

pembroke VCT plc



HALF-YEARLY REPORT

for the six months ended 30 September 2014

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Overview

Investment objective

Pembroke VCT plc (the “Company”) is a generalist VCT focused on private equity style investments in consumer facing businesses.

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



Financial summary

for the six months ended 30 September 2014

	30.09.14 (unaudited)	31.03.14 (audited)	30.09.13 (unaudited)
Net assets	£17,761,813	£18,240,318	£13,702,875
Number of shares in issue	18,141,202	18,141,202	14,072,002
Net asset value per share	97.91p	100.55p	97.38p
Investment income	£219,320	£158,421	£39,756

Profit on ordinary activities before tax

Revenue	£101,482	£(32,589)	£(49,850)
Capital	£(35,751)	£503,688	£(38,107)
Total	£65,731	£471,099	£(87,687)

Return per share

Revenue	0.56p	(0.24)p	(0.42)p
Capital	(0.20)p	3.73p	(0.32)p
Total	0.36p	3.49p	(0.74)p

Chairman's Statement

I am pleased to present the half year results for the Company for the period ended 30 September 2014. Our first Ordinary Share offer successfully closed in March 2014 raising over £18 million, which we believe was an excellent result for a first time VCT. We are now almost fully invested and expect a number of transactions to close in the next quarter.

Following the success of our first offer of Ordinary Shares, the Board announced the launch of a new B Ordinary Share issue of up to £25 million, with an over-allotment facility of up to £10 million. The B Ordinary Shares will be a separate class of share, distinct from the existing Ordinary Shares, and with distinct rights to a separate pool of assets and liabilities. The new share offer was launched in October 2014 and invites investment in either or both of the 2014/15 and 2015/16 tax years.

Results

The Company made a profit of £65,731 in the six months ended 30 September 2014, representing a weighted profit per share of 0.36p. Income arose from the unrealised revaluations of investments (£50,550) and interest income (£219,320), principally from loan notes provided to a number of portfolio companies. This was offset by Company expenses and Investment Adviser fees amounting in total to £204,139. Total expenses in the Company (including Investment Adviser fees) are capped at 0.5% of net asset value per quarter.

Net assets at 30 September 2014 were £17.8 million, of which the value of investments was £13.6 million and cash was £4.4 million. Net asset value per share at the period end was 97.91p.

During the period we announced an interim dividend of 3.0p per share which was paid on 5 September 2014.

Investment performance

In the six months to 30 September 2014 we made three new investments totalling £1.5 million, and committing a further £0.3 million. Additionally, we made several follow-on investments in our existing portfolio totalling £1.5 million, in line with our original commitments.

At 30 September 2014 we had committed £13.7 million to 19 companies, of which £12.6 million had been invested. We made no realisations during the period, however, four portfolio companies are now assessed as ahead of cost: Plenish, KX Gym, Chilango and Zenos Cars.

The Investment Adviser's team continue to play an active role in the majority of their investee companies where they support the founders and managers on a weekly basis providing them with guidance on strategy and operational expertise.

Outlook

We look forward to your continued support and hope that you will participate in our new B Ordinary Share offer where we have replicated the initial strategy of the first offer, focusing on private equity style investments in consumer facing businesses. Our pipeline of new investments is encouraging and we expect to be investing the proceeds of this new offer in the New Year.

Jonathan Djanogly
Chairman

21 November 2014



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

Investment Adviser's Review

for the six months ended 30 September 2014

Overview

In the six months ended 30 September 2014, the Company committed capital of £1.8 million, investing a total of £1.5 million into three new investments: Bella Freud Perfume, Penfield and Sourced Market. The Company also made seven follow-on investments totalling £1.5 million in its existing portfolio.

At 30 September 2014 the Company had committed £13.7 million to 19 companies across the core sectors of health and fitness, hospitality, apparel and accessories, and media and technology, of which £12.6 million had been invested.

Portfolio review

With 21 investments (including two post the period end), the Company has committed a total of £15.0 million (representing 84% of net assets) and has invested £13.9 million (representing 78% of net assets) to date. All of these investments have been in unquoted companies in the core sectors, with £3.9 million in the form of loan notes and the balance in ordinary equity with full voting rights.

