current level of interest rates in the United Kingdom means that it will be difficult for the Company to pay a dividend from revenue in the forthcoming year. Moreover, it is too early to say whether it will be possible for the Company to pay a dividend from capital reserves.

I&G website

May I remind you that the Company has its own website which is available at

www.incomeandgrowthvct.co.uk.

In conclusion, may I again thank Shareholders for their continued support.

Colin Hook

Chairman

15 December 2009

Ten Largest Investments

Image Source Group Limited

Cost: £305,000
Valuation: £2,259,232
Basis of valuation: Discounted earnings
Equity % held: 44.0% (reduced to 39.6% if options held by senior employees are exercised)
Business: Royalty-free photography creator
Location: London
History: Management buy-out
Income in year to I&G: £Nil



Audited financial information:

Year ended	Turnover	Operating profit	Net assets
31 December 2008	£9,347,000	£744,000	£2,442,000

Amaldis (2008) Limited

Cost: £80,313
Valuation: £1,586,734
Basis of valuation: Discounted earnings
Equity % held: 9.2%
Business: Manufacturer and distributor of beauty products
Location: Hayes, Middlesex
History: Management buy-out
Income in year to I&G: £Nil



Audited financial information:

Year ended	Turnover	Operating profit	Net assets
31 March 2009	£19,008,000	£2,373,000	£938,000

HWA Group Limited

Cost: £34,553
Valuation: £1,457,407
Basis of valuation: Discounted earnings
Equity % held: 21.1%
Business: High value property restoration and refurbishment
Location: London
History: Management buy-out from John Laing plc
Income in year to I&G: £Nil



Audited financial information:

Year ended	Turnover	Operating profit	Net assets
31 December 2008	£85,169,000	£4,357,000	£5,329,000

Operating profit is stated before charging amortisation of goodwill where appropriate for all investee companies.

DiGiCo Europe Limited

Cost: £514,096
Valuation: £1,131,870
Basis of valuation: Discounted earnings
Equity % held: 4.3%
Business: Manufacturer of digital sound mixing consoles
Location: Chessington, Surrey
History: Management buy-out
Income in year to I&G: £27,670



www.digico.org

Audited financial information:

Year ended	Turnover	Operating profit	Net assets
31 December 2008	£10,061,000	£1,673,000*	£3,707,000*

*An exceptional expenditure item of £220k, which relates to a payment made for the purpose of funding an employees' benefit trust, has been added back to the audited operating profit and net assets figures.

Camwood Limited

Cost: £1,028,181
Valuation: £1,013,233
Basis of valuation: Discounted earnings
Equity % held: 34.7%
Business: Provider of software packaging services
Location: London
History: Development capital
Income in year to I&G: £46,475



www.camwood.com

Audited financial information:

Year ended	Turnover	Operating profit	Net assets
31 March 2009	£4,756,000	£22,000	£281,000

Apricot Trading Limited

Cost: £1,000,000
Valuation: £1,000,000
Basis of valuation: Cost
Equity % held: 24.5%
Business: Company seeking to acquire businesses in the marketing services and media sectors
Location: Thame, Oxfordshire
History: Newly formed company
Income in year to I&G: £8,644

Audited financial information:

Period ended	Turnover	Operating loss	Net assets
31 October 2008*	£0	£14,000	£791,000

*The financial information is taken from the unaudited abbreviated accounts for the period from incorporation on 18 October 2007.

Ten Largest Investments

ATG Media Holdings Limited



	'O' Share Fund	'S' Share Fund	www.antiquestradegazette.com
Cost:	£595,842	£404,158	
Valuation:	£595,842	£404,158	
Basis of valuation:	Cost		
Equity % held:	5.3%	3.6%	
Business:	Publisher and on-line auction platform operator		
Location:	London		
History:	Management buy-out		
Income in year to I&G:	£32,077		
Audited financial information:	First audited accounts will be for the period ended 30 September 2009		

Aust Construction Investors Limited

Cost:	£1,000,000
Valuation:	£1,000,000
Basis of valuation:	Cost
Equity % held:	16.3%
Business:	Company seeking to acquire businesses in the construction and related services sectors
Location:	Bristol, Avon
History:	Newly formed company
Income in year to I&G:	£8,644
Audited financial information:	

Period ended	Turnover	Operating loss	Net assets
31 July 2008*	£0	£16,000	£790,000

*The financial information is taken from the unaudited abbreviated accounts for the period from incorporation on 4 July 2007.

Calisamo Management Limited (renamed CB Imports Group Limited on 10 December 2009)

Cost:	£1,000,000
Valuation:	£1,000,000
Basis of valuation:	Cost
Equity % held:	16.3%
Business:	Acquisition vehicle used to support the MBO of CB Imports plc (Country Baskets) after the year-end
Location:	Burton upon Trent, Staffordshire
History:	Newly formed company
Income in year to I&G:	£8,644
Audited financial information:	

Period ended	Turnover	Operating loss	Net assets
31 October 2008*	£0	£24,000	£1,186,000

*The financial information is taken from the unaudited abbreviated accounts of Calisamo Management Limited for the period from incorporation on 18 October 2007.

IDOX plc

Cost:	£872,625
Valuation:	£796,250
Basis of valuation:	Bid price (AiM-quoted)
Equity % held:	2.4%
Business:	Development and supply of information and knowledge management products and services
Location:	London
History:	AiM flotation
Income in year to I&G:	£15,925
Audited financial information:	



www.idoxplc.com

Year ended	Turnover	Operating profit	Net assets	Earnings per share
31 October 2008	£34,034,000	£8,127,000	£25,446,000	1.38p

Operating profit is stated before charging amortisation of goodwill where appropriate for all investee companies.

Investment Portfolio Summary – 'O' Share Fund

as at 30 September 2009

	Cost at 30-Sep-09	Valuation at 30-Sep-08 £	Additional investments £	Valuation at 30-Sep-09 £	% of equity held ² £	% of portfolio by value
Image Source Group Limited Royalty free photography creator	305,000	2,241,678	–	2,259,232	39.6%	11.72%
Amaldis (2008) Limited (Original Additions) Manufacturer and distributor of beauty products	80,313	1,248,967	–	1,586,734	9.2%	8.22%
HWA Group Limited (Holloway White Allom) High value property restoration and refurbishment	34,553	2,359,597	–	1,457,407	21.1%	7.55%
DiGiCo Europe Limited Designer and manufacturer of audio mixing desks	514,096	763,337	–	1,131,870	4.3%	5.87%
Camwood Limited³ Provider of software repackaging services	1,028,181	552,444	–	1,013,233	34.7%	5.25%
Apricot Trading Limited Company seeking to acquire businesses in the marketing services and media sector	1,000,000	1,000,000	–	1,000,000	24.5%	5.18%
Aust Construction Investors Limited Company seeking to acquire businesses in the construction sector	1,000,000	1,000,000	–	1,000,000	16.3%	5.18%
Calisamo Management Limited Acquisition vehicle used to support the MBO of CB Imports plc after the year-end	1,000,000	1,000,000	–	1,000,000	16.3%	5.18%
I-Dox plc⁵ Provider of document storage systems	872,625	816,667	–	796,250	2.4%	4.13%
VSI Limited Provider of software for CAD and CAM vendors	245,595	675,439	–	794,146	9.2%	4.12%
PastaKing Holdings Limited Manufacturer and supplier of fresh pasta meals	292,405	856,250	–	778,913	4.5%	4.04%
Youngman Group Limited Manufacturer of ladders and access towers	1,000,052	1,615,929	–	700,992	8.5%	3.63%
ATG Media Holdings Limited Publisher and online auction platform operator	595,842	–	595,842	595,842	5.3%	3.09%
Tikit Group plc⁵ Provider of consultancy, services and software solutions for law firms	500,000	899,999	–	595,651	3.0%	3.09%
Aquasium Technology Limited⁹ Manufacturing and marketing of bespoke electron beam welding and vacuum furnace equipment	700,000	311,306	–	564,739	16.7%	2.93%
Focus Pharma Holdings Limited Licensor and distributor of generic pharmaceuticals	516,900	516,900	–	525,858	2.1%	2.73%
MC 440 Limited (Westway Cooling) Installation, service and maintenance of air conditioning systems	389,703	–	389,703	389,703	3.3%	2.03%
Vectair Holdings Limited Designer and distributor of washroom products	215,914	341,830	–	375,136	4.6%	1.94%
British International Holdings Limited Helicopter service operator	500,000	375,112	–	359,765	5.0%	1.86%
Monsal Holdings Limited Supplier of engineering services to the water and waste sectors	471,605	318,335	47,158	353,704	5.7%	1.83%
Brookerpaks Limited Importer and distributor of garlic and vacuum- packed vegetables to supermarkets and the wholesale trade	55,000	417,540	–	324,447	17.1%	1.68%
ANT plc³ Provider of embedded browser/email software for consumer electronics and internet appliances	462,816	196,979	–	275,770	2.7%	1.43%
DCG Group Limited³ Design, supply and integration of data storage solutions	312,074	321,013	–	262,861	11.3%	1.36%
Biomer Technology Limited⁴ Developer of biomaterials for medical devices	137,170	137,170	–	226,585	4.4%	1.17%

