

**IBIS Media VCT 1 plc
Half-Yearly Report
for the period ended 31 July 2016**

**Incorporated in England and Wales
with registered number: 5660269**

Contents

Financial Summary	1
Chairman's Statement	2
Investment Adviser's Review	4
Investment Portfolio Summary	9
Directors' Responsibility Statement	10
Unaudited Income Statement	11
Unaudited Balance Sheet	12
Unaudited Statement of Changes in Equity	13
Unaudited Cash Flow Statement	14
Notes to the Interim Financial Statements	15
Statement of Principal Risks and Uncertainties	17
Corporate Information	18

Financial Summary

Period ended	Six months ended 31 July 2016	Six months ended 31 July 2015	Year ended 31 January 2016
Net assets	£3,609,689	£5,550,559	£3,836,419
Net asset value per share	33.21p	51.07p	35.30p
Investment income	£16,562	£54,825	£89,593
Return on ordinary activities before tax			
- Revenue	£(20,277)	£3,751	£(90,201)
- Capital	£(206,453)	£(47,074)	£(1,667,262)
- Total	£(226,730)	£(43,323)	£(1,757,463)
Return per share			
- Revenue	(0.19)p	0.03p	(0.83)p
- Capital	(1.90)p	(0.43)p	(15.34)p
- Total	(2.09)p	(0.40)p	(16.17)p
Dividend per share declared in respect of the period			
- Revenue	Nil	Nil	Nil
- Capital	Nil	Nil	Nil
- Total	Nil	Nil	Nil
Share price at end of period	21.0p	21.5p	21.0p

Investment Policy

The objective of IBIS Media VCT 1 plc (“IBIS” or the “Company”) is to make investments in unquoted companies within the media sector that have the potential to grow and to achieve capital appreciation on a subsequent exit.

Whilst the Company’s directors (“Directors”) and the Company’s investment committee (“Investment Committee”) are primarily targeting investments in privately owned companies, suitable opportunities to acquire VCT qualifying investments in smaller AIM-quoted stocks will also be considered where there is potential to achieve the level of return targeted by the Company’s board of directors (“Board”). It is also the intention of the Directors to build a balanced portfolio with interests in a mixture of cyclical and non-cyclically exposed media companies operating both in mature and high growth areas of the market. IBIS is, however, unlikely to invest in all media sub-sectors as factors such as growth prospects, the competitive environment and valuations may mean that the prospective investment performance of certain of those sub-sectors would be unlikely to provide satisfactory rates of return.

IBIS Private Equity Partners LLP is the Company’s investment adviser (“Investment Adviser”).

Chairman's Statement

Company Overview

The IBIS portfolio of private equity investments now comprises three investee companies, namely Steel River Media (the holding company for Contagious), Ginx TV and Freshwater (excluding Masher Technologies and Riva Digital Media, which are held at nil value).

Contagious – during the six month period ended 31 July 2016, Contagious received two written offers for the company, the details of which are provided in the Investment Adviser's Review. More recently, a new CEO has been appointed who is well-placed to drive sales growth at Contagious.

Ginx TV – in June 2016, Ginx publicly announced the launch of a re-branded channel on Sky, "Ginx eSports TV", catering to the fast-growing competitive video gaming market. In September, Sky plc and ITV plc made a strategic investment of £3.1m equally between them in a transaction that provides a mechanism and timeframe for a potential shareholder exit for IBIS.

Freshwater – in April 2016, Freshwater reported strong interim results for the 6 months ended February 2016 and out-performance against management's expectations. The company increased its interim dividend in May 2016, with IBIS receiving £16,555. Freshwater's board is also evaluating opportunities to realise shareholder value.

Financial Performance

During the six month period under review, IBIS has seen a decrease of £226,730 or 5.9% in the Company's net asset value and a corresponding decrease of 2.09p in the net asset value per share from 35.30p to 33.21p. The decrease comprised a capital loss of £206,453, combined with a revenue loss of £20,277. The principal factor behind the capital loss was a decrease of £174,106 in the fair value of IBIS' investment in Ginx TV, reflecting the implied valuation of the simultaneous investments by Sky and ITV, notwithstanding that they were offered a discount given their perceived value as strategic investors.