Follow-on investments in the reporting period were made in Chucs Bar & Grill, Troubadour Goods, La Bottega, Boom Cycle, Dilly & Wolf, Chilango and the premium fast-food restaurant chain, in line with our original commitments.

Performance across the portfolio has been in line with expectations and we are pleased with the progress of our investee companies.

Valuation

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

In accordance with the IPEVCV guidelines, the Company continues to hold its investments at cost, with the exception of Plenish, KX Gym, Chilango and Zenos Cars, for which we have increased the valuations above cost as a result of the out-performance of those businesses and/or subsequent share issues at a higher valuation. Revaluations of the first three of these companies were included in the full year accounts ending 31 March 2014.

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

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



Investment Portfolio

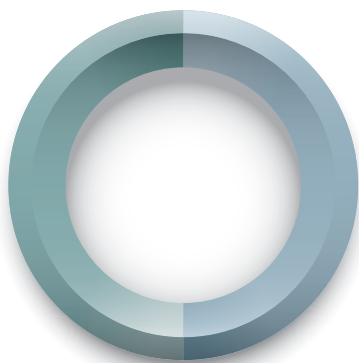
as at 30 September 2014

	Cost £	Fair value £	% of net assets
Health and Fitness			
Boom Cycle	343,760	343,760	1.9%
KX Gym	700,000	1,085,499	6.1%
Plenish	225,000	302,533	1.7%
Dilly & Wolf	220,000	220,000	1.2%
Hospitality			
Chilango	549,850	695,040	3.9%
Premium fast-food restaurant chain	818,400	818,400	4.6%
La Bottega	1,960,000	1,960,000	11.0%
Chucs Bar & Grill	694,278	694,278	3.9%
Second Home	525,074	525,074	3.0%
Sourced Market	830,000	830,000	4.7%
Apparel and Accessories			
Kat Maconie	320,000	320,000	1.8%
Troubadour Goods	590,000	590,000	3.3%
Bella Freud	250,000	250,000	1.4%
Bella Freud Perfume	90,000	90,000	0.5%
Chucs	790,039	790,039	4.5%
Penfield	564,400	564,400	3.2%
Media and Technology			
Boat International Media	2,100,000	2,100,000	11.8%
Rated People	489,978	489,978	2.8%
Zenos Cars	500,000	550,550	3.1%
Total investments	12,560,779	13,219,551	74.4%
Interest rolled up in fixed income investments	339,772	339,772	1.9%
Net current assets	4,202,490	4,202,490	23.7%
Net assets	17,103,041	17,761,813	100.0%

Segment analysis

The charts below show the segment analyses of the investments committed by the Company at 30 September 2014.

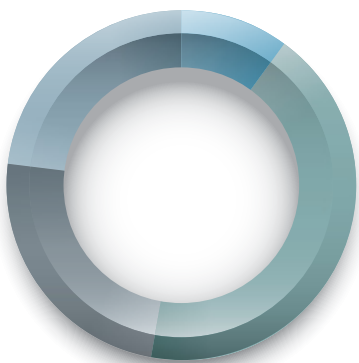
Total investments £13,662,719



- 50% Late stage (£6,868,650)
- 50% Early stage (£6,794,069)

Targeting ~60% late stage investments

Total investments by industry group



- 10% Health and Fitness
- 43% Hospitality
- 24% Apparel and Accessories
- 23% Media and Technology

Investment Review

for the six months ended 30 September 2014

Health and Fitness

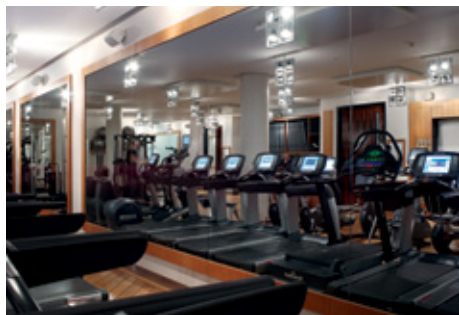
Boom Cycle



Cost	£343,760
Valuation	£343,760
Basis of valuation	Cost
Equity holding	27.2%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Boom Cycle is a new indoor cycling concept which offers a fun, high intensity cardiovascular workout. The business currently has two studios, based in Shoreditch and Holborn, where they combine indoor spin cycling with various exercise classes for both upper and lower body work-outs. Boom Cycle is one of the first dedicated spinning studios in London. The investment will be used to help roll out the concept across London.