Investment Portfolio Summary – 'O' Share Fund

as at 30 September 2009

	Cost at 30-Sep-09	Valuation at 30-Sep-08 £	Additional investments £	Valuation at 30-Sep-09 £	% of equity held ² £	% of portfolio by value
NexxtDrive Limited⁴ Developer and exploiter of mechanical transmission technologies	812,014	203,004	–	203,004	8.4%	1.05%
Sarantel plc³ Developer and manufacturer of antennae for mobile phones and other wireless devices	1,881,251	68,078	–	153,175	3.6%	0.79%
Blaze Signs Holdings Limited Manufacturer and installer of signs	1,338,500	1,392,644	–	132,589	12.5%	0.69%
B G Consulting Group Limited/Duncary 4 Limited Technical training business	1,153,976	256,530	–	115,027	33.2%	0.60%
Racoon International Holdings Limited Supplier of hair extensions, hair care products and training	550,852	13,692	–	79,496	7.7%	0.41%
The Plastic Surgeon Holdings Limited Supplier of snagging and finishing services to the property sector	307,071	153,536	–	76,768	4.6%	0.40%
Legion Group plc (formerly SectorGuard plc) Provider of manned guarding, mobile patrols and alarm response services	150,000	64,286	–	53,571	0.7%	0.28%
Campden Media Limited Magazine publisher and conference organiser	334,880	65,842	–	44,438	3.6%	0.23%
Corero plc (formerly Mondas plc)³ Provider of e-business technologies	600,000	73,672	–	34,381	6.5%	0.18%
Alaric Systems Limited³ Software developer and provider of support services for retail credit card payment systems	595,803	30,647	–	30,647	8.1%	0.16%
Aigis Blast Protection Limited³ Specialist blast containment materials company	272,120	68,030	–	0	3.7%	0.0%
Inca Interiors Limited (in administration) Design, supply and installation of quality kitchens to house developers	350,000	0	–	0	0.0%	0.00%
Letraset Limited Manufacturer and worldwide distributor of graphic art products	650,000	0	–	0	5.0%	0.00%
Oxonica plc³ Leading international nanomaterials group	2,524,527	1,113,991	–	0	10.6%	0.0%
PXP Holdings Limited (Pinewood Structures) Designer, manufacturer and supplier of timber frames for buildings	920,176	324,860	129,264	0	6.8%	0.00%
Bloomsbury Professional Limited (formerly Tottel Publishing Limited) – company sold in July 2009 Publisher of specialist legal and taxation titles	0	1,294,585	–	0	0.0%	0.00%
Other investments in the portfolio¹	380,436	0	–	0	–	0.00%
'O' Share Fund Total	25,051,450	23,089,889	1,161,967	19,291,934	–	100.00%

¹ 'Other investments in the portfolio' comprises Stortext-FM Limited/Stortext (DO) Limited.

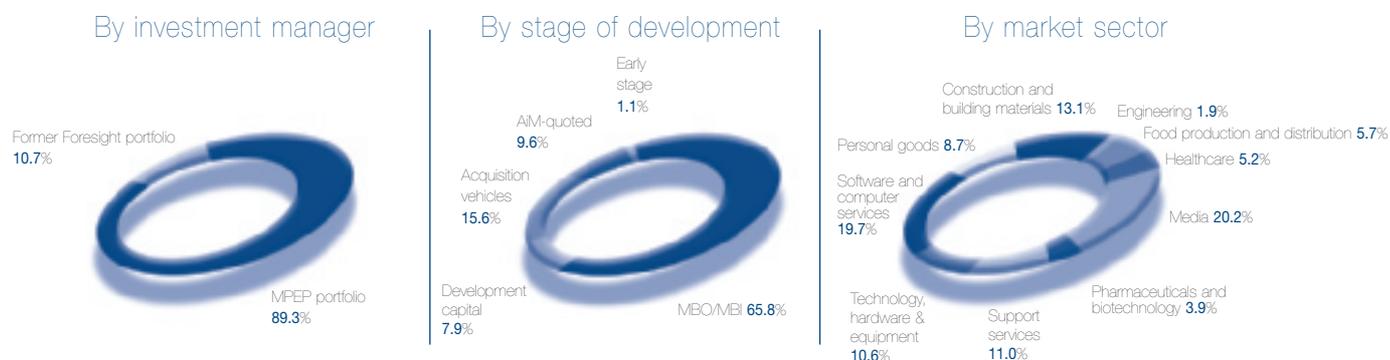
² The percentage of equity held for these companies may be subject to further dilution of an additional 1% or more if, for example, management of the investee company exercises share options.

³ Investment formerly managed by Foresight Group up to 10 March 2009.

⁴ Investment formerly managed by Nova Capital Management Limited until 31 August 2007 and by Foresight Group until 10 March 2009.

⁵ Investment formerly managed by Nova Capital Management Limited until 31 August 2007.

'O' Share Fund Investments at valuation at 30 September 2009



Investment Portfolio Summary – 'S' Share Fund

as at 30 September 2009

	Cost at 30-Sep-09	Valuation at 30-Sep-08 £	Additional investments £	Valuation at 30-Sep-09 £	% of equity held ¹ £	% of portfolio by value
ATG Media Holdings Limited Publisher and online auction platform operator	404,158	–	404,158	404,158	3.6%	67.54%
MC 440 Limited (Westway Cooling) Installation, service and maintenance of air conditioning systems	169,483	–	169,483	169,483	1.4%	28.32%
The Plastic Surgeon Holdings Limited Supplier of snagging and finishing services to the property sector	99,011	49,506	–	24,753	1.5%	4.14%
'S' Share Fund Total	672,652	49,506	573,641	598,394		100.00%
Company total	25,724,102	23,139,395	1,735,608	19,890,328		

¹ The percentage of equity held for these companies may be subject to further dilution of an additional 1% or more if, for example, management of the investee company exercises share options.

Board of Directors

Colin Hook

Status: Non-Executive Chairman

Age: 67

Date of appointment: 13 October 2000

Experience: Colin has wide industrial and commercial experience. He has directed fund management operations for more than ten years and his City involvement includes flotations, mergers and acquisitions and general corporate finance. From 1994 to 1997 he was Chief Executive of Ivory and Sime plc. He is currently the non-executive Chairman of Matrix Income and Growth 4 VCT plc and Chairman of Pole Star Space Applications Limited, a leading provider of real-time tracking information for maritime applications via a global web-based satellite enabled solution.

Last re-elected to the Board: February 2009

Committee memberships: Nominations and Remuneration Committee (Chairman), Audit Committee, Investment Committee

Number of Board and Committee meetings attended 2008/09: 12/12

Remuneration 2008/09: £41,000

Relevant relationships with the Investment Managers or other service providers: Matrix Income & Growth 4 VCT plc is also managed by MPEP.

Shared directorships with other I&G VCT Directors: Matrix Income & Growth 4 VCT plc (Chairman)

Shareholding in the Company: 11,889 'O' Shares; 21,100 'S' Shares

Christopher Moore

Status: Non-Executive Director

Age: 65

Date of appointment: 13 October 2000

Experience: After qualifying with Price Waterhouse, Christopher worked for Robert Fleming Inc., Lazard, Jardine Fleming and then Robert Fleming, latterly as a main board director for 9 years (1986-95). During this period he was involved in various unquoted and venture capital investments and remained chairman of Fleming Ventures Limited, an international technology venture capital fund, until 2003. He was also Chairman of Calderburn Plc from 1996 to 1999, and led a successful turnaround and sale of the group's businesses. His advisory roles included acting as senior adviser to the chairman of Lloyds, the insurance group, for 4½ years. Christopher was appointed Chairman of Oxonica plc in February 2005, in which the I&G 'O' Share Fund holds an investment, standing down from the board in September 2007. He is a non-executive director of Matrix Income & Growth VCT plc, Matrix Income & Growth 3 VCT plc and Matrix Income & Growth 4 VCT plc.

Last re-elected to the Board: January 2008

Committee memberships: Audit Committee (Chairman), Investment Committee, Nominations and Remuneration Committee

Number of Board and Committee meetings attended 2008/09: 10/12

Remuneration 2008/09: £31,000

Relevant relationships with the Investment Managers or other service providers: Matrix Income & Growth VCT plc, Matrix Income & Growth 3 VCT plc and Matrix Income & Growth 4 VCT plc are also managed by MPEP.

Relevant relationships with investee companies: Chairman of Oxonica plc until 28 September 2007. Shareholding in the company: 0.21%

Shared directorships with other I&G VCT Directors: Matrix Income & Growth 4 VCT plc

Shareholding in the Company: 23,778 'O' Shares; 26,375 'S' Shares

Helen Sinclair

Status: Non-Executive Director

Age: 43

Date of appointment: 29 January 2003

Experience: Helen has extensive experience of investing in a wide range of small and medium sized businesses. She graduated in economics from Cambridge University and began her career in banking. After an MBA at INSEAD business school, Helen worked from 1991 to 1998 at 3i plc based in their London office. She was a founding director of Matrix Private Equity Limited when it was established in early 2000 and has since raised two funds, Matrix Income & Growth 2 VCT plc and Matrix Enterprise Fund. She was a non-executive director of Hotbed Fund Managers Limited 2006-08. She is Chairman of British Smaller Companies VCT plc, a non-executive director of Matrix Income & Growth 4 VCT plc and provides consultancy services in the venture capital sector.

