



BLACKFINCH

**Blackfinch Spring VCT plc
Half-yearly Report**

For the six months ended 28 June 2024

Signatory of:



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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:

- Innovative growth-stage and technology-enabled, and which are on their scale-up-journey.
- The capability to grow quickly through disrupting their markets.
- Strong performance against previous investment round milestones.

Dividend Policy

The Company intends to pay: (1) a regular annual dividend 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.

When the Company does pay dividends, because of the tax reliefs that are available for an investment in a Venture Capital Trust, the shareholders will enjoy the benefits of there being no income tax payable on the dividends received and no need to declare them in a tax return.

The intended dividends cannot be guaranteed. They are subject to the Board’s discretion and to the Company’s ability to pay dividends. Depending on the type of dividend intended to be distributed, this ability to pay is determined by the existence of realised profits, legislative requirements and sufficient cash reserves.

No forecast or projection is implied or should be inferred.

Key Data	Six-month period ended 28 June 2024	Year ended 31 December 2023	Six-month period ended 30 June 2023
Net Asset Value (“NAV”) (£’000)	£41,320	£29,359	£25,355
Shares in issue (’000)	41,445	28,914	27,016
NAV per ordinary share	99.70p	101.54p	93.85p
Share price (Mid price as per London Stock Exchange)	98.00p	92.00p	87.00p

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 2024. During the period, your Company paid its maiden dividend, raised substantially more new funds than in previous years, and delivered an encouraging increase in the value of its investments, despite ongoing challenges in the economic environment.

Record Raise

A total of 12.5m new shares were allotted in the first six months of the year, up from 5.8m in the same period last year. They brought the funds raised under the current Offer to £14.1m by the end of June, more than double the £7.0m raised by the same date under the previous Offer. We very much appreciate this increased investor confidence in our ability to secure good investments in some of the UK's most promising high-growth technology businesses.

A Growing Portfolio

You will be pleased to learn that investment activity also increased. A record 15 investments were made in the period for a total of £6.4m. Ten of these investments were follow-ons into existing portfolio companies that continue to show good potential. The other five were into exciting new innovative technology-enabled businesses, in sectors such as age tech, marketing tech, and sustainable materials. The portfolio consequently now stands at thirty companies, a healthy 36% increase on the same point last year.

First Dividends

On the back of good performance last year, I was delighted your Company was able to pay its maiden dividend of 2.5p per share in April. With a further dividend of 2.6p approved at our AGM, it means the Company is fulfilling its target of paying dividends equal to 5% of Net Asset Value as at the end of December 2023 this year. The final dividend will be paid in December, but as it is now committed, the NAV per share has already been reduced by the cash equivalent of the 2.6p per share that will be distributed.

Global Uncertainty

The cost-of-living crisis continued to weigh on the economy during the start of the year, although inflation eased from its previous highs. Nonetheless, interest rates remained elevated in the UK and further afield. Wider geopolitical tensions, including those in Ukraine and Middle East, continued to persist while a UK general election shortly after the end of the period created further uncertainty. Our Manager continues closely monitoring all these potential macro-economic risks, and supporting portfolio companies in navigating them.

Investment Growth

Although the global turbulence has created challenges, the entrepreneurial companies in which your Company invests have also reacted quickly to seize new opportunities, in some cases even expanding overseas. This positive performance, with many companies delivering increased revenues, has led to an encouraging 8% uplift in the overall valuations of those investments that were held at the start of the year.

Outlook

Our Manager reports a strong pipeline of promising new companies with high growth potential that could add further sector diversification to the portfolio. With a healthy portfolio, and a strong cash position from our strong fundraising, our Company is very well placed to further its objective of investing in innovative technology-enabled companies. I wish to extend my appreciation to you, as shareholders, for your continued support, and I look to reporting on our Company's further progress in the Annual Report.

Peter LR Hewitt, JP FCSI

Non-executive Chairman

20 August 2024

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. For any other matters please contact Blackfinch Investments Limited ("Blackfinch") on 01452 717 070 or by email at enquiries@blackfinch.com. Blackfinch maintains a website for the Company: blackfinch.investments/vct

Investment Manager's Review

The end of the tax year has often seen a peak of investment activity by the Company, and it was the same this year with £6.36m being deployed in 15 investments at the start of April.

Ten were follow-on investments in portfolio companies that have continued to develop well and that welcomed additional funds to continue their growth trajectories. In addition, £1.70m of the £6.36m was invested in five new technology-enabled businesses that have excellent potential.

The new companies are:

- Kelpi (Kelp Industries Ltd), an exciting material tech company that has developed a seaweed-based waterproof coating for paper and card as an alternative to plastic in food packaging,
- Beings (Beings Beam Ltd), a pioneering customer research tech business that uses AI to conduct product interviews remotely and at scale,
- Cogniss (Cogniss Holdings Ltd), which enables healthcare providers to produce their own patient apps without the need for software development skills,
- Good Life Sorted (What Matters Now Ltd), an 'age tech' business that facilitates help for older people so they can continue to live independently at home, and
- Martech 3D (Polished Rock Ltd), an impressive young company that enables business suppliers to create 3D virtual showrooms and deliver online demonstrations of complex physical products.