In October 2016, IBIS sold 250,000 shares in Freshwater to a private shareholder in the company for £50,000. The proceeds from this transaction have been retained by IBIS to meet the working capital requirements of the Company.

Investment Performance

No new investments were made during the period under review.

IBIS' valuation of its investment in Contagious is unchanged from the fair value reported in the Annual Report and Financial Statements for the year ended 31 January 2016.

The prospects for Ginx look more encouraging since its repositioning as an eSports business and the entry of two major supportive strategic investors onto its shareholder register. However, as previously indicated, the fair value of IBIS' investment in Ginx TV was reduced by £174,106 over the reporting period to reflect the discounted valuation of the strategic co-investment from Sky and ITV.

Despite another year of improved trading and increasing dividend payments, IBIS' valuation of its investment in Freshwater also remains unchanged. However, the sale of £50,000 of shares post the financial period end was at a level that represented an 8% uplift to IBIS' per share value of its investment in Freshwater reported in these financial statements.

More detail of the performance of the Company's portfolio is given in the Investment Adviser's Review.

Corporate Developments

With the Company no longer seeking to make new investments but instead focusing on exiting the remaining portfolio, the Board has given consideration to minimising Company costs in the intervening period so as to maximise the eventual returns to shareholders. The Board has concluded that it will convene a general meeting of the Company's shareholders at which it will propose that it would be in the best interests of the shareholders if the Company were to enter a winding up process within the current financial year. We envisage the winding up would enable the Company to maintain its status as a Venture Capital Trust without the associated costs of being a listed company, thus allowing cost-savings to be passed on to shareholders. A winding up would also provide for an orderly realisation of the Company's assets over a three year period by a liquidator so as to maximise the potential returns to shareholders through tax-free dividends linked to the proceeds of realisations from the remaining portfolio companies.

More details regarding the proposal will be provided to shareholders in a separate communication. Shareholders will then be given the opportunity to vote on the proposal.

Outlook

The managements of Contagious, Ginx TV and Freshwater are all forecasting increased sales in their current financial years.

Contagious continues to receive unsolicited, in-bound acquisition interest, while conversations remain ongoing with an AIM-listed marketing services group in relation to a possible commercial relationship and a desire on their part to invest in the company. Meanwhile, Contagious has been proactive in appointing a new CEO who is focused on driving sales growth in the UK and international markets in which the company operates.

Ginx TV now has significant investment from Sky and ITV to develop the business, while increasing its reach to Sky's 11 million TV households in the UK. The company also stands to benefit from the wide network and industry relationships of two FTSE 100-listed shareholders and the recent transaction sets a mechanism and timeframe for a potential exit for IBIS.

We are pleased to report yet another set of improved trading results at Freshwater. Given the company's trading momentum, it is likely that Freshwater will declare an increased final dividend payable to IBIS and other shareholders in January 2017. Freshwater's board is also evaluating opportunities to realise shareholder value, including a potential trade sale or MBO.

The Board is grateful for the support of the Company's shareholders and would encourage them (or their advisers) to contact the company secretary, Robin Smeaton, on 0131 243 7210 with any questions which they may have about either the Company or their shareholdings in it. The Investment Adviser also maintains a website for the Company which may be accessed via www.ibiscapital.co.uk.

Sir Robin Miller
Chairman
31 October 2016

Investment Adviser's Review

Investment Overview

The IBIS portfolio of private equity investments now comprises Steel River Media (the holding company for Contagious), Ginx TV and Freshwater. (Masher Technologies and Riva Digital Media remain within the IBIS portfolio but are both held at nil value).

In the first six months of the year, cumulative sales at Contagious were down 17% on the same period last year. The principal factor behind this decline over the period was the time it has taken the company to sign large contracts for its consultancy business. Contagious is however making up ground in the second half of the year and, overall, the company expects to achieve top line annual growth by year-end. During the period under review, Contagious received two written offers for the company. However, as discussions progressed with the first party it became clear that it was unlikely to secure funding for any transaction, while the terms of the second party's offer were on an extended basis with overly ambitious targets. Conversations remain ongoing with the second party, an AIM-listed marketing services group, in relation to a possible commercial relationship and a desire on their part to invest in the company. More recently, a new CEO has been appointed who brings a career background in commercial advertising sales and is well-placed to drive top line growth at Contagious.

