



**BLACKFINCH**  
VENTURES

**Blackfinch Spring VCT plc**  
**Half-yearly Report**  
*For the six months ended 30 June 2021*

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# Highlights

## Investment Policy

Blackfinch Spring VCT plc (the “Company”) will focus its investment in unquoted companies with some or all of the following characteristics:

- Early-stage and technology-enabled with a focus on research and development.
- The capability to grow quickly through disrupting their markets.
- Strong performance against previous investment round milestones.

## Dividend Policy

The Company intends but cannot guarantee to pay: (1) a regular annual dividend commencing not earlier than in the financial year beginning 1 January 2024 equivalent to 5% of the Company’s Net Asset Value and (2) special dividends, where appropriate, from the proceeds of successful exits of portfolio companies that are not reinvested. The Company’s ability to pay dividends is subject to the existence of realised profits, legislative requirements and the available cash reserves of the Company. No forecast or projection is implied or inferred.

<b>Key Data</b>	<b>Six month period ended 30 June 2021</b>	<b>Sixteen month period ended 31 December 2020</b>	<b>Ten month period ended 30 June 2020</b>
Net Asset Value (“NAV”)	£9,794,114	£3,680,389	£3,319,047
Shares in issue*	10,809,654	3,961,937	3,469,308
NAV per ordinary share	90.60p	94.08p	97.07p
Share price	86.50p	93.00p	100.00p

\* Shares in issue for period to 30 June 2020 and 31 December 2020 include 50,000 redeemable preference shares. These 50,000 redeemable preference shares were paid up, fully redeemed and subsequently cancelled on 15 February 2021.

# Chairman's Statement

## Overview

I am very pleased to be writing to Shareholders to report on the continued strong progress of the Blackfinch Spring VCT plc in the six months to the end of June 2021. During this period your Company allotted a further 6,897,717 shares, raising £6.45m compared to a total of £3.93m in the sixteen months to the end of December 2020. We very much appreciate this investor confidence in our ability to secure investments in some of the UK's most promising early-stage technology businesses.

## Pipeline and investments

With these increased funds in place, your Company has been able to ramp up our investment activity. Five new technology-enabled businesses were added to the portfolio, taking the total from three companies to eight. These new companies are in sectors such as Marketing Technology, Supply Chain Technology, and even Software Technology, representing a substantial increase in overall diversification.

Encouragingly, the Investment Manager has reported an increased quality of potential deals in its pipeline, as it has continued to enhance the use of its cutting-edge research platform and built stronger relationships with other investment firms. Its existing Enterprise Investment Scheme (EIS) portfolio companies are also creating promising opportunities for follow-on investment through our Company, and this was the source for one of the new investments in the period.

## COVID-19 impact

The COVID-19 outbreak and its associated lockdowns have continued to exert significant influence on the performance of many early-stage businesses. Some have faced fundamental disruption to their business, such as portfolio company Movebubble, which has needed strong support from the Investment Manager and a modest amount of follow-on capital. For others such as our newest investment Edozo, an initial shock at the start of the pandemic has been followed by an equally strong rebound, making it an attractive VCT investment whilst at the same time, a number of companies have performed strongly throughout, as was the case with most of our new portfolio additions.

## **Outlook**

COVID-19 has promoted an increased awareness of the benefits of newer technologies, which has swept through even the most conservative sectors. This has created a fertile commercial environment for tremendous technological innovation in the UK, much of which is focussed in small start-up businesses. It is exactly these types of investment opportunities that your Company will continue to fund and support as they scale, thereby delivering value for shareholders, customers, as well as for society as a whole.

### **Peter LR Hewitt**

*Chairman*

26th August 2021

For any matters relating to your shareholding in the Company, please contact The City Partnership (UK) Limited on 01484 240 910, or by email at [registrars@city.uk.com](mailto:registrars@city.uk.com). For any other matters please contact Blackfinch Investments Limited (“Blackfinch”) on 01452 717 070 or by email at [enquiries@blackfinch.com](mailto:enquiries@blackfinch.com). Blackfinch maintains a website for the Company [www.blackfinch.ventures/vct](http://www.blackfinch.ventures/vct)

# Investment Manager's Review

## The new year saw a surge of innovative technology-enabled businesses seeking investment.

It allowed the Blackfinch Ventures team to be highly selective, while still delivering seven investments in the six months to June, of which five were into firms that are new to the Company's portfolio. Supplying technologies in sectors such as marketing, software, and service governance, these businesses are all working at the heart of the modern digital economy.