Despite difficult macro-economic conditions continuing to present challenges, it is encouraging that most portfolio companies continued to deliver growth. Some have inevitably seen cash reserves coming under pressure and have had to constrain costs to match. Cultureshift (Cultureshift Communications Ltd), for example, has continued to dominate its core education market but a planned Series A fundraising fell through at the last minute, requiring the company to quickly implement a new lower-cost plan. Similarly, OnePulse (Startpulsing Ltd) has done well to grow 20% year-on-year whilst implementing a 30% reduction in overheads on its path to cash break-even.

Other portfolio companies are thriving. Clientshare continues its consistent and efficient growth, with promising early traction from its move into the US market. Spotless Water secured a major new investment from a Private Equity firm to fund the continued rollout of its water dispensing stations across the UK. And Artificial Intelligence company Oculo is delivering strong growth less than a year since our investment. It is securing major new projects, including in the US, and starting to establish itself as a category leader.

We continue to review many exciting investment opportunities that use technology to create novel value in a diverse range of industries. We remain committed to investing in companies with high-calibre teams that possess the tenacity and drive to navigate a higher cost environment, whilst offering promising return opportunities. Examples of the companies in our pipeline are given on page 20, and we expect funds to be deployed in the months ahead. I look forward to reporting on all this activity in the Annual Report.

Richard Cook

Founder and CEO Blackfinch Investments Limited

20 August 2024

Investment Manager's Review

Investment Portfolio

	As at 28 June 2024			As at 31 December 2023			As at 30 June 2023		
	Cost £'000	Valuation £'000	% of total net assets value	Cost £'000	Valuation £'000	% of total net assets value	Cost £'000	Valuation £'000	% of total net assets value
Beings Beam Ltd	200	200	0.5	-	-	-	-	-	-
Brooklyn Supply Chain Solutions Ltd	1,163	1,163	2.8	1,162	1,162	3.9	1,163	1,163	4.6
Client Share Ltd	858	2,053	5.0	858	1,555	5.3	858	1,178	4.7
Cogniss Holdings Ltd	300	300	0.7	-	-	-	-	-	-
CollectiveTech Ltd	1,060	1,194	2.9	440	528	1.8	440	440	1.7
Cultureshift Communications Ltd	1,140	1,226	3.0	780	990	3.4	780	868	3.4
Currensea Ltd	1,075	1,438	3.5	1,075	1,075	3.7	1,075	1,075	4.2
Cyclr Systems Ltd	1,300	1,300	3.1	1,300	1,300	4.4	1,300	1,300	5.1
Edozo Ltd	463	480	1.2	463	474	1.6	463	514	2.0
Illuma Technology Ltd	1,218	4,571	11.1	1,218	3,715	12.6	1,218	2,063	8.1
Kelp Industries Ltd	500	500	1.2	-	-	-	-	-	-
Kokoon Technology Ltd	500	521	1.3	500	521	1.8	500	521	2.1
Lstn Inc.	1,000	1,000	2.4	300	300	1.0	-	-	-
Measure Protocol Ltd	680	680	1.6	680	680	2.3	680	680	2.7
Oculo Technologies Ltd	1,290	1,575	3.8	840	1,049	3.6	-	-	-
Odore Ltd	830	831	2.0	830	831	2.8	830	922	3.6
Placed Recruitment Ltd	600	600	1.5	600	600	2.0	600	600	2.4
Polished Rock Ltd	300	300	0.7	-	-	-	-	-	-
Quin AI Ltd	300	300	0.7	200	200	0.7	-	-	-
Recruitment Smart Technologies Ltd	1,400	1,400	3.4	780	780	2.6	780	780	3.1
Spotless Water Ltd	459	751	1.8	459	791	2.7	459	516	2.0
Staffcircle Ltd	1,263	1,263	3.1	1,262	1,262	4.3	1,263	1,263	5.0
Startpulsing Ltd	1,575	1,575	3.8	1,575	1,575	5.4	1,575	1,575	6.2

Investment Manager's Review

Investment Portfolio Continued

	As at 28 June 2024			As at 31 December 2023			As at 30 June 2023		
	Cost £'000	Valuation £'000	% of total net assets value	Cost £'000	Valuation £'000	% of total net assets value	Cost £'000	Valuation £'000	% of total net assets value
Tangle Software Inc.	490	490	1.2	490	490	1.7	490	490	1.9
Teamed Ltd	1,562	1,612	3.9	1,280	1,315	4.5	1,280	1,403	5.5
Tended Ltd	1,375	1,381	3.3	1,075	1,081	3.7	875	881	3.5
Transreport Ltd	770	1,817	4.4	770	1,711	5.8	770	1,711	6.8
Up Learn Ltd	1,135	1,445	3.5	360	664	2.3	360	360	1.4
Watchmycompetitor.com Ltd	1,430	1,830	4.4	980	1,109	3.8	980	1,380	5.5
What Matters Now Ltd	400	400	1.0	-	-	-	-	-	-
Total fixed asset investments	26,636	34,196	82.8	20,277	25,758	87.7	18,739	21,683	85.5
Net current assets	7,124	7,124	17.2	3,601	3,601	12.30	3,672	3,672	14.5
Net assets	33,760	41,320	100.0	23,878	29,359	100.0	22,411	25,355	100.0

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



Illuma Technology Ltd

Illuma is 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. Illuma's product offers an alternative to traditional cookie-based targeting, which suffer from privacy concerns. Since investment in 2021, Illuma has grown its revenue sevenfold, expanded to the US, and has secured large global customers such as Procter & Gamble and Sky, who are ramping spend quickly. 50% of revenue is now derived from the US.