In June 2016, Ginx TV publicly announced the launch of a re-branded and repositioned channel on Sky channel 470, "Ginx eSports TV", catering to the fast-growing competitive video gaming market. In September 2016, Sky plc and ITV plc invested £3.1m equally between them into the company. Under the terms of the transaction, Sky and ITV have call options to acquire shares from existing shareholders to reach 50.1% ownership in 24 months of completion of the initial transaction and a right to acquire the entire company from existing shareholders after 36 months. Although the strategic investment from Sky and ITV was made on a discounted basis, resulting in a 12% decrease in the fair value of IBIS' investment over the six month reporting period, Ginx now has significant investment to develop the business while increasing its reach to Sky's 11 million TV households in the UK. The company also stands to benefit from the wide network and industry relationships of two FTSE-listed shareholders and the transaction sets a mechanism and timeframe for a potential exit for IBIS and other shareholders.

Freshwater reported an 8% increase in revenue and a 24% increase in operating profit at its 29 February 2016 half-year end. In light of these positive results, the company paid a 0.75p interim dividend in May, with IBIS receiving £16,555. Pleasingly, the group's trading in the second half of the year to 31 August 2016 was ahead of management's expectations. The revenue and operating profit run rates were above that of the half-year by around 11% and 14% respectively, with annual turnover at around £5.00m (unaudited) – the highest figure for seven years. It is likely that Freshwater's board will declare an increased final dividend payable in January 2017. In October 2016, IBIS sold 250,000 Freshwater shares for £50,000 to a private shareholder in the company. This transaction represents an 8% uplift to IBIS' per share value of its investment in Freshwater that is reported in these financial statements.

No new investments were made during the six month period under review. IBIS' valuation of its investment in Contagious is unchanged from the beginning of the period. Despite another year of improved trading and out-performance against budget, IBIS' valuation of its investment in Freshwater also remains unchanged. Although the prospects for Ginx TV look more encouraging, the fair value of IBIS' investment in Ginx has decreased by £174,106 to reflect the discounted valuation offered to Sky and ITV to reflect their perceived value as strategic investors.

Portfolio Review

The IBIS portfolio comprises investments in Steel River Media (the holding company for Contagious), Ginx TV, Freshwater, Masher Technologies and Riva Digital Media.

The following is a review of the current portfolio.

Steel River Media (being the holding company of Contagious)

Date of initial investment:	12 January 2010
Investment to date:	£850,000 ordinary shares
Valuation as at 31 January 2016:	£2,092,746
Investment in period:	£0
Valuation as at 31 July 2016:	£2,092,746
Change in valuation:	£0; 0%

Investment Overview

Contagious, which was launched in 2004, is a respected global intelligence resource and advisory service reporting on innovative marketing techniques, consumer culture and the impact of emerging technologies on brands. Contagious' clients include some of the world's leading advertisers such as Google, Heineken, Mondelez, Nike, Kraft and LVMH as well as a range of advertising agencies including FCB, Havas, JWT and McCann Worldgroup.

Contagious' offering includes a quarterly intelligence journal, a digital insights and trends platform and consultancy service, covering topics such as: creative leadership and excellence, programmatic creative content and media, mobile, social, emerging cultures, behaviour and technologies. Separately, Contagious has an events division that delivers curated industry events that look at emerging themes and movements.

The overall proposition of the business is to identify ideas, insight and innovation behind the world's most revolutionary marketing strategies to make brands braver and to be contagious.

Recent Updates

Although the company's I/O digital subscription service has performed well and sales are ahead of last year, cumulative sales at the company's half-year end were £1.40m, down 17% on the same period last year. The principal factor behind this decline over the period was the time it has taken the company to sign large contracts for its consultancy business, Insider. Contagious is however making up ground in the second half of the year. Pleasingly, in relation to Insider, there has been good progress in the last two months and, overall, Contagious expects to achieve top line annual growth over the £3.34m in revenue achieved in FY2015.

During the course of the first six months of the year, Contagious received two written offers for the company. However, as discussions progressed with the first party it became clear that it was unlikely to secure funding for any transaction. The second offer came from an AIM-listed marketing services group. Despite a number of synergies between the companies, the payment terms of the second offer were on an extended basis with overly ambitious targets. The conversations with the second party remain ongoing in relation to a possible commercial relationship and a desire on their part to invest in Contagious.