Last re-elected to the Board: January 2007 (standing for re-election in 2010)

Committee memberships: Investment Committee (Chairman), Audit Committee, Nominations and Remuneration Committee

Number of Board and Committee meetings attended 2008/09: 12/12

Remuneration 2008/09: £31,000

Relevant relationships with the Investment Managers or other service providers: Matrix Income & Growth 4 VCT plc is also managed by MPEP

Shared directorships with other I&G VCT Directors: Matrix Income & Growth 4 VCT plc

Shareholding in the Company: 10,550 'S' Shares

Summary Directors' Report

Business and principal activities

The principal activity of the Company during the year under review was investment in unquoted or AiM-quoted companies in the United Kingdom. Details of the principal investments made by the Company are given in the information on the Company's Ten Largest Investments and Investment Portfolio Summary on pages 7-12 of this Summary Annual Report. A review of the Company's business during the year and future prospects is contained in the Chairman's Statement on pages 4-6

The ordinary shares of 1p each in the capital of the Company ("O' Shares") were first admitted to the Official List of the UK Listing Authority ("UKLA") and to trading on 15 November 2000 and the S ordinary Shares of 1p each in the capital of the Company ("S' Shares") were first admitted to the Official List of the UKLA and to trading on 8 February 2008.

The Company has satisfied the requirements for full approval as a Venture Capital Trust under section 274 of the Income Tax Act 2007 ("the ITA"). It is the Directors' intention to continue to manage the Company's affairs in such a manner as to comply with section 274 of the ITA.

The Company revoked its status as an investment company on 30 November 2005 as defined by section 266 of the Companies Act 1985 ("the 1985 Act") subsequently superceded by section 833 of the Companies Act 2006 ("the 2006 Act").

Share premium account

The cancellation of the share premium account attributable to the 'S' Shares was confirmed by a Court Order on 16 September 2009 for the purposes of providing a special reserve which is distributable and is capable of being used for the purposes, inter alia, of funding the purchase of its own shares in the future. The share premium account attributable to the 'O' Shares had been cancelled previously by a Court Order dated 1 May 2002.

Issue and buy-back of shares

During the year under review, the Company issued a total of 127,403 (2008: 75,807) 'O' Shares in accordance with the Dividend Investment Scheme approved by Shareholders on 31 January 2006 and amended 1 February 2008.

The Board believes that it is in the best interests of the Company and its Shareholders for the Company to make market purchases of its shares to seek both to enhance net asset value and discourage excessive discounts to market prices quoted. An Authority for the Company to purchase its own shares pursuant to section 166 of the 1985 Act (subsequently superceded by section 701 of the 2006 Act) was in place throughout the year under review. A resolution to renew this authority will be proposed at the Annual General Meeting to be held on 3 March 2010. During the year the Company bought back

754,444 (2008: 1,213,848) 'O' Shares (representing 2.13% (2008: 3.4%) of the 'O' Shares in issue at the beginning of the year) at a cost of £353,751 (2008: £1,063,732). These shares were subsequently cancelled by the Company.

Share capital

The capital of the Company comprises 'O' Shares and 'S' Shares and the rights and obligations attached to each class of shares are identical.

The issued 'O' Share capital of the Company as at 30 September 2009 was £348,244 (2008: £354,515) and the number of 'O' Shares in issue as at this date was 34,824,397 (2008: 35,451,438), representing 75% of the total issued share capital of the Company.

The issued 'S' Share capital of the Company as at 30 September 2009 was £118,065 (2008: £118,065) and the number of 'S' Shares in issue as at this date was 11,806,467 (2008: 11,806,467), representing 25% of the total issued share capital of the Company.

Results and dividend

The basic revenue return after taxation attributable to 'O' Fund Shareholders and 'S' Fund Shareholders for the period was £182,551 (2008: £599,837) and £11,132 (2008: £117,359) respectively.

The Directors are proposing to pay final dividends to 'O' Fund Shareholders from income of 0.5 pence and from capital of 1.5 pence totalling 2.0 pence per 'O' Share and to pay a final income dividend to 'S' Fund Shareholders of 0.5 pence per 'S' Share in respect of the year ended 30 September 2009. The dividends will be proposed at the Annual General Meeting of the Company to be held on 3 March 2010 and paid on 17 March 2010 to Shareholders on the Register on 19 February 2010.

During the year, the 'O' Share Fund distributed final dividends in respect of the year ended 30 September 2008 of 1 penny per share from income and of 3 pence per share from capital on 16 February 2009.

Directors and their interests

The names of the Directors appear below. All three Directors have served throughout the year.

The Directors' interests in the issued 'O' and 'S' Shares of the Company as at 30 September 2009 were:

Director	'O' Shares held on 30 September		'S' Shares held on 30 September	
	2009	2008	2009	2008
Colin Hook	11,889	11,294	21,100	21,100
Christopher Moore	23,778	22,589	26,375	26,375
Helen Sinclair	–	–	10,550	10,550

During the year, Colin Hook was allotted 595 'O' Shares and Christopher Moore was allotted 1,189 'O' Shares in respect of their membership of the Company's Dividend Investment Scheme. There have been no changes to the

Summary Directors' Report

Directors' share interests between the year-end and the date of this Summary Annual Report.

In accordance with the Company's Articles of Association and the 2008 FRC Combined Code on Corporate Governance ("the Combined Code"), Helen Sinclair will retire by rotation at the forthcoming Annual General Meeting of the Company, and being eligible offers herself for re-election. The Board confirms that, following a review of her performance, Helen Sinclair continues to make a substantial contribution to the Board and in particular as Chairman of the Investment Committee and the remaining directors have no hesitation in recommending her re-election to Shareholders.

The biographies of all Directors appear on page 13 of this Summary Annual Report.

Annual general meeting

The Notice of the Annual General Meeting, which will be held on 3 March 2010 is set out on pages 30-32 of this Summary Annual Report. In addition to the ordinary business, the following special business will be proposed:

Authorities for the Directors to allot shares (Resolution 8) and disapply pre-emption rights of members (Resolution 9) under sections 551 and 570(1) of the 2006 Act.

These two resolutions grant the Directors the authority to allot 'O' Shares and 'S' Shares for cash to a limited and defined extent otherwise than pro rata to existing Shareholders in accordance with section 561(1) of the 2006 Act.

Resolution 8 will enable the Directors to allot new shares up to an aggregate nominal amount not exceeding £155,436 representing approximately one-third of the existing issued share capital of the Company. This resolution is proposed as an ordinary resolution, requiring approval of over 50% of the votes cast and unless previously renewed or revoked, will expire on the fifth anniversary of the date of the passing of this resolution.

Under section 561(1) of the 2006 Act, if the Directors wish to allot new shares for cash they must first offer such shares to existing shareholders in proportion to their current holdings. It is proposed by Resolution 9 to sanction the disapplication of section 561(1) of the 2006 Act in respect of allotments for cash of (i) 'O' Shares and 'S' Shares with a nominal value of up to 10% of the issued 'O' Share capital and/or the issued 'S' Share capital pursuant to any dividend investment scheme operated by the Company, (ii) 'O' Shares and 'S' Shares with a nominal value of up to 10% of the issued 'O' Share capital and/or the issued 'S' Share capital where the proceeds may in whole or part be used to purchase the Company's 'O' Shares or, as the case may be, 'S' Shares and (iii) 'O' Shares and 'S' Shares from time to time of an aggregate nominal value of up to 5% of the

issued 'O' Share capital and 5% of the issued 'S' Share capital.

This resolution is proposed as a special resolution, requiring the approval of 75% of the votes cast and unless previously renewed or revoked, will expire on the conclusion of the Annual General Meeting of the Company to be held in 2011.

The Directors may allot securities after the expiry dates given above in pursuance of offers or agreements made prior to the expiration of these authorities. Both resolutions generally renew previous authorities approved on 6 February 2009.

The Directors intend to allot shares under the Dividend Investment Scheme in respect of the proposed dividend(s) to be paid to 'O' Fund and 'S' Fund Shareholders on 17 March 2010. The Directors have no further immediate intention of exercising the above powers.

Authority to make market purchases of the Company's own shares (Resolution 10)

This resolution authorises the Company to purchase its own shares pursuant to section 701 of the 2006 Act. The authority is limited to an aggregate of 5,220,175 'O' Shares and 1,769,790 'S' Shares representing approximately 14.99% of the issued 'O' Share capital and issued 'S' Share capital of the Company as at the date of the Notice convening the Annual General Meeting. The resolution specifies the minimum and the maximum price which may be paid for an 'O' Share or, as the case may be, an 'S' Share.

Venture Capital Trusts experience restricted market liquidity in their shares. The Board believes that it is in the best interests of the Company and Shareholders for the Company to be in a position to make occasional market purchases of its shares. This resolution will enable the Directors to carry out this policy.

Shareholders should note that the Directors will not exercise this authority unless to do so would result in an increase in net assets per share and would be in the interests of Shareholders generally. The Directors currently intend to cancel all shares purchased under this authority. This resolution is proposed as a special resolution, requiring the approval of 75% of the votes cast and will expire on the conclusion of the Company's Annual General Meeting to be held in 2011.

Adoption of new articles of association – Explanatory notes of principal changes (Resolution 11)

Under Resolution 11 it is proposed that new articles of association of the Company ("New Articles") will be adopted in substitution of the current articles of association of the Company ("Current Articles") to reflect

the changes in company law brought in by the 2006 Act. The key changes reflected in the New Articles are set out below.

Articles which duplicate statutory provisions

Provisions in the Current Articles, which replicate provisions contained in the 2006 Act, are in the main amended to bring them into line with the 2006 Act.

Form of resolution

The Current Articles contain a provision that, where for any purpose an ordinary resolution is required, a special or extraordinary resolution is also effective and that, where an extraordinary resolution is required, a special resolution is also effective. This provision is being amended, as the concept of extraordinary resolutions has not been retained under the 2006 Act.

The Current Articles enable members to act by written resolution. Under the 2006 Act public companies can no longer pass written resolutions. These provisions are therefore being removed in the New Articles.