One of the new investments, Edozo, was a follow-on into an existing Blackfinch EIS portfolio company. The team had therefore been able to track and monitor it closely for over a year, gaining a deep understanding of its underlying performance especially through the COVID-19 lockdowns.

The other four companies were new to Blackfinch but also benefited from co-investment with the Blackfinch EIS portfolios. This approach permitted a significantly higher overall quantum of investment than would have been possible from the Company alone.

Support for portfolio companies is also an important element of the Blackfinch approach to securing good returns. Following the challenges Movebubble faced in the second lock-down leading to the departure of its founding CEO, the Ventures team quickly secured the appointment of an experienced new CEO and helped set a new strategy for growth.

The Company led a follow-on funding round, alongside other investors, to extend Movebubble's runway.

An increasing number of companies seeking investment were referred to Blackfinch because of our focus on Environmental, Social and Governance (ESG) factors. An example is Brooklyn Vendor Assurance, which helps enterprise customers manage their supply chains, including for ESG. It already had a partnership with Positive Impact Commerce (PIC) and was looking for an investor that shared its values. Our strong approach to ESG not only lays firmer foundations for future returns but is also helping entice high quality deal-flow.

The future pipeline remains very healthy with a constant supply of exciting technology-enabled companies reaching the appropriate stage of growth and maturity. Many promising opportunities are being unearthed by the Blackfinch pipeline team. Increasingly strong relationships with accelerators and other investment firms are resulting in a growing number of high-quality referrals, with others originating from founders in our own portfolio.

Since the end of the period, a further four investments have closed, all into new companies that continue to diversify the Company's portfolio. We expect more funds to be deployed in the months ahead and I look forward to reporting on this activity in the annual report.

**Richard Cook**  
*Founder and CEO Blackfinch Group*

26th August 2021

# Investment Manager's Review

## Investment Portfolio

	As at 30 June 2021			As at 31 December 2020		
	Cost (£)	Valuation (£)	% of total assets value	Cost (£)	Valuation (£)	% of total assets value
Brooklyn Supply Chain Solutions Ltd	500,000	500,000	5.04	-	-	-
Client Share Ltd	400,000	400,000	4.04	-	-	-
Cyclr Systems Limited	500,000	500,000	5.04	-	-	-
Edozo Limited	200,000	200,000	2.03	-	-	-
Movebubble Limited	549,997	549,997	5.55	399,997	399,997	10.72
Spotless Water Ltd	459,278	459,278	4.64	459,278	459,278	12.31
Startpulsing Limited	500,000	500,000	5.04	-	-	-
Transreport Limited	500,000	500,000	5.04	400,000	400,000	10.72
<b>Total fixed asset investments</b>	<b>3,609,275</b>	<b>3,609,275</b>	<b>36.42</b>	<b>1,259,275</b>	<b>1,259,275</b>	<b>33.75</b>
Cash	6,302,042	6,302,042	63.58	2,471,633	2,471,633	66.25
<b>Net assets</b>	<b>9,911,317</b>	<b>9,911,317</b>	<b>100.00</b>	<b>3,730,908</b>	<b>3,730,908</b>	<b>100.00</b>

# Investment Manager's Review

## Portfolio Companies



### Brooklyn Supply Chain Solutions Ltd

Trading as Brooklyn Vendor Assurance, the company has created a platform that allows the world's largest businesses to manage all aspects of their supplier contracts. The solution promotes governance throughout an organisation in areas including risks, performance, ESG and compliance. Despite being just two years old, Brooklyn's customers include large enterprises such as Danske Bank and Sainsburys. The product is unique in catering for the very complex needs of the world's largest organisations who spend millions on compliance and governance each year.

<b>Company sector</b>	Supply Chain Tech
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity
<b>Blackfinch Spring VCT total investment at cost</b>	£500,000
<b>Blackfinch Spring VCT investment in the period at cost</b>	£500,000
<b>Equity held by Blackfinch Spring VCT</b>	6.5%
<b>Initial investment date</b>	March 2021



# Investment Manager's Review

## Portfolio Companies



### Client Share Ltd

Clientshare specialises in increasing the strength of relationships between buyers and suppliers through its easy-to-use online technology platform. Its service governance offering targets information gaps in professional contracts and relationships, increasing customer retention and reducing churn. Clientshare is helping define the 'Service Governance Space' and its customers include large enterprises such as EY, HP and Compass Group.