More recently, Karl Marsden has been appointed CEO of Contagious. Mr Marsden was COO of Shortlist Media which owns Shortlist and Stylist magazines and websites. With a career background in commercial advertising sales at IPC Media and News UK, the company feels that Karl is well-placed to drive sales growth at Contagious.

IBIS' valuation at the half-year is unchanged from the beginning of the period.

Ginx TV

Date of initial investment:	24 August 2010
Investment to date:	£1,241,627 ordinary shares and loan notes, including interest
Valuation as at 31 January 2016:	£1,436,355
Investment in Period:	£0
Valuation as at 31 July 2016:	£1,262,249
Change in valuation:	-£174,106; -12%

Investment Overview

Ginx TV produces a 24/7 video games TV channel as well as individual review and insight programmes on the latest video games. Ginx programming is available on TV and online and the TV shows are targeted at international audiences in English and localised versions. Ginx TV is now aired in over 50 territories and in more than 10 languages.

Recent Developments

In June 2016, Ginx TV publically announced the launch of a re-branded and repositioned channel, "Ginx eSports TV" on Sky channel 470. It also announced a proposed strategic co-investment from Sky plc and ITV plc, a transaction that successfully completed in September. Sky and ITV have invested £3.1m equally between them, of which £0.80m will be satisfied through the provision of services for broadcasting the channel on Sky and the balance received in cash. The primary use of funds will be investment in rights to air major eSports tournaments and eSports programming, as well as digital development.

Under the new Shareholders' Agreement, Sky and ITV have call options to acquire shares from existing shareholders to reach 50.1% ownership in 24 months of completion of the initial transaction and a right to acquire the entire company from existing shareholders after 36 months.

The valuation of IBIS' shares and loan notes in Ginx was £1,436,355 at IBIS' 31 January 2016 year-end based on a valuation set by the company's crowdfunding campaign in January 2016. The £3.1m strategic investment from Sky and ITV was made on discounted basis which has resulted in a decrease of £174,106 in the fair value of IBIS' investment, or 12% over the six month reporting period.

Ginx is now positioned as the first international TV channel catering to the fast-growing competitive video gaming market known as "eSports". In addition to securing significant investment to develop the business and increasing its reach to Sky's 11 million TV households in the UK, the company now stands to benefit from the wide network of industry relationships of two FTSE 100-listed shareholders. Furthermore, the investment from Sky and ITV sets a mechanism and timeframe for a potential exit for IBIS.

Freshwater

Date of initial investment:	18 July 2007
Investment to date:	£864,499 ordinary shares
Valuation as at 31 January 2016:	£409,771
Investment in period:	£0
Valuation as at 31 July 2016:	£409,771
Change in valuation:	£0; 0%

Investment Overview

Freshwater UK is a former AIM-listed public relations led marketing group with teams operating in the UK and Ireland across five specialisms. The company has four support divisions offering: marketing, graphic design and media buying, conferences, training and coaching, and interactive and online media.

Recent Developments

At Freshwater's 29 February 2016 half-year end, the company reported revenue of £1.81m and an operating profit of £0.36m, up 8% and 24% respectively on the same period in the previous year. The half-year EBITDA of £0.40m was 21% higher than the prior year and at its highest level for eight years. In light of these positive results, the company paid a 0.75p interim dividend in May, with IBIS receiving £16,555.

The group's trading in the second half of the year to 31 August 2016 was ahead of management's expectations. The revenue and operating profit run rates were above that of the half-year by around 11% and 14% respectively, with annual turnover at around £5.00m (unaudited) – the highest figure for seven years. It is likely that Freshwater's board will declare an increased final dividend payable in January 2017. Freshwater's board is also evaluating opportunities to realise shareholder value, including a potential trade sale or MBO.

Despite another year of improved trading and out-performance against budget, IBIS' valuation at the half-year is unchanged from the beginning of the period. However, since the half-year, IBIS received an offer from a private shareholder in Freshwater to purchase 250,000 shares for a total consideration of £50,000. This transaction completed in October 2016 and represents an 8% uplift to IBIS' per share value of its investment in Freshwater that is reported in these financial statements.