Variation of class rights

The Current Articles contain provisions regarding the variation of class rights. The proceedings and specific quorum requirements for a meeting convened to vary class rights are contained in the 2006 Act. The relevant provisions are therefore being amended in the New Articles.

Convening extraordinary and annual general meetings

The provisions in the Current Articles dealing with the convening of general meetings and the length of notice required to convene general meetings are being amended to conform to new provisions in the 2006 Act. In particular an extraordinary general meeting to consider a special resolution can be convened on 14 days' notice whereas previously 21 days' notice was required.

Votes of members

Under the 2006 Act proxies are entitled to vote on a show of hands whereas under the Current Articles proxies are only entitled to vote on a poll. The time limits for the appointment or termination of a proxy appointment have been altered by the 2006 Act so that the articles cannot provide that they should be received more than 48 hours before the meeting or in the case of a poll taken more than 48 hours after the meeting, more than 24 hours before the time for the taking of a poll, with weekends and bank holidays being permitted to be excluded for this purpose. Multiple proxies may be appointed provided that each proxy is appointed to exercise the rights attached to a different share held by the shareholder. Multiple corporate representatives may be appointed (but if they purport to exercise their rights in different ways, then the power is treated as not being exercised). The New

Articles will reflect all of these new provisions.

Age of directors on appointment

The Current Articles contain a provision requiring a director's age to be disclosed if he has attained the age of 70 years or more in the notice convening a meeting at which the director is proposed to be elected or re-elected. Such provision could now contravene the Employment Equality (Age) Regulations 2006 and so is being removed from the New Articles.

Notice of board meetings

Under the Current Articles, when a director is abroad he can request that notice of directors' meetings are sent to him at a specified address and if he does not do so he is not entitled to receive notice while he is away. This provision is being removed, as modern communications mean that there may be no particular obstacle to giving notice to a director who is abroad. It is being replaced with a more general provision that a director is treated as having waived his entitlement to notice, unless he supplies the Company with the information necessary to ensure that he receives notice of a meeting before it takes place.

Records to be kept

The provision in the Current Articles requiring the Board to keep accounting records is being removed as this requirement is now contained in the 2006 Act.

Distribution of assets otherwise than in cash

The Current Articles contain provisions dealing with the distribution of assets in kind in the event of the Company going into liquidation. These provisions are being removed in the New Articles on the grounds that a provision about the powers of liquidators is a matter for insolvency law rather than the articles and that the Insolvency Act 1986 confers powers on the liquidator which would enable it to do what is envisaged by the Current Articles.

Electronic and web communications

Provisions of the 2006 Act came into force in January 2007 to enable companies to communicate with members by electronic and/or website communications. The New Articles will continue to allow communications to members in electronic form and, in addition, they will also permit the Company to take advantage of the new provisions relating to website communications. Before the Company can communicate with a member by means of website communication, the relevant member must be asked individually by the Company to agree that the Company may send or supply documents or information to him by means of a website, and the Company must either have received a positive response or have received no response within the period of 28 days beginning with the date on which the request was sent. The Company will notify the member (either in writing, or by other

Summary Directors' Report

permitted means) when a relevant document or information is placed on the website and a member can always request a hard copy version of the document or information.

Directors' indemnities and loans to fund expenditure

The 2006 Act has in some areas widened the scope of the powers of a company to indemnify directors and to fund expenditure incurred in connection with certain actions against directors. In particular, a company that is a trustee of an occupational pension scheme can now indemnify a director against liability incurred in connection with the company's activities as trustee of the scheme. In addition, the existing exemption allowing a company to provide money for the purpose of funding a director's defence in court proceedings now expressly covers regulatory proceedings and applies to associated companies. The New Articles will also provide that a director can vote and form part of the quorum when the board is considering whether to indemnify him or fund his expenditure pursuant to the powers in the New Articles.

The Company's objects

The provisions regulating the operations of the Company are currently set out in the Company's memorandum and articles of association. The Company's memorandum contains, among other things, the objects clause which sets out the scope of the activities the Company is authorised to undertake. This is drafted to give a wide scope.

The 2006 Act significantly reduces the constitutional significance of a company's memorandum. The 2006 Act provides that a memorandum will record only the names of subscribers and the number of shares each subscriber has agreed to take in the company. Under the 2006 Act the objects clause and all other provisions which are contained in a company's memorandum, for existing companies at 1 October 2009, are deemed to be contained in the company's articles of association but the company can remove these provisions by special resolution.

Further, the 2006 Act states that unless a company's articles provide otherwise, a company's objects are unrestricted. This abolishes the need for companies to have objects clauses. For this reason the Company is proposing to remove its objects clause together with all other provisions of its memorandum which, by virtue of the 2006 Act, are treated as forming part of the Company's articles of association as of 1 October 2009. Resolution 11 will confirm the removal of these provisions for the Company. As the effect of this resolution will be to remove the statement currently in the Company's memorandum of association regarding limited liability, the New Articles will also contain an express statement regarding the limited liability of shareholders.

Change of name

Under the Companies Act 1985, a company could only change its name by special resolution. Under the 2006 Act a company will be able to change its name by other means provided for by its articles. To take advantage of this provision, the New Articles will enable the directors to pass a resolution to change the Company's name.

Authorised share capital and unissued shares

The 2006 Act abolishes the requirement for a company to have an authorised share capital and the New Articles will reflect this. Directors will still be limited as to the number of shares they can at any time allot because allotment authority continues to be required under the 2006 Act, save in respect of employee share schemes.

Redeemable shares

Under the Companies Act 1985, if a company wished to issue redeemable shares, it had to include in its articles the terms and manner of redemption. The 2006 Act enables directors to determine such matters instead provided they are so authorised by the articles. The New Articles will contain such an authorisation. The Company has no plans to issue redeemable shares but if it did so the directors would need shareholders' authority to issue new shares in the usual way.

Provision for employees on cessation of business

The 2006 Act provides that the powers of the directors of a company to make provision for a person employed or formerly employed by the company or any of its subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary, may only be exercised by the directors if they are so authorised by the company's articles or by the company in general meeting. The New Articles will provide that the directors may exercise this power.

Use of seals

Under the Companies Act 1985, a company required authority in its articles to have an official seal for use abroad. Under the 2006 Act, such authority will no longer be required. Accordingly, the relevant authorisation is being removed in the New Articles.

The New Articles will provide an alternative option for execution of documents (other than share certificates). Under the New Articles, when the seal is affixed to a document it may be signed by one authorised person in the presence of a witness, whereas previously the requirement was for signature by either a director and the secretary or two directors or such other person or persons as the directors may approve.

Suspension of registration of share transfers

The Current Articles permit the directors to suspend the registration of transfers. Under the 2006 Act share transfers must be registered as soon as practicable. The power in the Current Articles to suspend the registration of transfers is inconsistent with this requirement. Accordingly, this power is being removed in the New Articles.

Vacation of office by directors

The Current Articles specify the circumstances in which a director must vacate office. The New Articles are updating these provisions to reflect the approach taken on mental and physical incapacity in the model articles for public companies produced by the Department for Business, Innovation and Skills.

Voting by proxies on a show of hands

The Companies (Shareholders' Rights) Regulations 2009 ("the Shareholders' Rights Regulations") have amended the 2006 Act so that it now provides that each proxy appointed by a member has one vote on a show of hands unless the proxy is appointed by more than one member in which case the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution. The Current Articles are being amended to reflect these changes.

Voting by corporate representatives

The Shareholders' Rights Regulations have amended the 2006 Act in order to enable multiple representatives appointed by the same corporate member to vote in different ways on a show of hands and a poll. The New Articles will contain provisions that reflect these amendments.

Electronic conduct of meetings

Amendments made to the 2006 Act by the Shareholders' Rights Regulations specifically provide for the holding and conducting of electronic meetings. The Current Articles are being amended to reflect more closely the relevant provisions

Chairman's casting vote

The New Articles will remove the provision giving the chairman a casting vote in the event of an equality of votes as this is no longer permitted under the 2006 Act.

Notice of general meetings

The Shareholders' Rights Regulations amend the 2006 Act to require the company to give 21 clear days' notice of general meetings unless the company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than 14 days has been passed. Annual general meetings must be held on 21 clear days' notice. The New Articles will amend the provisions of the Current Articles to be consistent with the new requirements.

Adjournments for lack of quorum

Under the 2006 Act as amended by the Shareholders' Rights Regulations, general meetings adjourned for lack of quorum must be held at least 10 clear days after the original meeting. The Current Articles are being changed to reflect this requirement.

Voting record date

Under the 2006 Act, as amended by the Shareholders' Rights Regulations, the company must determine the

right of members to vote at a general meeting by reference to the register not more than 48 hours before the time for the holding of the meeting, not taking account of days which are not working days. The Current Articles are being amended to reflect this requirement.

General

Generally the opportunity is being taken to bring clearer language into the New Articles and in some areas to conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills.

Other changes, which are of a minor, technical or clarifying nature and also some more minor changes which merely reflect changes made by the 2006 Act or the Shareholders' Rights Regulations or conform the language of the New Articles with that used in the model articles for public companies produced by the Department for Business, Innovation and Skills have not been noted. The New Articles showing all the changes to the Current Articles are available for inspection at the Company's registered office, One Vine Street, London W1J 0AH.

Notice of general meetings (Resolution 12)

Changes made to the 2006 Act by the Shareholders' Rights Regulations have increased the notice period required for general meetings of the Company, other than annual general meetings, from 14 days to 21 days unless shareholders approve a shorter notice period, which cannot be less than 14 clear days. Under the Act annual general meetings will continue to be held on at least 21 clear days' notice. Resolution 12, which will be proposed as a special resolution, will enable general meetings other than annual general meetings to be called on not less than 14 clear days' notice.