KX Gym



Cost	£700,000
Valuation	£1,085,499
Basis of valuation	EBITDA multiple
Equity holding	11.8%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

KX Gym, founded in 2002, is a private members' gym and spa, which includes a restaurant and clubroom, located in Chelsea, London. KX offers members an exclusive holistic approach to wellbeing, incorporating fitness, diet and relaxation. Their strategy is to retain exclusivity (minimal volume growth, modest membership fee increase), increase secondary spend (restaurant, spa, personal training), and to continue to build the KX brand to offer other associated products (e.g. KX Life, KX Urban and KX Concierge).

Plenish



Cost	£225,000
Valuation	£302,533
Basis of valuation	Sales multiple
Equity holding	28.7%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Plenish, founded in 2012, is a cold-pressed juicing business in the UK, offering 100% raw (unpasteurised) juice. Cold-press juicing is a convenient way to pack a large amount of vegetables and fruit into your diet. The company offers both a full body cleanse package and off-the-shelf juice bottles (250ml). The company is currently selling via two main channels: online and through select wholesale accounts (e.g. Selfridges, Planet Organic, Harvey Nichols, The Natural Kitchen and Daylesford). Cold-press juicing is in its early stages in the UK, and therefore represents an attractive growth opportunity. Plenish launched on Ocado in May with strong sell through.

Dilly & Wolf



Cost	£220,000
Valuation	£220,000
Basis of valuation	Cost
Equity holding	21.3%
Income recognised in the six months ended 30 September 2014	£1,841
Income accrued as at 30 September 2014	£1,841

Founded in 2013, Dilly & Wolf is a new premium snack brand. The company produces tasty and nourishing food using global ingredients such as kabuki beans, quinoa and fava beans. The company launched in Selfridges in June and is now in Daylesford, The Natural Kitchen, Sourced Market and Lomax Gym. The Company believes there is an opportunity for a wholesome and nutritious snack brand which competes at a premium level despite the UK snack market being highly competitive.

Hospitality

Chilango



Cost	£549,850
Valuation	£695,040
Basis of valuation	Most recent funding round
Equity holding	3.0%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Chilango is a fast-casual Mexican restaurant chain concept based on successful US business models. There are currently seven restaurants in London: Upper Street, Fleet Street, Chancery Lane, London Wall, Brushfield Street, Monument and Leather Lane, with further sites in the pipeline.

Premium fast-food restaurant chain



Cost	£818,400
Valuation	£818,400
Basis of valuation	Cost
Equity holding	n/a
Income recognised in the six months ended 30 September 2014	£41,932
Income accrued as at 30 September 2014	£79,421

The company serves a range of hand-made burgers made with fresh locally sourced beef and cooked on a grill, along with fresh-cut fries, served with unlimited toppings. Currently there are 12 restaurants in England with 4 more sites opening by the end of the year. The investment will be used to roll out the brand across the UK.

La Bottega



Cost	£1,960,000
Valuation	£1,960,000
Basis of valuation	Cost
Equity holding	40.0%
Income recognised in the six months ended 30 September 2014	£79,377
Income accrued as at 30 September 2014	£178,829

La Bottega is an Italian chain of delicatessens in London, which serve high quality authentic Italian food and coffee. Currently there are six shops trading in London in Chelsea (x2), Belgravia, South Kensington, St. James' and Covent Garden. The investment will be used to provide expansion capital to open several new sites in selected neighbourhoods in London.

Chucs Bar & Grill



Cost	£694,278
Valuation	£694,278
Basis of valuation	Cost
Equity holding	31.5%
Income recognised in the six months ended 30 September 2014	£17,676
Income accrued as at 30 September 2014	£17,676

Chucs Bar & Grill is a new restaurant/bar reflecting the same style and branding as the Chucs retail brand. The restaurant is situated on Dover Street in Mayfair, next door to the Chucs retail store. Chucs Bar & Grill has 18 covers inside and 8 covers outside, serving food and drinks all day and offering different menus for breakfast, lunch, tea and dinner with an array of cocktails in the evening. Combining the Chucs retail offering with a restaurant creates an innovative consumer experience. The investment proceeds have been used to acquire the lease, fund fit-out costs and provide working capital.