Masher

Date of initial investment:	14 July 2008
Investment to date:	£564,333 ordinary and preferred ordinary shares
Valuation as at 31 January 2016:	£0
Investment in period:	£0
Valuation as at 31 July 2016:	£0
Change in valuation:	£0; 0%

Investment Overview

Masher Technologies produces an online video editing and messaging tool designed to be used in conjunction with online social networking communities; it is a B2C widget and application with simple and intuitive drag and drop functionality. Masher is a spin-off from BBC Worldwide. Through a content licensing agreement with the BBC, it offers its users access to a catalogue of video and audio content.

Recent Developments

There are no material developments to report at the half-year and, as a result, IBIS' investment continues to be held at nil value.

Riva Digital Media

Date of initial investment:	3 May 2007
Investment to date:	£349,515 ordinary shares and unsecured loan note
Valuation as at 31 January 2016:	£0
Investment in period:	£0
Valuation as at 31 July 2016:	£0
Change in valuation:	£0; 0%

Investment Overview

Riva Digital Media's core activity is the design, production and distribution of Epacs. Each Epac is a bundled collection of premium content which is digitally wrapped in a unique branded skin and is downloadable to a customer's personal computer. The components of an Epac can include video clips, MP3 files, ring tones, digital wall paper and customised information.

Since launch, Riva Digital Media has struggled to establish Epacs as a widely used consumer application for the consumption of mixed digital media. The company's business model, which required significant web traffic to generate advertising income as well as charging for premium content, has not worked as originally envisaged. In response the management cut costs significantly while the business model was redeveloped.

Recent Developments

There are no material developments to report at the half-year and, as a result, IBIS' investment continues to be held at nil value.

Investment Portfolio Summary

as at 31 July 2016

	As at 31 July 2016			As at 31 January 2016		
	Cost £	Valuation £	% of net assets by value	Cost £	Valuation £	% of net assets by value
Venture capital investments						
Steel River Media Limited	850,000	2,092,746	57.98	850,000	2,092,746	54.55
Ginx TV Limited	1,241,627	1,262,249	34.97	1,241,627	1,436,355	37.44
Masher Technologies Limited	564,333	0	0	564,333	0	0
Freshwater UK plc	864,499	409,771	11.35	864,499	409,771	10.68
Get Me Media Limited	806,442	0	0	806,442	0	0
Riva Digital Media Limited	349,515	0	0	349,515	0	0
Total venture capital investments	4,676,416	3,764,766	104.30	4,676,416	3,938,872	102.67
Total fixed asset investments	4,676,416	3,764,766	104.30	4,676,416	3,938,872	102.67
Net current assets		(155,077)	(4.30)		(102,453)	(2.67)
Net assets		3,609,689	100.00		3,836,419	100.00

Statement of the 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 FRS 104 'Interim Financial Reporting'.
- The Chairman's Statement (constituting the interim management report) includes a fair review of the information required by DTR 4.2.7R of the "Disclosure and Transparency Rules", being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements.
- The "Statement of Principal Risks and Uncertainties" 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 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 entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By Order of the Board

The City Partnership (UK) Limited

Company Secretary

31 October 2016

Unaudited Income Statement

for the six months ended 31 July 2016

	Six months ended 31 July 2016			Six months ended 31 July 2015			Year ended 31 January 2016		
	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
Realised/unrealised movements on investments	-	(174,106)	(174,106)	-	-	-	-	(1,500,093)	(1,500,093)
Income	16,562	-	16,562	54,825	-	54,825	89,593	-	89,593
Investment adviser's fees	(10,782)	(32,347)	(43,129)	(15,691)	(47,074)	(62,765)	(30,723)	(92,169)	(122,892)
Other expenses	(26,057)	-	(26,057)	(35,383)	-	(35,383)	(149,071)	(75,000)	(224,071)
Return on ordinary activities before tax	(20,277)	(206,453)	(226,730)	3,751	(47,074)	(43,323)	(90,201)	(1,667,262)	(1,757,463)
Taxation on ordinary activities	-	-	-	-	-	-	-	-	-
Return attributable to equity shareholders	(20,277)	(206,453)	(226,730)	3,751	(47,074)	(43,323)	(90,201)	(1,667,262)	(1,757,463)
Transfer to reserves	(20,277)	(206,453)	(226,730)	3,751	(47,074)	(43,323)	(90,201)	(1,667,262)	(1,757,463)
Return per ordinary share	(0.19)	(1.90)	(2.09)	0.03p	(0.43)p	(0.40)p	(0.83)p	(15.34)p	(16.17)p

The total column of this statement is the Statement of Total Comprehensive Income of the Company, prepared in accordance with Financial Reporting Standards ("FRS"). The supplementary revenue and capital return columns are prepared in accordance with the Statement of Recommended Practice, "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP"). A separate Statement of Comprehensive Income has not been prepared as all comprehensive income is included in the Income Statement.