The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

Authority to issue shares at below net asset value under the Company's Dividend Investment Scheme (Resolution 13)

Resolution 13 will permit the Directors to allot 'O' Shares and 'S' Shares pursuant to the Company's Dividend Investment Scheme ("the Scheme") at their mid market price, even if this is less than net asset value per share. This resolution is proposed as an ordinary resolution, requiring approval of over 50% of the votes cast.

The Rules of the Scheme are also being amended as set out below and the participants in the Scheme ("Participants") are hereby formally given notice of the proposed changes to the Scheme which will take effect on 9 March 2010 and will apply to all dividends paid by the

Summary Directors' Report

Company after that date. Participants, who hold their shares in certificated form, wishing to withdraw from the Scheme in respect of the proposed final dividend to be paid on 17 March 2010 should do so by giving notice in writing to the Scheme Administrator, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham Road, Kent BR3 4TU to arrive no later than 5.00 pm on 2 March 2010.

The changes to the Scheme Rules are:

- The number of shares to be allotted to a Participant pursuant to condition 3(a) of the Scheme shall be calculated by dividing the Participant's funds by the greater of (i) 70% of the last published net asset value per existing share of the relevant class and (ii) the average of the middle market price for shares of the relevant class taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the payment date. Shares will not be allotted at less than nominal value
- Shareholders who hold their shares in uncertificated form in CREST must complete a Dividend Election Input Message on each occasion a dividend is paid otherwise they will receive their dividend in cash. Written mandates will remain valid for future dividends until withdrawn.
- The Company shall not be obliged to allot shares under the Scheme, unless otherwise agreed by the Board, if the number of shares of the relevant class allotted under the Scheme in a financial year will exceed 10% of the issued shares of that class at the beginning of the financial year.
- Only registered shareholders are entitled to participate in the Scheme and shares will not be allotted to beneficial holders of shares.
- Partial elections may only be made by nominees and then only in relation to all the Shares of a class held for any particular Shareholder. Nominee Participants who make partial elections of holdings will be required to make a new election in respect of each dividend payment.

- The Company is permitted by the Scheme rules to donate to charity any cash balances of less than £1 for a participant who withdraws from the Scheme in respect of any Class of Shares. This sum will be increased to £5.

We are also taking the opportunity to make some minor changes to the Rules principally of an editorial nature.

A copy of the revised Scheme Rules will be available for inspection at the registered office of the Company, One Vine Street, London W1J 0AH and copies are included with Shareholders copies of this Summary Annual Report.

Separate class meetings of the 'O' Fund Shareholders and 'S' Fund Shareholders

The Annual General Meeting will be followed on 3 March 2010 by separate class meetings of the 'O' Fund Shareholders and 'S' Fund Shareholders and formal notices convening these meetings can be found on pages 33-36. Shareholders of each class will be asked to approve the same single resolution to be proposed as a special resolution (requiring the approval of 75% of the votes cast at the meeting), approving the passing of the Resolutions 8 to 11 and 13 to be approved at the Annual General Meeting and sanctioning any modification of the rights of 'O' Fund Shareholder and 'S' Fund Shareholders resulting therefrom

Post balance sheet events

On 14 November 2009, the 'O' Share Fund's entire holding in PastaKing Holdings Limited was sold realising net proceeds of £779k.

On 30 November 2009, the 'O' Share Fund invested £91k as a follow on Loan stock investment in British International Holdings Limited.

On 10 December 2009, the 'O' Share Fund's acquisition vehicle, Calisamo Management Limited, changed its name to CB Imports Group Limited and invested £697k to acquire Country Baskets, in which the 'S' Share Fund also invested £303k.

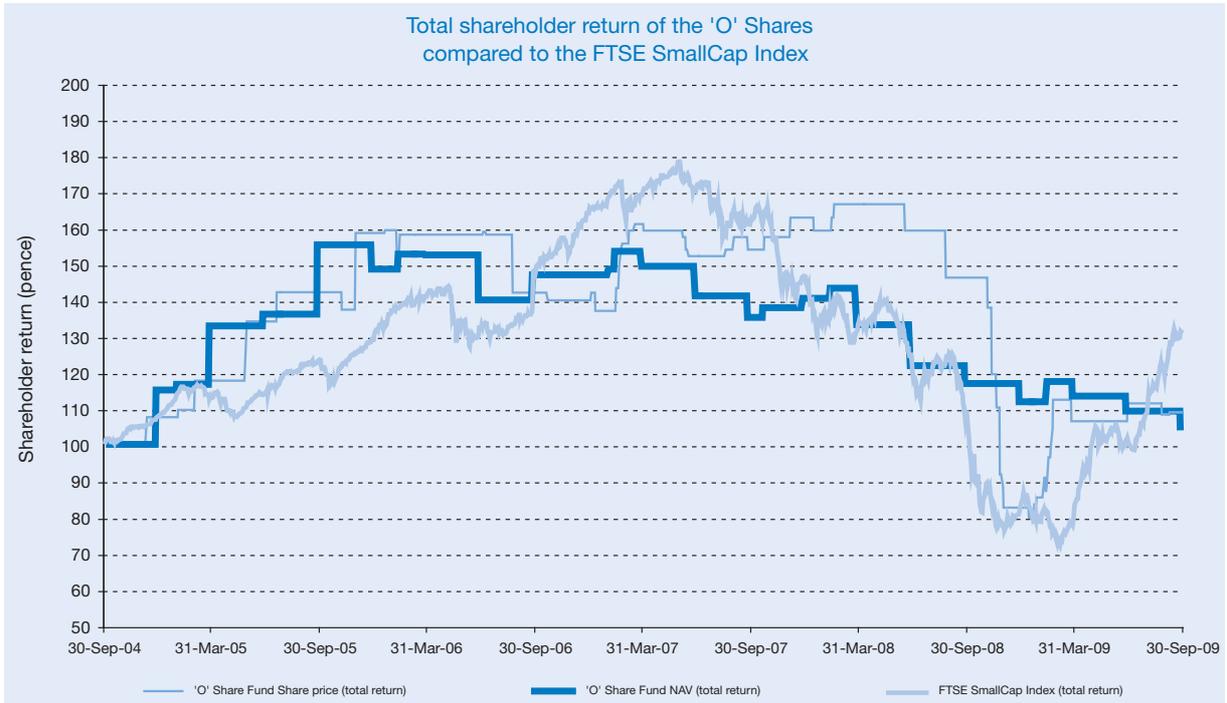
Summary Directors' Remuneration Report

Remuneration policy

The remuneration policy is set by the Board. The Directors' fees are reviewed annually by the Nominations and Remuneration Committee, comprising the full Board, which determines the amount of fees to be paid to the Directors. When considering the level of Directors' fees, the Committee takes account of remuneration levels elsewhere in the Venture Capital Trust industry and other relevant information. The Committee has access to independent advice where and when it considers it appropriate. However, it was not

considered necessary to take any such advice during the year under review. The Directors fees have remained at £35,000 (Chairman) and £25,000 (Director) per since 1 January 2006. A supplement is paid to members of the Investment Committee. This was increased from £5,000 to £6,000 per annum with effect from 1 October 2008.

Since all the Directors are non-executive, the Company is not required to comply with the provisions of the 2006 FRC Combined Code in respect of Directors' remuneration, except in so far as they relate specifically to non-executive directors.



Source: Matrix Corporate Capital LLP



Source: Matrix Corporate Capital LLP

Summary Directors' Remuneration Report

Details of individual emoluments and compensation (Audited)

The emoluments in respect of qualifying services of each person who served as a Director during the year were as set out in the table below. The Company does not have any schemes in place to pay to any of the Directors bonuses or benefits in addition to their Directors' fees.

	Total emoluments year to:	
	30 September 2009	30 September 2008
	£	£
Colin Hook	41,000	40,000
Christopher Moore	31,000	30,000
Helen Sinclair	31,000	30,000

Aggregate emoluments in respect of qualifying services amounted to £103,000 (2008: £100,000). No sums were paid to third parties in respect of any of the Director's services during the year under review.

Total shareholder return

The graphs below chart the total cumulative shareholder return of the 'O' Share Fund and the 'S' Share Fund (assuming all dividends have been re-invested and excluding the tax reliefs available to Shareholders) for the last five financial years (or in the case of the 'S' Shares, 8 February 2008, the date on which the Company's shares were first admitted to trading) compared to the FTSE SmallCap Index. The FTSE SmallCap is an industry recognised index of listed companies. Some consider it to be an appropriate index against which to measure the Company's performance. The total shareholder return has been re-based to 100 pence as at the beginning of the period shown. The Net Asset Value (NAV) total return has been shown separately on the graphs because the Directors believe it is a more accurate reflection of the Company's performance.

An explanation of the performance of the Company is given in the Chairman's Statement on pages 4-6 and in the information on the Company's Ten Largest Investments and the Investment Portfolio Summary on pages 7-12.

Summary Corporate Governance Statement

The Directors have adopted the Association of Investment Companies (AIC) Code of Corporate Governance 2009 ("the AIC Code") for the financial year ended 30 September 2009. The AIC Code was endorsed by the Financial Reporting Council (FRC) on 3 February 2006, and 20 February 2009 in respect of the 2009 edition. The FRC has confirmed that in complying with the AIC Code, the Company will meet its obligations in relation to the FRC Combined Code on Corporate Governance 2008 ("the Combined Code") and paragraph 9.8.6 of the Listing Rules. The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Code (which incorporates the Combined Code), will provide better information to shareholders. The AIC Code is available online at: www.theaic.co.uk/Documents/Technical/AICCorporateGovernanceGuideMarch2009.pdf

Compliance with the Combined Code

There are certain areas of the Combined Code that the AIC believes are not relevant to investment companies, and with which the Company does not specifically comply, and for which the AIC Code provides dispensation. These areas are as follows:

- The role of the chief executive
- Executive directors' remuneration
- The need for an internal audit function.