Second Home



Cost	£525,074
Valuation	£525,074
Basis of valuation	Cost
Equity holding	4.4%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Second Home is a new venture which will offer flexible and modern office space for fast-growing technology firms and creative businesses. Combining architectural design with first class amenities, Second Home will provide users with an impressive office environment in which to locate their business for short, medium and long term. The investment has been used in part to fund the acquisition and fit-out of the first site in East London near Liverpool Street station, which is expected to open shortly.

Sourced Market



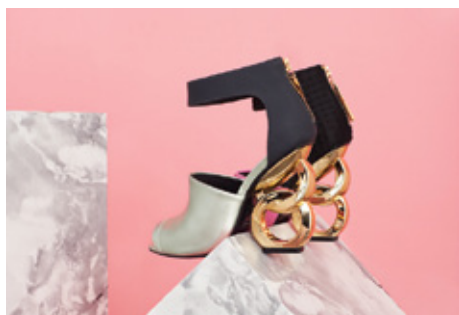
Cost	£830,000
Valuation	£830,000
Basis of valuation	Cost
Equity holding	20.7%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Sourced Market is a café, restaurant and retail offering which takes the concept of a farmers market into the convenience sector. The business sells a range of fresh British products manufactured by local producers (e.g. sandwiches, salads, pies, scotch eggs), Monmouth coffee, alcohol (e.g. craft beer and wine), and a range of snacks and pantry products (e.g. artisanal chocolate and biscuits).

The business was founded in 2007 and currently has one profitable site in St Pancras International in King's Cross. The investment is being used to expand the brand and fund roll-out of the concept in other stations and high street locations.

Apparel and accessories

Kat Maconie



Cost	£320,000
Valuation	£320,000
Basis of valuation	Cost
Equity holding	32.0%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Kat Maconie, founded in 2008, designs and manufactures ladies' shoes which are sold online, in department stores and in boutiques globally. The investment is being used to expand the main line collections, enhance sales and marketing efforts, and develop an e-commerce platform for the business. Kat Maconie was recently granted an exclusive licence in China with plans to open stand-alone stores by Q1 2015 in three major cities.

Troubadour Goods



Cost	£590,000
Valuation	£590,000
Basis of valuation	Cost
Equity holding	44.3%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Troubadour Goods is a London-based luxury men's accessories brand specialising in designing and creating superior handcrafted leather goods. Troubadour features a line of seven leather pieces ranging from a wallet to a weekend bag. The products are available at the brand's e-commerce website and at four UK retailers: Harrods, Harvey Nichols, Oki-ni and Autograph. The investment is being used to broaden the product portfolio, drive sales and marketing, and provide funds for working capital.

Bella Freud



Cost	£250,000
Valuation	£250,000
Basis of valuation	Cost
Equity holding	27.8%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Bella Freud is a fashion designer and manufacturer producing a range of high-end men's and women's clothing, focusing on knitwear. Currently her products are available in a number of retailers in the UK (Net-A-Porter, Matches, Harrods and Harvey Nichols), the USA and Asia, and through her e-commerce shop. The investment is being used to develop an e-commerce platform, expand the collections and provide cashflow to fund production.

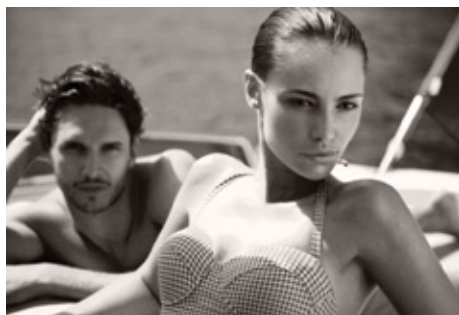
Bella Freud Perfume



Cost	£90,000
Valuation	£90,000
Basis of valuation	Cost
Equity holding	30.0%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

With the continuing success of the clothing label, Bella has teamed up with Azzi Glasser, a veteran in the UK perfume market who has designed a number of fragrances for other brands including Agent Provocateur, Nicole Farhi and Alexander McQueen. Bella Freud Perfume launched exclusively in Harvey Nichols in July 2014 with three signature scents. The investment is being used to provide funds for working capital, stock development, sales and marketing and launch costs.