<b>Company sector</b>	Service Governance Tech
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity
<b>Blackfinch Spring VCT total investment at cost</b>	£400,000
<b>Blackfinch Spring VCT investment in the period at cost</b>	£400,000
<b>Equity held by Blackfinch Spring VCT</b>	6.3%
<b>Initial investment date</b>	March 2021

# Investment Manager's Review

## Portfolio Companies



### Cyclr Systems Ltd

Cyclr has a plug-and-play solution that helps software companies connect their product to data from third-party platforms. The solution avoids having to develop these 'integrations' from scratch, enabling clients to satisfy requests for new integrations far faster and at a fraction of the cost of developing them internally. Cyclr's elegant solution to this problem is applicable globally, connects to over 300 of the world's most popular platforms, and its graphical, no-code approach sets it apart from the competition.

<b>Company sector</b>	Software Tech
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity
<b>Blackfinch Spring VCT total investment at cost</b>	£500,000
<b>Blackfinch Spring VCT investment in the period at cost</b>	£500,000
<b>Equity held by Blackfinch Spring VCT</b>	6.5%
<b>Initial investment date</b>	March 2021

# Investment Manager's Review

## Portfolio Companies



### Edozo Limited

Edozo has created an online web platform that increases the accuracy and efficiency of commercial property research and valuation. Its innovative mapping tool can highlight boundaries in a single click and its valuation database is organically populated by a growing customer list. The company's long-term goal is to develop a completely automated commercial property valuation tool.

<b>Company sector</b>	Property Tech
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity
<b>Blackfinch Spring VCT total investment at cost</b>	£200,000
<b>Blackfinch Spring VCT investment in the period at cost</b>	£200,000
<b>Equity held by Blackfinch Spring VCT</b>	2.4%
<b>Initial investment date</b>	June 2021

# Investment Manager's Review

## Portfolio Companies



### Movebubble Limited

Movebubble operates a next-generation mobile property app that is revolutionising the rental housing market. Users can view 'video walkthroughs', which utilise similar technology to popular social media apps, to make quick decisions about properties without a physical viewing. They can even pay their deposit through the app. The company has built a particularly strong relationship with build-to-rent developers who have not been well served by other property apps. The Company led a follow-on funding round, investing £150,000 in this period with further tranches agreed if milestones are achieved.

<b>Company sector</b>	Property Tech
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity
<b>Blackfinch Spring VCT total investment at cost</b>	£549,997
<b>Blackfinch Spring VCT investment in the period at cost</b>	£150,000
<b>Equity held by Blackfinch Spring VCT</b>	9.3%
<b>Initial investment date</b>	September 2020

# Investment Manager's Review

## Portfolio Companies



### Spotless Water Ltd

Spotless Water offers the UK's first self-service, technology-driven, ultra-pure water distribution network. Its platform allows window-cleaning businesses to fill up on ultra-pure water at easy-access filling stations across the UK. Incredibly, this industry uses 40 million litres a day and additional verticals include car cleaning, dentistry and even aquariums.

<b>Company sector</b>	Water Tech
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity
<b>Blackfinch Spring VCT total investment at cost</b>	£459,278
<b>Blackfinch Spring VCT investment in the period at cost</b>	£0
<b>Equity held by Blackfinch Spring VCT</b>	3.8%
<b>Initial investment date</b>	October 2020

# Investment Manager's Review

## Portfolio Companies



**OnePulse**

### Startpulsing Ltd

Startpulsing Ltd, trading as OnePulse, allows global brands to gain feedback on ideas in real time from a community of thousands. With responses coming in minutes, it helps companies carefully tailor their products and campaigns to ensure that customers are happy and engaged. It also allows consumers to directly impact the decision making of companies they use every day whilst earning money and staying on top of product releases.

<b>Company sector</b>	Marketing Tech
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity
<b>Blackfinch Spring VCT total investment at cost</b>	£500,000
<b>Blackfinch Spring VCT investment in the period at cost</b>	£500,000
<b>Equity held by Blackfinch Spring VCT</b>	7.1%
<b>Initial investment date</b>	March 2021

# Investment Manager's Review

## Portfolio Companies



### Transreport Limited

Transreport's innovative technology platform makes it easy for people with reduced mobility to book and receive the special assistance they need for a journey. As well as this Passenger Assist app, the firm has developed a suite of products targeting the rail industry's digital transformation, and it has a strong vision to address journeys spanning rail, air and road. The Company invested a further £100,000 in the final phase of Transreport's overall funding round of £2.3m and to avoid a dilution of its shareholding in this promising business.