As an externally managed investment company, the Company does not employ a chief executive or any executive directors. The systems and procedures of the Investment Manager and the Administrator, the provision of VCT monitoring services by PricewaterhouseCoopers LLP, as well as the size of the Company's operations, gives the Board full confidence that an internal audit function is not necessary. The Company is therefore not reporting further in respect of these areas.

The Board has further considered the principles detailed in the Combined Code and believes that, insofar as they are relevant to the Company's business, the Company has complied with the provisions of the Combined Code throughout the financial year ended 30 September 2009 with the following exceptions:

The Board has not appointed a Senior Independent Director, as it does not believe that such an appointment is necessary when the Board is comprised solely of non-executive directors. This role is fulfilled, as appropriate, by the Chairman of the Audit Committee whom Shareholders may contact if they have concerns which contact through the Chairman or Investment Manager has failed to resolve or for which such contact is inappropriate.

As is common practice among Venture Capital Trusts, the Directors are not appointed for specific terms. A Director's

appointment may be terminated on three months' notice being given by the Company.

The effectiveness of the Board and the Chairman is reviewed regularly as part of the internal control process led by the Audit Committee. The Board has continued to implement an annual performance evaluation review during the year ended 30 September 2009.

Compliance with the AIC Code

The Board considers that the Company fully complies with the AIC Code with the following exception:

The AIC Code stipulates that directors who sit on the boards of more than one company managed by the same manager will not be regarded as independent for the purposes of either fulfilling the requirement that there must be an independent majority on the Board or serving as chairman. This provision is currently subject to the transitional arrangements of the Listing Rules, and will not be mandatory for the Company until 28 September 2010. In keeping with the spirit of the AIC Code, the Board is actively discussing the changes to the Board which will need to be made by this date and developing a strategy to ensure these are in place to meet this deadline.

The Board

The Company has a Board of three non-executive Directors. The Board has considered whether each Director is independent in character and judgement and whether there are any relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. It has concluded that all three Directors are independent except in respect of the contracts or investee companies in which they have declared an interest. It is the policy of the Directors not to participate in decisions concerning investee companies in which they hold an interest. The Board meets at least quarterly and is in regular contact with the Investment Managers between those meetings. The Directors were subject to election by Shareholders at the first Annual General Meeting after their appointment, and retire by rotation thereafter.

Investor relations

The Company communicates with Shareholders and solicits their views where it is appropriate to do so. Shareholders are welcome at the Annual General Meeting which provides a forum for Shareholders to ask questions of the Directors and

to discuss issues affecting the Company with them. Shareholders may contact the Chairman of the Audit Committee if they have concerns which contact through the Chairman or Investment Managers has failed to resolve or for which such contact is inappropriate.

The notice of the Annual General Meeting accompanies this Summary Annual Report, which is normally sent to shareholders allowing a minimum of 20 working days before each meeting. Separate resolutions are proposed for each substantive issue. The number of proxy votes received for each resolution is announced after each resolution has been dealt with on a show of hands and are published on the Company's website: www.incomeandgrowthvct.co.uk.

Going concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the accounts as the Company has adequate financial resources to continue in operational existence for the foreseeable future.

Investor relations

The Company communicates with Shareholders and solicits their views where it is appropriate to do so. Shareholders are welcome at the Annual General Meeting which provides a forum for Shareholders to ask questions of the Directors and to discuss issues affecting the Company with them. Shareholders may contact the Chairman of the Audit Committee if they have concerns which contact through the Chairman or Investment Managers has failed to resolve or for which such contact is inappropriate.

The notice of the Annual General Meeting accompanies this Summary Annual Report, which is normally sent to shareholders allowing a minimum of 20 working days before each meeting. Separate resolutions are proposed for each substantive issue. The number of proxy votes received for each resolution is announced after each resolution has been dealt with on a show of hands and are published on the Company's website: www.incomeandgrowthvct.co.uk.

Going concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the accounts as the Company has adequate financial resources to continue in operational existence for the foreseeable future.

Unaudited Non-Statutory Analysis between the 'O' Share and 'S' Share Funds

Income Statements

for the year ended 30 September 2009

	'O' Share Fund		
	Revenue £	Capital £	Total £
Unrealised losses on investments	–	(3,522,533)	(3,522,533)
Realised gains on investments	–	597,637	597,637
Income	713,044	67,950	780,994
Investment management fees	(138,772)	(416,316)	(555,088)
Other expenses	(368,365)	–	(368,365)
Profit/(loss) on ordinary activities before taxation	205,907	(3,273,262)	(3,067,355)
Tax on profit/(loss) on ordinary activities	(23,356)	23,356	–
Profit/(loss) on ordinary activities after taxation for the financial year	182,551	(3,249,906)	(3,067,355)
Basic and diluted earnings per share	0.52p	(9.25)p	(8.73)p
Average number of shares in issue			35,148,192

'S' Share Fund			Total of both Funds		
Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
-	(24,753)	(24,753)	-	(3,547,286)	(3,547,286)
-	-	-	-	597,637	597,637
218,315	-	218,315	931,359	67,950	999,309
(54,110)	(162,329)	(216,439)	(192,882)	(578,645)	(771,527)
(143,399)	-	(143,399)	(511,764)	-	(511,764)
20,806	(187,082)	(166,276)	226,713	(3,460,344)	(3,233,631)
(9,674)	9,674	-	(33,030)	33,030	-
11,132	(177,408)	(166,276)	193,683	(3,427,314)	(3,233,631)
0.09p	(1.50)p	(1.41)p			
		11,806,467			

Unaudited Non-Statutory Analysis between the 'O' Share and 'S' Share Funds

Balance Sheets

as at 30 September 2009

	'O' Share Fund		'S' Share Fund		Total of both Funds	
	£	£	£	£	£	£
Fixed assets						
Investments at fair value		19,291,934		598,394		19,890,328
Current assets						
Debtors and prepayments	285,807		15,937		(115,868)*	185,876
Other assets	5,440,722		10,521,348			15,962,070
Cash at bank	37,925		17,713			55,638
	5,764,454		10,554,998		(115,868)	16,203,584
Creditors amounts falling due within one year	(174,507)		(152,176)		115,868*	(210,815)
Net current assets		5,589,947		10,402,822		15,992,769
Net assets		24,881,881		11,001,216		35,883,097
Capital and reserves						
Called up share capital		348,244		118,065		466,309
Share premium account		308,614		–		308,614
Capital redemption reserve		73,017		–		73,017
Capital reserve – unrealised		(5,205,574)		(74,258)		(5,279,832)
Special reserve		17,123,088		10,828,918		27,952,006
Profit and loss account		12,234,492		128,491		12,362,983
Equity shareholders' funds		24,881,881		11,001,216		35,883,097
Number of shares in issue		34,824,397		11,806,467		
Basic net asset value per 1p share:		71.45p		93.18p		
Diluted net asset value per 1p share:		71.45p		93.18p		

*The adjustment above nets off the inter-fund debtor and creditor balances, so that the "Total of both Funds" balance sheet agrees to the Summary Balance Sheet on page 28.

Unaudited Reconciliation of Movements in Shareholders' Funds

for the year ended 30 September 2009

	'O' Share Fund	'S' Share Fund	Total
	£	£	£
Opening shareholders' funds	29,624,220	11,167,492	40,791,712
Net share capital bought back in the year	(353,751)	–	(353,751)
Net share capital subscribed for in the year	96,826	–	96,826
Loss for the year	(3,067,355)	(166,276)	(3,233,631)
Dividends paid/payable in year	(1,418,059)	–	(1,418,059)
Closing shareholders' funds	24,881,881	11,001,216	35,883,097

Independent Auditors' Statement

To the Members of The Income & Growth VCT plc

We have examined the summary financial statement for the year ended 30 September 2009 set out on pages 27-29.

This statement is made solely to the Company's members, as a body, in accordance with Section 428 of the Companies Act 2006. Our work has been undertaken so that we might state to the Company's members those matters we are required to state to them in such a statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our work, for this statement, or for the opinions we have formed.

Respective responsibilities of the directors and the auditor

The Directors are responsible for preparing the summarised annual report in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the summarised annual report with the full annual financial statements, the directors' remuneration report and the directors' report, and its compliance with the relevant requirements of section 428 of the Companies Act 2006 and the regulations made thereunder.

We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the

summary financial statement. The other information comprises only the financial highlights, the chairman's statement, the ten largest investments, the investment portfolio summary, the board of directors, the summary corporate governance statement and the non-statutory analysis between the Ordinary Share and S Share Funds.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. Our report on the company's full annual financial statements describes the basis of our opinion on those financial statements, the directors' remuneration report and the directors' report.

Opinion

In our opinion the summary financial statement is consistent with the full annual financial statements, the directors' report and the directors' remuneration report of The Income and Growth VCT plc for the year ended 30 September 2009 and complies with the applicable requirements of section 428 of the Companies Act 2006, and the regulations made thereunder.