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

Unaudited Balance Sheet

as at 31 July 2016

	31 July 2016 £	31 July 2015 £	31 January 2016 £
Fixed assets			
Investments	3,764,766	5,182,338	3,938,872
Current assets			
Debtors	54,406	466,150	54,208
Liquidity funds and cash at bank	15,890	40,413	44,336
	70,296	506,563	98,544
Creditors: amounts falling due within one year	(225,373)	(138,342)	(200,997)
Net current assets	(155,077)	368,221	(102,453)
Net assets	3,609,689	5,550,559	3,836,419
Capital and reserves			
Called up share capital	108,691	108,691	108,691
Share premium account	4,495,853	4,495,853	4,495,853
Special reserve	4,474,481	4,474,481	4,474,481
Capital reserves	(5,003,461)	(3,176,820)	(4,797,008)
Revenue reserve	(465,875)	(351,646)	(445,598)
Total equity shareholders' funds	3,609,689	5,550,559	3,836,419
Net asset value per share	33.21p	51.07p	35.30p

Registered in England and Wales, No. 5660269

Unaudited Statement of Changes in Equity

For the six months ended 31 July 2016

	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total reserves £
Opening balance as at 1 February 2016	108,691	4,495,853	4,474,481	(4,797,008)	(445,598)	3,836,419
(Loss) for the period	-	-	-	(206,453)	(20,277)	(226,730)
Closing balance as at 31 July 2016	108,691	4,495,853	4,474,481	(5,003,461)	(465,875)	3,609,689

For the six months ended 31 July 2015

	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total reserves £
Opening balance as at 1 February 2015	108,691	4,495,853	4,474,481	(3,129,746)	(355,397)	5,593,882
(Loss)/profit for the period	-	-	-	(47,074)	3,751	(43,323)
Closing balance as at 31 July 2015	108,691	4,495,853	4,474,481	(3,176,820)	(351,646)	5,550,559

For the year ended 31 January 2016

	Share capital £	Share premium £	Special reserve £	Capital reserve £	Revenue reserve £	Total reserves £
Opening balance as at 1 February 2015	108,691	4,495,853	4,474,481	(3,129,746)	(355,397)	5,593,882
(Loss) for the year	-	-	-	(1,667,262)	(90,201)	(1,757,463)
Closing balance as at 31 January 2016	108,691	4,495,853	4,474,481	(4,797,008)	(445,598)	3,836,419

Unaudited Cash Flow Statement

for the six months ended 31 July 2016

Period ended	31 July 2016 £	31 July 2015 £	31 January 2016 £
Cash flows from operating activities			
(Loss) for the year	(226,730)	(43,323)	(1,757,463)
Adjustments for:			
Add back net loss on investments	174,106	-	1,500,093
(Increase)/decrease in debtors	(198)	(49,885)	362,057
Debtors movement attributable to loan interest converted to interest	-	-	(256,627)
Increase in creditors (excluding financing balances)	24,376	90,867	153,522
Net cash (used)/generated in operating activities	(28,446)	(2,341)	1,582
Net increase/(decrease) in cash and cash equivalents	(28,446)	(2,341)	1,582
Cash and cash equivalents at the beginning of the year	44,336	42,754	42,754
Cash and cash equivalents at the end of the year	15,890	40,413	44,336

Notes to the Interim Financial Statements

- 1 The half-yearly financial results cover the six months ended 31 July 2016. The financial statements for the six months to 31 July 2016 have been prepared in accordance with FRS 104 "Interim Financial Reporting". The accounts have been prepared on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements for the year ended 31 January 2016.

The financial information for the six months ended 31 July 2016 has not been audited and does not comprise full financial statements within the meaning of Section 434 of the Companies Act 2006.