<b>Company sector</b>	Transport
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity
<b>Blackfinch Spring VCT total investment at cost</b>	£500,000
<b>Blackfinch Spring VCT investment in the period at cost</b>	£100,000
<b>Equity held by Blackfinch Spring VCT</b>	6.0%
<b>Initial investment date</b>	December 2020

# Investment Manager's Review

## Pipeline Overview

### Company 1

A hardware-driven Internet of Things company that designs intelligent and affordable personal safety wearables and monitoring systems. Its patent-pending technology uses machine learning to automatically monitor a user's safety and alert a key contact in the event of an accident or emergency. The team responded at speed to meet customers' Covid needs for a workforce social-distancing product. However, it is now again focused on its principal proposition that monitors the safety of lone workers in large organisations.

<b>Company sector</b>	Wearables
<b>Funds raised to date</b>	£1.6m
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity



# Investment Manager's Review

## Pipeline Overview

### Company 2

A sleep technology company whose well designed noise-cancelling headphones include bio-sensors that measure when you fall asleep, automatically fading out audio and introducing masking white noise to protect against disturbances. The connected app offers guided audio content, developed with sleep scientists, to help improve sleep and relaxation, helping users switch off. This company recently launched an award-winning new in-ear version of its headphones.

<b>Company sector</b>	Sleep Tech
<b>Funds raised to date</b>	£4.5m
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity

# Investment Manager's Review

## Pipeline Overview

### Company 3

A digital advertising company that offers advanced technology designed to select the best websites on which to deploy adverts to generate the highest response rates. Its artificial intelligence learns in real-time, determining the optimum context in which to place any given advert. It does so ethically without the use of cookies or users' personal data, unlike many competing technologies, which it regularly outperforms in benchmark tests. It has grown organically to date but is looking for funding to scale faster.

<b>Company sector</b>	Advertising Tech
<b>Funds raised to date</b>	£0
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity

# Investment Manager's Review

## Pipeline Overview

### Company 4

A business intelligence software-as-a-service company that tells customers what their competitors are doing, from price adjustments to product launches and leadership changes. Its dashboard summarises current insights, whilst daily feeds – automatically generated but curated by a human analyst – keep customers on top of any rapidly changing market. On very modest previous investment, the business is growing, already at break-even, and ready to scale.

<b>Company sector</b>	Market Intelligence Tech
<b>Funds raised to date</b>	£500k
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity

# Investment Manager's Review

## Pipeline Overview

### Company 5

A purpose-driven company that is on a mission to improve workplace mental health, equality and wellbeing. Its software-as-a-service platform allows the reporting and effective management of incidents of bullying and harassment, whilst analytics and insights help companies reduce the frequency of such incidents and improve overall culture. Having already established a major position in the university sector, the company is making strong inroads into others.

<b>Company sector</b>	HR Tech
<b>Funds raised to date</b>	£1.35m
<b>Stage</b>	Scale-up
<b>Asset class</b>	Equity

## **Principal Risks and Uncertainties**

The Company's assets consist of equity and cash. The Company's principal risks include market risk, interest rate risk, credit risk and liquidity risk. Other risks faced by the Company include economic, investment and strategic, regulatory, reputational, operational and financial risks as well as the potential for loss of approval as a VCT.

These risks, and how they are managed, are described under the heading "Principal and Emerging Risks" in the Strategic Report and in Note 19 to the Financial Statements in the Company's Annual Report and Financial Statements for the period ended 31 December 2020.

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

# Statement of Directors' Responsibilities

## In respect of the Half-yearly Report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with FRS 104 “Interim Financial Reporting”;
- the Chairman’s Statement and Investment Manager’s Review (constituting the interim management report) include a true and fair review of the information required by DTR 4.2.7R of the “Disclosure Guidance and Transparency Rules”, being an indication of important events that have occurred during the six month period to 30 June 2021 and their impact on the condensed set of financial statements;
- the “Statement of Principal Risks and Uncertainties” on page 21 is a fair review of the information required by DTR 4.2.7R, being a description of the principal risks and uncertainties for the remaining six months of the year; and
- the financial statements include a fair review of the information required by DTR 4.2.8R of the “Disclosure Guidance and Transparency Rules”, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period.