Chucs



Cost	£790,039
Valuation	£790,039
Basis of valuation	Cost
Equity holding	33.6%
Income recognised in the six months ended 30 September 2014	£43,088
Income accrued as at 30 September 2014	£45,907

Chucs is a luxury brand of men's and women's leisure wear. The product lines include t-shirts, polos and swimwear. Chucs currently sells via their online store, a retail store on Dover Street, London and through selected stockists. The investment is being used to refine the mainline collections, expand their wholesale presence and enhance sales and marketing.

Penfield



Cost	£564,400
Valuation	£564,400
Basis of valuation	Cost
Equity holding	5.7%
Income recognised in the six months ended 30 September 2014	£4,001
Income accrued as at 30 September 2014	£4,001

Penfield is an urban outdoor clothing brand, founded in 1975 in Hudson, Massachusetts, which is renowned for producing high quality down-filled jackets, fleeces and outer wear. The products can be purchased online, and in over 30 countries globally, in a range of large retailers (e.g. Urban Outfitters, Size, J Crew and John Lewis).

The investment is being used to provide working capital, develop the brand through sales and marketing and increase the number of retailers globally.

Media and Technology

Boat International Media



Cost	£2,100,000
Valuation	£2,100,000
Basis of valuation	Cost
Equity holding	21.0%
Income recognised in the six months ended 30 September 2014	£24,065
Income accrued as at 30 September 2014	£12,098

Recognised as a major worldwide media group serving the superyacht industry, Boat International Media provides information and services across traditional print, digital media and high quality events. Boat International publishes more than 1.4 million magazines annually, sells in over 57 countries worldwide and organises eight annual events including awards ceremonies, regattas and industry symposia. The Company has led a consortium of investors to complete a management buyout which has reduced debt in the business, allowing the company to support its growth strategy. Management will continue to develop the print media platform and accelerate the transition to digital.



Rated People



Cost	£489,978
Valuation	£489,978
Basis of valuation	Cost
Equity holding	About 3%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Rated People, founded in 2005, is one of the UK's major online market places for homeowners to find tradesmen for home improvement jobs. The platform has around 24,000 tradesmen throughout the UK, for which over 350,000 ratings have been provided by homeowners who have used them. The investment is being used to enhance sales and marketing, and to identify acquisition opportunities to improve the service offering and user experience.

Zenos Cars



Cost	£500,000
Valuation	£550,550
Basis of valuation	Most recent investment
Equity holding	13.2%
Income recognised in the six months ended 30 September 2014	£nil
Income accrued as at 30 September 2014	£nil

Zenos Cars has created lightweight sports cars that provide thrilling driveability and performance at an affordable price point. The business plans to deliver its first product in early 2015. Zenos is led by Ansar Ali and Mark Edwards, previously chief executive officer and chief operating officer respectively of Caterham Cars. The investment is being used to fund the manufacture of the pre-production test car and provide working capital for production of the order book in 2015.

Statement of Principal Risks and Uncertainties

The principal risks facing the Company are Venture Capital Trust Status risk and investment valuation and liquidity risk. These risks, and the way in which they are managed, are described in more detail under the heading Risk management within the Strategic Report of the Annual Report and Financial Statements for the period ended 31 March 2014.

The Company's assets consist of equity and fixed interest investments and cash. The main risks arising from the Company's financial instruments are credit risk, investment valuation risk, interest rate risk and liquidity risk. These risks, and the way in which they are managed, are described in more detail in Note 16 to the Financial Statements in the Company's Annual Report and Financial Statements for the period ended 31 March 2014.

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



Statement of Directors' Responsibilities

in respect of the half-yearly financial report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with the Statement "Half-yearly financial reports" issued by the UK Accounting Standards Board;
- the Chairman's Statement and Investment Adviser's Review (constituting the interim management report) include a true and fair review of the information required by DTR4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the six months ended 30 September 2014 and their impact on the condensed set of financial statements;
- the Statement of Principal Risks and Uncertainties on page 20 is a fair review of the information required by DTR4.2.7R, 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 DTR4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the six months ended 30 September 2014 and that have materially affected the financial position or performance of the entity during that period.