Rosemary Clarke (Senior statutory auditor)

for and on behalf of PKF (UK) LLP, Statutory auditors

Registered Auditors
London, UK

15 December 2009

Summary Income Statement

for the year ended 30 September 2009

	Year ended 30 September 2009			Year ended 30 September 2008		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Net unrealised losses on investments	–	(3,547,286)	(3,547,286)	–	(7,553,875)	(7,553,875)
Net gains on realisation of investments	–	597,637	597,637	–	2,053,510	2,053,510
Income	931,359	67,950	999,309	1,454,724	–	1,454,724
Recoverable VAT	–	–	–	83,278	249,833	333,111
Investment management fees	(192,882)	(578,645)	(771,527)	(197,028)	(1,013,810)	(1,210,838)
Other expenses	(511,764)	–	(511,764)	(517,005)	–	(517,005)
Profit/(loss) on ordinary activities before taxation	226,713	(3,460,344)	(3,233,631)	823,969	(6,264,342)	(5,440,373)
Tax on profit/(loss) on ordinary activities	(33,030)	33,030	–	(106,773)	106,773	–
Profit/(loss) on ordinary activities after taxation for the financial year	193,683	(3,427,314)	(3,233,631)	717,196	(6,157,569)	(5,440,373)
Basic and diluted earnings per share:						
'O' Share Fund	0.52p	(9.25)p	(8.73)p	1.66p	(16.72)p	(15.06)p
'S' Share Fund	0.09p	(1.50)p	(1.41)p	1.26p	(1.30)p	(0.04)p

All the items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period. The total column is the Profit and Loss Account of the Company. There were no other recognised gains and losses in the year.

Other than the revaluation movements arising in investments held at fair value through Profit and Loss Account, there were no differences between the profit/(loss) as stated above and at historical cost.

Summary Balance Sheet

as at 30 September 2009

	as at 30 September 2009		as at 30 September 2008	
	£	£	£	£
Fixed assets				
Investments at fair value		19,890,328		23,139,395
Current assets				
Debtors and prepayments	185,876		1,843,777	
Current investments	15,962,070		16,336,014	
Cash at bank	55,638		65,690	
		16,203,584		18,245,481
Creditors: amounts falling due within one year		(210,815)		(593,164)
Net current assets		15,992,769		17,652,317
Net assets		35,883,097		40,791,712
Capital and reserves				
Called up share capital		466,309		472,580
Share premium account		308,614		11,266,282
Capital redemption reserve		73,017		65,472
Capital reserve – unrealised		(5,279,832)		(1,252,761)
Special reserve		27,952,006		18,169,799
Profit and loss account		12,362,983		12,070,340
Equity Shareholders' funds		35,883,097		40,791,712
Net asset value per share				
'O' Shares – basic		71.45p		83.56p
'O' Shares – diluted		71.45p		82.39p
'S' Shares – basic and diluted		93.18p		94.59p

The financial statements were approved and authorised by the Board of Directors on 15 December 2009 and were signed on its behalf by:

Colin Hook

Director

Summary Reconciliation of Movements in Shareholders' Funds

for the year ended 30 September 2009

	Year ended 30 September 2009 £	Year ended 30 September 2008 £
Opening shareholders' funds	40,791,712	36,778,493
Net share capital bought back in the year	(353,751)	(1,063,732)
Net share capital subscribed for in the year	96,826	11,248,511
Loss for the year	(3,233,631)	(5,440,373)
Dividends paid/payable in the year	(1,418,059)	(731,187)
Closing Shareholders' funds	35,883,097	40,791,712

Summary Cash Flow Statement

for the year ended 30 September 2009

	Year ended 30 September 2009 £	Year ended 30 September 2008 £
Operating activities		
Investment income received	1,081,127	1,435,092
VAT received and interest thereon	408,305	–
Investment management fees paid	(1,200,016)	(782,286)
Other cash payments	(477,847)	(564,901)
Net cash (outflow)/inflow from operating activities	(188,431)	87,905
Investing activities		
Acquisition of investments	(735,608)	(5,735,193)
Disposal of investments	2,215,027	7,247,239
Net cash inflow from investing activities	1,479,419	1,512,046
Equity dividends		
Payment of equity dividends	(1,418,059)	(1,385,722)
Net cash (outflow)/inflow before liquid resource management and financing	(127,071)	214,229
Management of liquid resources		
Decrease/(increase) in monies held pending investment	373,944	(9,754,517)
Financing		
Issue of ordinary shares	96,826	11,171,285
Purchase of own shares	(353,751)	(1,612,169)
	(256,925)	9,559,116
(Decrease)/(increase) in cash for the year	(10,052)	18,828

NOTICE of the ANNUAL GENERAL MEETING of The Income & Growth VCT plc

(Registered in England and Wales No. 4069483)

NOTICE IS HEREBY GIVEN that the ninth Annual General Meeting of The Income & Growth VCT plc (“the Company”) will be held at 11.00 am on Wednesday, 3 March 2010 at Matrix Group Limited, One Vine Street, London, W1J 0AH for the purposes of considering and, if thought fit, passing the following resolutions of which resolutions 1 to 8 and 13 will be proposed as ordinary resolutions and resolutions 9 to 12 will be proposed as special resolutions:-

ORDINARY BUSINESS

Ordinary Resolutions

1. To receive and adopt the Annual Report and Accounts of the Company for the year ended 30 September 2009, together with the auditors’ report thereon.
2. To approve the Directors’ Remuneration Report for the year ended 30 September 2009 which is set out in the Annual Report and Accounts of the Company for the year ended 30 September 2009.
3. To appoint PKF (UK) LLP of Farringdon Place, 20 Farringdon Road, London EC1M 3AP as auditors to the Company until the conclusion of the next annual general meeting of the Company.
4. To authorise the Directors to determine the remuneration of the auditors.
5. To re-elect Helen Sinclair as a Director of the Company.
6. To approve the payment of a final dividend in respect of the year ended 30 September 2009 of 2 pence per ordinary share of 1 penny each (“O’ Share”).
7. To approve the payment of a final dividend in respect of the year ended 30 September 2009 of 0.5 pence per ‘S’ ordinary share of 1 penny each (“S’ Share”).

SPECIAL BUSINESS

Ordinary Resolution

8. That (i) subject to the passing of the resolutions to be proposed at the separate meeting of the holders of ‘O’ Shares and the separate meeting of the holders of ‘S’ Shares convened for 11.20 am and 11.30 am respectively on 3 March 2010 (“Separate Class Meetings”) and (ii) in substitution for any existing authorities pursuant to section 551 of the Companies Act 2006 (“the Act”), the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £155,436 provided that this authority shall expire on the fifth anniversary of the date of the passing of this resolution unless renewed, revoked or varied by the Company in general meeting (except that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and notwithstanding such expiry the Directors may allot shares or grant rights in pursuance of such offers or agreements).

Special Resolutions

9. That (i) subject to the passing of the resolutions to be proposed at the Separate Class Meetings and (ii) in substitution for any existing authorities pursuant to section 570(1) of the Companies Act 2006 (“the Act”), the Directors be and are hereby empowered in accordance with section 570(1) of the Act to allot or make offers or agreements to allot equity securities (as defined in section 560(1) of the Act) for cash, pursuant to the authority given in accordance with section 551 of the Act by Resolution 8 set out in this notice of Annual General Meeting as if section 561(1) of the Act did not apply to the allotment provided that this power shall expire on the conclusion of the Annual General Meeting to be held in 2011, and provided further that this power shall be limited to:-
 - (i) the allotment of equity securities with an aggregate nominal value of up to but not exceeding 10 per cent. of the issued ‘O’ Share capital of the Company and/or 10 per cent. of the issued ‘S’ Share capital of the Company, in each case on the date this resolution is passed pursuant to any dividend investment scheme operated from time to time by the Company;
 - (ii) the allotment, otherwise than pursuant to sub-paragraph (i) above, of equity securities with an aggregate nominal value of up to but not exceeding 10 per cent. of the issued ‘O’ Share capital of the Company and/or 10 per cent. of the issued ‘S’ Share capital of the Company, in each case on the date this resolution is passed and where the proceeds of the allotment may be used in whole or in part to purchase the Company’s ‘O’ Shares or, as the case may be, ‘S’ Shares in the market; and

-
- (iii) the allotment, otherwise than pursuant to sub-paragraphs (i) and (ii) above, of equity securities from time to time with an aggregate nominal value of up to but not exceeding 5 per cent. of the issued 'O' Share capital of the Company and/or 5 per cent. of the issued 'S' Share capital of the Company, in each case on the date this resolution is passed.
10. That (i) subject to the passing of the resolutions to be proposed at the Separate Class Meetings and (ii) in substitution for any existing authorities pursuant to section 701 of the Companies Act 2006 ("the Act"), that the Company be and is hereby generally authorised to make market purchases (as defined in section 693(4) of the Act) of its own ordinary shares of 1p each ('O' Shares) and S ordinary shares of 1p each ('S' Shares) provided that:-
- (i) the aggregate number of 'O' Shares and 'S' Shares hereby authorised to be purchased shall not exceed 5,220,175 and 1,769,790 respectively;
 - (ii) the minimum price which may be paid for such 'O' Shares and 'S' Shares is 1 penny per share, the nominal amount thereof;
 - (iii) the maximum price (exclusive of expenses) which may be paid for an 'O' Share or, as the case may be, an 'S' Share shall be the higher of (i) five per cent. above the average of the middle market price for such share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made; and (ii) the amount stipulated by article 5(1) of the Buyback Regulations 2003;
 - (iv) the authority hereby conferred shall (unless previously renewed or revoked) expire on the conclusion of the annual general meeting of the Company to be held in 2011; and
 - (v) the Company may make a contract or contracts to purchase its own 'O' Shares and/or, as the case may be, 'S' Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own shares in pursuance of any such contract.
11. That subject to the passing of the resolutions to be proposed at the Separate Class Meetings and with effect from the close of this meeting.
- 11.1 The provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's Articles of Association, and therefore are to be deleted in their entirety; and
 - 11.2 The Articles of Association produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.
12. That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.
- Ordinary Resolution
13. That subject to the passing of the resolutions to be proposed at the Separate Class Meetings and without prejudice to Resolutions 8 and 9 the Directors be and are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot equity securities (which expression shall have the meaning ascribed to it in section 560(1) of the Act) and/or to sell treasury shares pursuant to any Dividend Investment Scheme operated by the Company from time to time at a subscription price per share which is less than the net asset value per share of that class.