For and on behalf of the Board

**Peter LR Hewitt**  
*Chairman*

26th August 2021

## Income Statement

for the six month period ended 30 June 2021

	Note	Revenue (£)	Capital (£)	Total (£)
Investment management fee		(26,213)	(78,639)	(104,852)
Incidental investment expenses		-	7,500	7,500
Other expenses		(127,253)	-	(127,253)
<b>Loss on ordinary activities before taxation</b>		<b>(153,466)</b>	<b>(71,139)</b>	<b>(224,605)</b>
Taxation on ordinary activities		-	-	-
Loss and total comprehensive income attributable to shareholders		(153,466)	(71,139)	(224,605)
<b>Return per share (pence)</b>				
Ordinary shares (pence)	<b>5</b>	(1.95)	(0.91)	(2.86)

## Income Statement

for the sixteen month period ended 31 December 2020 (audited)

	Revenue (£)	Capital (£)	Total (£)
Investment management fee	(17,129)	(51,386)	(68,515)
Incidental investment expenses	-	(7,500)	(7,500)
Other expenses	(195,407)	-	(195,407)
<b>Loss on ordinary activities before taxation</b>	<b>(212,536)</b>	<b>(58,886)</b>	<b>(271,422)</b>
Taxation on ordinary activities	-	-	-
Loss and total comprehensive income attributable to shareholders	(212,536)	(58,886)	(271,422)
<b>Return per share (pence)</b>			
Ordinary shares (pence)	(5.87)	(1.63)	(7.50)



# Income Statement

## for the ten month period ended 30 June 2020

	Note	Revenue (£)	Capital (£)	Total (£)
Investment management fee		(5,492)	(16,476)	(21,968)
Other expenses		(78,297)	-	(78,297)
<b>Loss on ordinary activities before taxation</b>		(83,789)	(16,476)	(100,265)
Taxation on ordinary activities		-	-	-
Loss and total comprehensive income attributable to shareholders		(83,789)	(16,476)	(100,265)
<b>Return per share (pence)</b>				
Ordinary shares (pence)	<b>5</b>	(2.48)	(0.49)	(2.97)

The total column of this Income Statement represents the profit and loss account of the Company. The supplementary revenue and capital columns have been prepared in accordance the Statement of Recommended Practice, “Financial Statements of Investment Trust Companies and Venture Capital Trusts” (“SORP”) revised in November 2014 and updated in February 2018. There is no other comprehensive income other than the results for the period discussed above. Accordingly, a Statement of Total Comprehensive Income is not required.

All the items above derive from continuing operations of the Company.

The accompanying notes on pages 31 and 32 are an integral part of the statement.

## Statement of Changes In Equity

for the six month period ended 30 June 2021 (unaudited)

	Non-distributable reserves		Distributable reserves		
	Share capital (£)	Share premium (£)	Capital reserve (£)	Revenue reserve (£)	Total reserves (£)
<b>Opening balance as at 1 January 2021</b>	<b>89,119</b>	<b>3,862,692</b>	<b>(58,886)</b>	<b>(212,536)</b>	<b>3,680,389</b>
Total comprehensive income for the period	-	-	(71,139)	(153,466)	(224,605)
<b>Contributions by and distributions to owners</b>					
Share issues and buy backs	68,978	6,378,566	-	-	6,447,544
Share issue expenses	-	(59,214)	-	-	(59,214)
Cancellation of fully repaid redeemable preference shares	(50,000)	-	-	-	(50,000)
<b>Closing balance as at 30 June 2021</b>	<b>108,097</b>	<b>10,182,044</b>	<b>(130,025)</b>	<b>(366,002)</b>	<b>9,794,114</b>

## Statement of Changes In Equity

for the sixteen month period ended 31 December 2020 (audited)