For and on behalf of the Board

Jonathan Djanogly

Chairman

21 November 2014

Income Statement

for the six months ended 30 September 2014

	Note	Six months ended 30.09.14 (unaudited)		
		Revenue £	Capital £	Total £
Unrealised gains on investments		–	50,550	50,550
Income		219,320	–	219,320
Investment adviser's fees		(20,702)	(62,105)	(82,807)
Other expenses		(97,136)	(24,196)	(121,332)
Profit/(loss) on ordinary activities before tax		101,482	(35,751)	65,731
Tax on ordinary activities		–	–	–
Profit/(loss) attributable to equity shareholders		101,482	(35,751)	65,731
Return per share				
Return per ordinary share – basic and diluted	4	0.56p	(0.20)p	0.36p

continued opposite

Income Statement continued

for the six months ended 30 September 2014

	Period ended 31.03.14 (audited)			Period ended 30.09.13 (unaudited)		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Unrealised gains on investments	–	608,222	608,222	–	–	–
Income	158,421	–	158,421	39,756	–	39,756
Investment adviser's fees	(32,345)	(97,034)	(129,379)	(12,702)	(38,107)	(50,809)
Other expenses	(158,665)	(7,500)	(166,165)	(76,634)	–	(76,634)
Profit/(loss) on ordinary activities before tax	(32,589)	503,688	471,099	(49,580)	(38,107)	(87,687)
Tax on ordinary activities	–	–	–	–	–	–
Profit/(loss) attributable to equity shareholders	(32,589)	503,688	471,099	(49,580)	(38,107)	(87,687)
Return per share						
Return per ordinary share – basic and diluted	(0.24)p	3.73p	3.49p	(0.42)p	(0.32)p	(0.74)p

The total column represents the profit and loss account of the Company. All revenue and capital items in the above statement derive from continuing operations. The Company has only one class of business and derives its income from investments made in shares, securities and bank deposits. The Company has no gains and losses other than those recognised in the Income Statement above and has not therefore prepared a separate statement of total recognised gains and losses.

The accompanying notes are an integral part of the Statement.

Condensed Balance Sheet

as at 30 September 2014

	Note	30.09.14 (unaudited) £	31.03.14 (audited) £	30.09.13 (unaudited) £
Fixed assets				
Investments		13,559,323	10,351,741	3,868,080
Current assets				
Debtors		23,245	1,648,044	52,995
Cash at bank and in hand		4,374,783	7,019,865	9,897,573
		4,398,028	8,667,909	9,950,568
Creditors: amounts falling due within one year		(195,538)	(779,332)	(115,773)
Net current assets		4,202,490	7,888,577	9,834,795
Net assets		17,761,813	18,240,318	13,702,875
Capital and reserves				
Called up share capital		181,412	181,412	140,720
Share premium account		1,599,724	1,599,724	13,649,842
Special reserve		15,443,847	15,988,083	–
Capital reserves		467,937	503,688	(38,107)
Revenue reserves		68,893	(32,589)	(49,580)
Total shareholders' funds		17,761,813	18,240,318	13,702,875
Net asset value per share	5	97.91p	100.55p	97.38p

The accompanying notes are an integral part of the Balance Sheet.

Cash Flow Statement

for the six months ended 30 September 2014

	Six months ended 30.09.14 (unaudited) £	Period ended 31.03.14 (audited) £	Period ended 30.09.13 (unaudited) £
Operating activities			
Investment income received – qualifying	22,488	30,000	–
Deposit and similar interest received – non qualifying	4,788	3,297	5
Investment adviser's fees paid	(70,992)	(58,387)	(58,387)
Company secretarial fees paid	–	(26,401)	–
Audit fees	(25,806)	–	–
Cash paid to and on behalf of Directors	(28,847)	(19,502)	–
Legal and due diligence fees	(29,322)	–	(29,322)
Other cash payments	(42,224)	(46,494)	(16,525)
Net cash outflow from operating activities	(169,915)	(117,487)	(74,912)
Financial investment			
Purchase of investments	(2,460,371)	(7,062,008)	(2,396,880)
Loans made	(1,027,200)	(2,011,200)	(1,471,200)
Net cash outflow from financial investment	(3,487,571)	(9,073,208)	(3,868,080)
Dividends			
Payment of dividend	(544,236)	–	–
Net cash outflow before financing	(4,201,722)	(9,190,695)	(3,942,992)
Financing			
New share issue – ordinary shares	1,646,800	16,494,400	14,072,000
New share issue – preference shares	–	50,000	50,000
Redemption of preference shares	–	(50,000)	–
Share issue expenses	(90,160)	(283,840)	(281,440)
Net cash inflow from financing	1,556,640	16,210,560	13,840,560
(Decrease)/Increase in cash	(2,645,082)	7,019,865	9,897,568
Reconciliation of net cash flow to movement in net cash			
Net cash at start of the period	7,019,865	–	–
Net cash at end of the period	4,374,783	7,019,865	9,897,568
(Decrease)/Increase in cash	(2,645,082)	7,019,865	9,897,568

The accompanying notes are an integral part of the Statement.