No statutory accounts in respect of any period after 31 January 2016 have been reported on by the Company's auditors or delivered to the Registrar of Companies.

- 2 The return per share has been calculated based on a weighted average number of shares in issue for the six months ended 31 July 2016 of 10,869,135 (31 January 2016: 10,869,135, 31 July 2015: 10,869,135).
- 3 The net asset value per share has been calculated based on 10,869,135 shares being the number of shares in issue as at 31 July 2016 (31 January 2015: 10,869,135, 31 July 2015: 10,869,135).
- 4 The company has one reportable segment, being investing primarily in unquoted companies.
- 5 The Company is required to report the category of fair value measurements used in determining the value of its investments, to be disclosed by the source of inputs, using a three-level hierarchy:

Quoted market prices in active markets – "Level 1"

Inputs to Level 1 fair values are quoted prices in active markets for identical assets. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company has no investments classified in this category.

Valued using models with significant observable market parameters – "Level 2"

Inputs to Level 2 fair values are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. The Company has no investments classified in this category.

Valued using models with significant unobservable market parameters – "Level 3"

Inputs to Level 3 fair values are unobservable inputs for the asset. Unobservable inputs may have been used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset at the measurement date (or market information for the inputs to any valuation models). As such, unobservable inputs reflect the assumptions the Company considers that market participants would use in pricing the asset. All the company's investments are classified within this category.

6 Related Parties

IBIS Private Equity Partners LLP ("Investment Adviser") has been appointed as the Company's investment adviser. The Investment Adviser receives an annual advisory fee of 2.25% of the net asset value of the Company. The Investment Adviser also bears any excess of the total modified annual running costs over a cap of 3.5% of the Company's average net asset value. These arrangements are described in more detail in Note 8 to the Financial Statements in the Company's Annual Report & Financial Statements for the year ended 31 January 2016. During the period the Company has incurred investment advisory fees of £43,129 (exclusive of VAT). As at 31 July 2016 the Company owed the Investment Adviser £179,452 of outstanding advisory fees (net of amounts the Investment Adviser owes the Company in respect of the cap on the Company's annual running costs).

7 Going Concern

The Board has considered the future of the Company and concluded that it would be in the best interests of the shareholders if the Company were to enter a winding up process. Beyond the details provided in the Chairman's Statement, more information regarding the proposal will be provided to shareholders in a separate communication. Shareholders will then be given the opportunity to vote on the proposal.

While the Company may enter a winding up process in the coming twelve months, as shareholder approval is required there is a material uncertainty. The Board therefore believes it is appropriate to retain the going concern assumption.

- 8** Copies of this half-yearly report will be mailed to shareholders and are available to the public at the Company's registered office.

Statement of Principal Risks and Uncertainties

The Company's assets consist of equities and fixed interest investments, cash and liquid resources. Its principal risks are economic, investment, financial and regulatory risk. These risks, and the way in which they are managed, are described in more detail in the Directors' Report, the Statement of Corporate Governance and Note 20 to the Financial Statements in the Company's Annual Report & Financial Statements for the year ended 31 January 2016. The Company's principal risks and uncertainties have not changed materially since the date of that report.

Corporate Information

Directors (all non-executive)

Independent
Sir Robin W Miller (Chairman)
Peter D English
Lucy H Macdonald

Not independent
David C K Forster
Charles A McIntyre

All of the registered office and principal place of
business of IBIS Media VCT 1 plc
22 Soho Square
London
W1D 4NS
VCT web site: www.ibiscapital.co.uk

Investment Adviser

IBIS Private Equity Partners LLP
22 Soho Square
London
W1D 4NS

Secretary

The City Partnership (UK) Limited
Thistle House
21 Thistle Street
Edinburgh
EH2 1DF
Telephone: 0131 243 7210

Auditors

Scott-Moncrieff
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

IBIS Media VCT 1 plc

Incorporated in England and Wales
with registered number: 5660269

Reporting Calendar

For the year ending 31 January 2017

Results announced:
Interim – October 2016
Annual – May 2017

Bankers

Barclays Bank plc
1st Floor
99 Hatton Garden
London
EC1N 8DN

Registrars

Share Registrars Limited
The Courtyard
17 West Street
Farnham
Surrey
GU9 7DR