	Non-distributable reserves		Distributable reserves		
	Share capital (£)	Share premium (£)	Capital reserve (£)	Revenue reserve (£)	Total reserves (£)
<b>Opening balance as at 1 July 2020</b>	<b>34,193</b>	<b>3,385,119</b>	<b>(16,476)</b>	<b>(83,789)</b>	<b>3,319,047</b>
Total comprehensive income for the period	-	-	(42,410)	(128,747)	(171,157)
<b>Contributions by and distributions to owners</b>					
Share issues and buy backs	4,926	491,474	-	-	496,400
Share issue expenses	-	(13,901)	-	-	(13,901)
Redeemable preference shares	50,000	-	-	-	50,000
<b>Closing balance as at 31 December 2020</b>	<b>89,119</b>	<b>3,862,692</b>	<b>(58,886)</b>	<b>(212,536)</b>	<b>3,680,389</b>

## Statement of Changes In Equity

for the ten month period ended 30 June 2020 (unaudited)

	Non-distributable reserves		Distributable reserves		
	Share capital (£)	Share premium (£)	Capital reserve (£)	Revenue reserve (£)	Total reserves (£)
<b>Opening balance</b>	-	-	-	-	-
Total comprehensive income for the period	-	-	(16,476)	(83,789)	(100,265)
<b>Contributions by and distributions to owners</b>					
Share issues and buy backs	34,193	3,442,823	-	-	3,477,016
Share issue expenses	-	(57,704)	-	-	(57,704)
<b>Closing balance as at 30 June 2020</b>	<b>34,193</b>	<b>3,385,119</b>	<b>(16,476)</b>	<b>(83,789)</b>	<b>3,319,047</b>

The accompanying notes on pages 31 and 32 are an integral part of the statement.

## Condensed Balance Sheet

as at 30 June 2021

	Note	30 June 2021 (unaudited) £	31 December 2020 (audited) £	30 June 2020 (unaudited) £
<b>Fixed assets</b>				
Investments held at fair value		3,609,275	1,259,275	-
<b>Current assets</b>				
Debtors		13,722	41,067	57,857
Cash at bank		6,302,042	2,471,633	3,398,149
		6,315,764	2,512,700	3,456,006
<b>Current liabilities</b>				
Creditors: amounts falling due within one year		(130,925)	(91,586)	(136,959)
<b>Net current assets</b>		6,184,839	2,421,114	3,319,047
<b>Net assets</b>		9,794,114	3,680,389	3,319,047
<b>Capital and reserves</b>				
Called up share capital		108,097	39,119	34,193
Share premium account		10,182,044	3,862,692	3,385,119
Redeemable preference shares		-	50,000	-
Capital reserve		(130,025)	(58,886)	(16,476)
Revenue reserve		(366,002)	(212,536)	(83,789)
<b>Equity shareholders' funds</b>	<b>6</b>	9,794,114	3,680,389	3,319,047
Net asset value per share (p)		90.60	94.08	97.07

The accompanying notes on pages 31 and 32 are an integral part of the statement.

# Statement of Cash Flows

## for the six month period ended 30 June 2021

	Six month period ended 30 June 2021 (unaudited) £	Sixteen month period ended 31 December 2020 (audited) £	Ten month period ended 30 June 2020 (unaudited) £
<b>Cash flows from operating activities</b>			
Investment Manager's fees paid	(75,112)	(54,613)	-
Cash paid to Directors	(20,084)	(24,053)	-
Other cash payments	(112,725)	(92,237)	(21,544)
Net cash outflow from operating activities	(207,921)	(170,903)	(21,544)
<b>Cash flows from investing activities</b>			
Purchase of investments	(2,350,000)	(1,259,275)	-
Net cash outflow from investing activities	(2,350,000)	(1,259,275)	-
Net cash outflow before financing	(2,557,921)	(1,430,178)	(21,544)
<b>Cash flows from financing activities</b>			
Proceeds from share issues	6,447,544	3,931,243	3,438,895
Share issues costs	(59,214)	(29,432)	(19,203)
Net cash inflow from financing	6,388,330	3,901,811	3,419,692
<b>Reconciliation of net cash flow to movement in net cash</b>			
Increase in cash and cash equivalents	3,830,409	2,471,633	3,398,148
Cash and cash equivalents at the beginning of the period	2,471,633	-	-
Cash and cash equivalent at the end of the period	6,302,042	2,471,633	3,398,148
<b>Reconciliation of loss on ordinary activities before taxation to net cash outflow from operating activities</b>			
Loss on ordinary activities before taxation	(224,605)	(271,422)	(100,265)
Net (gain)/loss on investments	-	-	-
Decrease/(increase) in debtors	27,345	8,933	(58,238)
(Decrease)/increase in creditors	(10,661)	91,586	136,959
<b>Net cash outflow from operating activities</b>	(207,921)	(170,903)	(21,544)

The accompanying notes on pages 31 and 32 are an integral part of the statement.