BY ORDER OF THE BOARD

Matrix-Securities Limited

Secretary

Registered Office
One Vine Street
London W1J 0AH

15 December 2009

Notes:

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Matrix-Securities Limited, the Company Secretary at One Vine Street, London W1J 0AH or by email to: iandg@matrixgroup.co.uk or telephone on 020 3206 7000.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to be received not later than 11.00 am on Monday, 1 March 2010 or 48 hours before the time appointed for any adjourned meeting or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 8 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company at 11.00 am on Monday, 1 March 2010 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RO55) by 11.00 am on 1 March 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
8. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
13. As at 15 December 2009 (being the last business day prior to the publication of this Notice) the Company's issued share capital consisted of 34,824,397 'O' Shares and 11,806,467 'S' Shares, each carrying one vote. Therefore, the total voting rights in the Company as at 15 December 2009 were 46,630,864.
14. The Register of Directors' Interests and Directors' appointment letters shall be available for inspection at the place of the Annual General Meeting for at least fifteen minutes prior to and during the meeting. The Directors do not have any service contracts with the Company.
15. A copy of this notice, and other information required by s311A of the Companies Act 2006, can be found at www.incomeandgrowthvct.co.uk.

The Income & Growth VCT plc
NOTICE CONVENING A SEPARATE CLASS MEETING OF
THE HOLDERS OF 'O' SHARES

(Registered in England and Wales No. 4069483)

Notice is hereby given that a meeting of the holders of Ordinary Shares of 1 penny each ('O' Shares) in the capital of The Income & Growth VCT plc ("the Company") will be held at 11.20 am on Wednesday, 3 March 2010 at Matrix Group Limited, One Vine Street, London, W1J OAH (or as soon thereafter as the Annual General Meeting of the Company to be held at 11.00 am on that date shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution as a special resolution:-

Special Resolution

That the holders of 'O' Shares in the capital of the Company hereby sanction, approve and consent to:

- (a) the passing and carrying into effect as ordinary and special resolutions of the Company, resolutions 8 to 11 and 13 set out in the notice of annual general meeting of the Company convened for 11.00 am on 3 March 2010 (a copy of which is produced to the meeting and signed by the chairman for the purposes of identification); and
- (b) any effect on, variation, abrogation, dealing with and/or deemed variation or abrogation of the rights and privileges attached to the 'O' Shares which will, or may, result from the passing and carrying into effect of the resolutions referred to in paragraph (a) above, notwithstanding that the passing and carrying into effect such resolution may affect the rights and privileges attached to such 'O' Shares.

BY ORDER OF THE BOARD

Matrix-Securities Limited

Secretary

Registered Office

One Vine Street

London W1J OAH

15 December 2009

Notes:

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the Separate Class Meeting of the Holders of 'O' Shares ("the Class Meeting"). A shareholder may appoint more than one proxy in relation to the Class Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Matrix-Securities Limited, the Company Secretary at One Vine Street, London W1J 0AH or by email to: ilandg@matrixgroup.co.uk or telephone on 020 3206 7000.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to be received not later than 11.20 am on Monday, 1 March 2010 or 48 hours before the time appointed for any adjourned meeting or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 8 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Class Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the Class Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company at 11.20 am on Monday, 1 March 2010 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RO55) by 11.20 am on 1 March 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
13. As at 15 December 2009 (being the last business day prior to the publication of this Notice) the Company's issued 'O' Share capital consisted of 34,824,397 'O' Shares. Therefore, the total voting rights attached to 'O' Shares at 15 December 2009 were 34,824,397.
14. The Register of Directors' Interests and Directors' appointment letters shall be available for inspection at the place of the Annual General Meeting for at least fifteen minutes prior to and during the meeting. The Directors do not have any service contracts with the Company.
15. A copy of this notice, and other information required by s311A of the Companies Act 2006, can be found at www.incomeandgrowthvct.co.uk.
16. Notice is hereby further given that in accordance with s334(4) of the Companies Act 2006 the necessary quorum for the meeting shall be two holders of 'O' Shares present holding at least one-third in nominal value of the issued 'O' Shares and that if within half an hour from the time appointed for the above meeting a quorum is not present it shall be adjourned to 11.20 am on Thursday, 4 March 2010 at Matrix Group Limited, One Vine Street, London, W1J 0AH and at such adjourned meeting the necessary quorum shall be one person present holding 'O' Shares.

The Income & Growth VCT plc
NOTICE CONVENING A SEPARATE CLASS MEETING OF
THE HOLDERS OF 'S' SHARES

(Registered in England and Wales No. 4069483)

Notice is hereby given that a meeting of the holders of 'S' ordinary shares of 1 penny each ('S' Shares) in the capital of The Income & Growth VCT plc ("the Company") will be held at 11.30 am on Wednesday, 3 March 2010 at Matrix Group Limited, One Vine Street, London, W1J 0AH (or as soon thereafter as the class meeting of the holders of ordinary shares of 1 penny each in the capital of the Company to be held at 11.30 am on that date shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution as a special resolution:-

Special Resolution

That the holders of 'S' Shares hereby sanction, approve and consent to:

- (a) the passing and carrying into effect as ordinary and special resolutions of the Company, resolutions 8 to 11 and 13 set out in the notice of annual general meeting of the Company convened for 11.00 am on 3 March 2010 (a copy of which is produced to the meeting and signed by the chairman for the purposes of identification); and
- (b) any effect on, variation, abrogation, dealing with and/or deemed variation or abrogation of the rights and privileges attached to the 'S' Shares which will, or may, result from the passing and carrying into effect of the resolutions referred to in paragraph (a) above, notwithstanding that the passing and carrying into effect such resolution may affect the rights and privileges attached to such 'S' Shares.

BY ORDER OF THE BOARD

Matrix-Securities Limited
Secretary

Registered Office
One Vine Street
London W1J 0AH

15 December 2009

Notes:

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the Separate Class Meeting of the Holders of 'S' Shares ("the Class Meeting"). A shareholder may appoint more than one proxy in relation to the Class Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Matrix-Securities Limited, the Company Secretary at One Vine Street, London W1J 0AH or by email to: ilandg@matrixgroup.co.uk or telephone on 020 3206 7000.
2. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at the Company's registrars, Capita Registrars The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received not later than 11.30 am on Monday, 1 March 2010 or 48 hours before the time appointed for any adjourned meeting or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll.
3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 8 below) will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Class Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the Class Meeting (and for the purpose of the determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company at 11.30 am on Monday, 1 March 2010 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RO55) by 11.30 am on Monday, 1 March 2010. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
13. As at 15 December 2009 (being the last business day prior to the publication of this Notice) the Company's issued 'S' Share capital consisted of 11,806,467 'S' Shares. Therefore, the total voting rights attached to 'S' Shares at 15 December 2009 were 11,806,467.
14. The Register of Directors' Interests and Directors' appointment letters shall be available for inspection at the place of the Annual General Meeting for at least fifteen minutes prior to and during the meeting. The Directors do not have any service contracts with the Company.
15. A copy of this notice, and other information required by s311A of the Companies Act 2006, can be found at www.incomeandgrowthvct.co.uk.
16. Notice is hereby further given that in accordance with s334(4) of the Companies Act 2006 the necessary quorum for the meeting shall be two holders of 'S' Shares present holding at least one-third in nominal value of the issued 'S' Shares and that if within half an hour from the time appointed for the above meeting a quorum is not present it shall be adjourned to 11.30 am on Thursday 4 March 2010 at Matrix Group Limited, One Vine Street, London, W1J 0AH and at such adjourned meeting the necessary quorum shall be one person present holding 'S' Shares.

Corporate Information

Directors

Colin Hook
Christopher Moore
Helen Sinclair

Company's Registered Office

One Vine Street
London
W1J 0AH

Company Secretary

Matrix-Securities Limited
One Vine Street
London
W1J 0AH

Investment Manager

Matrix Private Equity Partners LLP
One Vine Street
London
W1J 0AH
www.matrixpep.co.uk

Company Registration Number: 4069483
www.incomeandgrowthvct.co.uk

Independent Auditors

PKF (UK) LLP
Farringdon Place
20 Farringdon Road
London
EC1M 3AP

Promoter and Administrator

Matrix-Securities Limited
One Vine Street
London
W1J 0AH

Registrar

Capita Registrars
Northern House
Woodsome Park
Fennay Bridge
Huddersfield
West Yorkshire HD8 0LA

Solicitors

Martineau
No 1 Colmore Square
Birmingham
B4 6AA

VCT Status Advisers

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Bankers and Safe Custody Agents

National Westminster Bank plc
Mayfair Commercial Banking Centre
(First Floor)
65 Piccadilly
London
W1A 2PP

Stockbroker

Matrix Corporate Capital LLP
One Vine Street
London
W1J 0AH

Shareholder Notes

Shareholder Notes