Reconciliation of Movements in Shareholders' Funds

for the six months ended 30 September 2014

	Six months ended 30.09.14 (unaudited) £	Period ended 31.03.14 (audited) £	Period ended 30.09.13 (unaudited) £
Opening shareholders' funds	18,240,318	–	–
Capital per share issue	–	18,141,202	14,072,002
Expenses of offer	–	(362,824)	(281,440)
Expenses of special reserve creation	–	(9,159)	–
Profit/(loss) for the period	65,731	471,099	(87,687)
Dividends paid	(544,236)	–	–
Closing shareholders' funds	17,761,813	18,240,318	13,702,875

The accompanying notes are an integral part of the Statement.

Notes to the Financial Statements

for the six months ended 30 September 2014

1. The unaudited half-yearly financial results cover the six months ended 30 September 2014 and have been prepared in accordance with applicable accounting standards, the accounting policies set out in the financial statements for the year ended 31 March 2014 and the Statement of Recommended Practice, "Financial Statements of Investment Trust Companies and Venture Capital Trusts" revised in January 2009.
2. The financial information set out in this report has not been audited and does not comprise full financial statements within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2014, which were unqualified, have been lodged with the Registrar of Companies. No statutory accounts in respect of any period after 31 March 2014 have been reported on by the Company's auditors or delivered to the Registrar of Companies.
3. The Board of Directors is satisfied that the Company has adequate availability of funding in order to continue as a going concern. Therefore, the Company continues to adopt the going concern basis in preparing these Financial Statements.
4. The profit per share is based on the profit attributable to shareholders for the period and the weighted average number of shares in issue during the period of 18,141,202 (31 March 2014: 13,500,678; 30 September 2013: 11,770,530).
5. The net asset value per share at 30 September 2014 is based on net assets of £17,761,813 (31 March 2014: £18,240,318; 30 September 2013: £13,702,875) and the number of shares in issue of 18,141,202 (31 March 2014: 18,141,202; 30 September 2013: 14,072,002).
6. The Company retains Oakley Investment Managers LLP as its Investment Adviser.
Peter Dubens, a non-executive Director of the Company, is a designated member of the Investment Adviser. During the six months ended 30 September 2014, £82,807 was payable to the Investment Adviser for investment adviser services of which £82,807 was owed at the period end.
The number of ordinary shares (all of which are held beneficially) by the Directors and certain members of the management team of the Investment Adviser are:

		Ordinary shares held at 30 September 2014
Jonathan Djanogly	Director	25,000
Laurence Blackall	Director	200,000
Peter Dubens	Director	400,000
Kathy Jackson	Investment adviser	60,000
Stewart Porter	Investment adviser	75,000

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

7. Copies of the Half-Yearly Report are being sent to all shareholders. Further copies are available free of charge from the Company's registered office.

Corporate Information

Directors (all non-executive)

Independent

Jonathan Simon Djanogly
Laurence Charles Neil Blackall

Not independent

Peter Adam Daiches Dubens

All of the registered office and
principal place of business

3 Cadogan Gate
London
SW1X 0AS

www.pembrokevct.com

Investment Adviser

Oakley Investment Managers LLP
3 Cadogan Gate
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SW1X 0AS

Secretary

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Thistle House
21 Thistle Street
Edinburgh
EH2 1DF
Telephone: 0131 243 7210

Independent Auditor

Grant Thornton UK LLP
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

Registrar

The City Partnership (UK) Limited
c/o Share Registrars Limited
Suite E, First Floor
9 Lion and Lamb Yard
Farnham
Surrey
GU9 7LL

Bankers

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London
EC1N 8DN

VCT Status Adviser

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Reporting calendar

for the year ending 31 March 2015

Results announced:

Interim – November 2014

Annual – July 2015

For your notes

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VCT plc

3 Cadogan Gate, London SW1X 0AS
Company number: 08307631