# Notes To The Financial Statements

## for the six months ended 30 June 2021

### 1. General information

The Company is a public limited company incorporated in England and Wales. The registered address is 1350-1360 Montpelier Court, Gloucester Business Park, Gloucester, England, GL3 4AH. The principal activity is investing in unlisted growth companies.

### 2. Basis of accounting

The half-yearly financial report covers the six month period ended 30 June 2021. The condensed financial statements for this period have been prepared in accordance with FRS 104 (“Interim financial reporting”) and in accordance with the Statement of Recommended Practice “Financial Statements of Investment Trust Companies” revised November 2014 (“SORP”).

The comparative figures for the financial period ended 31 December 2020 have been extracted from the latest published audited Annual Report and Financial Statements. Those accounts have been reported on by the Company’s auditor and lodged with the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report.

### 3. Going concern

The directors have made an assessment of the Company’s ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in business for the foreseeable future (being a period of 12 months from the date on which these financial statements were approved). In reaching this conclusion the directors took into account the nature of the Company’s business and Investment Policy, its risk management policies and the cash holdings. Thus, the directors believe it is appropriate to continue to apply the going concern basis in preparing the financial statements.

### 4. Segmental reporting

The directors are of the opinion that the Company is engaged in a single segment of business, being investment business.

### 5. Earnings per share

Earnings per share is based on the loss attributable to shareholders for the six month period ended 30 June 2021 of £224,605 (30 June 2020: loss of £100,265) and the weighted average number of ordinary shares in issue during the period of 7,858,091 (30 June 2020: 3,379,339). There is no difference between basic and diluted earnings per share.

## 6. Net asset value per share

The net asset value per share at 30 June 2021 is based on net assets of £9,794,114 (30 June 2020: £3,319,047) and the number of ordinary shares in issue on 30 June 2021 of 10,809,654 (30 June 2020: 3,419,308). There is no difference between basic and diluted net asset value per share.

## 7. Related party transactions

The Company retains Blackfinch Investments Limited as its Investment Manager. In addition to the investment management fee, Blackfinch Investments Limited also receives a secretarial and administration fee of £60,000 per annum, paid quarterly. During the six month period ended 30 June 2021, £104,852 (30 June 2020: £21,968) and £29,754 (30 June 2020: £15,781) was charged by Blackfinch Investments Limited for investment management services and administration fees respectively.

At the end of the six month period ended 30 June 2021, £5,847 (30 June 2020: £3,165 owed to) was due from Blackfinch Investments Limited.

The Directors who held office at 30 June 2021 and their interests in the shares of the Company (including beneficial and family interests) were:

		30 June 2021
		Shares held
Peter Hewitt	Director	5,013
Kate Jones	Director	-
Reuben Wilcock	Director	3,278

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

**Copies of the half-yearly report are being made available to all shareholders. Further copies are available free of charge from Blackfinch by telephoning 01452 717070 or by email to [enquiries@blackfinch.com](mailto:enquiries@blackfinch.com).**



## Directors and Advisers

### **Directors (all non-executive)**

Peter Lionel Raleigh Hewitt (Chairman)  
Katie Jones  
Dr Reuben Wilcock

### **Solicitors and Sponsor**

Howard Kennedy Corporate Services LLP  
No. 1 London Bridge  
London, SE1 9BG

All of:

Registered Office at  
1350-1360 Montpellier Court  
Gloucester Business Park  
Brockworth, Gloucester  
Gloucestershire, GL3 4AH

### **Registrars and Receiving Agent**

The City Partnership (UK) Limited  
Suite 2 Park Valley Mills  
Park Valley House  
Meltham Road  
Huddersfield, HD4 7BH

### **Secretary**

The City Partnership (UK) Limited  
110 George Street  
Edinburgh, EH2 4LH

### **Auditor**

BDO LLP  
55 Baker Street  
London, W1U 7EU

### **VCT Tax Adviser**

Philip Hare & Associates LLP  
Hamilton House  
1 Temple Avenue  
London, EC4Y 0HA

### **Investment Manager, Promoter and Administrator**

Blackfinch Investments Limited  
1350-1360 Montpellier Court  
Gloucester Business Park  
Brockworth, Gloucester  
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