Company sector	Advertising Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£1.22m
Blackfinch Spring VCT cost of investment in the period	-
Blackfinch Spring VCT total value of investment	£4.57m
Equity held by Blackfinch Spring VCT	10.5%
Initial investment date	August 2021

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



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' products help large organisations maintain strong relationships with their clients, and deliver the insights needed to tackle emerging problems. The effect is to increase customer retention and reduce churn. Having already secured enterprise customers such as HP and Compass Group prior to the Company's first investment in 2021, Clientshare has subsequently grown in revenue over 3.5x, and secured additional major customers such as EY. The business has also planted over 7,900 trees in the 'Clientshare Forest', based on customers' use of its platform.

Company sector	Service Governance Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£858k
Blackfinch Spring VCT cost of investment in the period	-
Blackfinch Spring VCT total value of investment	£2.05m
Equity held by Blackfinch Spring VCT	9.7%
Initial investment date	March 2021

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



Watchmycompetitor.com Ltd

WatchMyCompetitor offers a business intelligence platform that enables organisations to monitor competitors, clients and key partners, tracking product launches, promotions and important business changes. The company's cloud-based platform uses machine learning technology to track the public developments of companies all over the world. 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 events. Since investment in 2021, WatchMyCompetitor has grown its monthly revenue over 2x, and secured top-tier clients including Amazon, Hyundai and Virgin Media. A recent focus on AI tools within the core platform is helping to add multi-millions to the sales pipeline.

Company sector	Market Intelligence Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£1.43m
Blackfinch Spring VCT cost of investment in the period	£450k
Blackfinch Spring VCT total value of investment	£1.83m
Equity held by Blackfinch Spring VCT	11.0%
Initial investment date	August 2021

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



Transreport Ltd

Transreport's innovative technology platform makes it easy for people with reduced mobility to book and receive the special assistance they need for journeys on public transport. As well as this 'Passenger Assist' app, the company has developed a suite of platforms targeting the rail industry's digital transformation. Beginning in the UK, where it has an exclusive, long-term contract with the entire rail network, it is now scaling into other verticals, including air travel, and across geographies, with Japan a key target. Since investment in 2020, Transreport has grown its annual revenue 5x, and a £10m investment from new UK investors at the end of 2023 is helping it scale further.

Company sector	Transport Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£770k
Blackfinch Spring VCT cost of investment in the period	-
Blackfinch Spring VCT total value of investment	£1.82m
Equity held by Blackfinch Spring VCT	4.9%
Initial investment date	December 2020

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



Teamed Ltd

Teamed simplifies the process for companies hiring and managing employees internationally, without the need to set up entities abroad. Its Employee-as-a-Service solution allows employers to seamlessly manage the entire hiring and employee management process. From employment and compliance, to payroll, payments and localised benefits, Teamed provides all these key services, and more, all in one place. It saves employers the stress, time and cost of doing it all themselves. The core value proposition of Teamed is socially positive as it supports the hiring of employees in remote regions, where residents may otherwise not have access to such well paid jobs. Growth has been impressive with revenue having increased over 4x since investment.

Company sector	HR Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£1.56m
Blackfinch Spring VCT cost of investment in the period	£282k
Blackfinch Spring VCT total value of investment	£1.61m
Equity held by Blackfinch Spring VCT	14.1%
Initial investment date	September 2022

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



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. Since investment in 2021, OnePulse has grown its monthly recurring revenue over 3x and secured large enterprise clients including Apple, Pepsi, Coinbase, and TikTok.

Company sector	Market Intelligence Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£1.58m
Blackfinch Spring VCT cost of investment in the period	-
Blackfinch Spring VCT total value of investment	£1.58m
Equity held by Blackfinch Spring VCT	11.9%
Initial investment date	March 2021

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



Oculo Technologies Ltd

Oculo is a transformative construction technology company that blends 360° photography with advanced computer vision. Its platform matches views of what has been built over time with detailed digital models of the building plans to confirm construction has been completed correctly and to specification. This approach results in fewer delays, enhances risk management, and provides a digital trail that is invaluable for insurance purposes. The team is lean and highly-skilled, having already onboarded top-tier enterprise clients such as Morgan Sindall and Willmott Dixon with large contracts. The company has more recently established a presence in the US and is seeing strong demand, driven by US sales hires.

Company sector	Construction Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£1.29m
Blackfinch Spring VCT cost of investment in the period	£450k
Blackfinch Spring VCT total value of investment	£1.58m
Equity held by Blackfinch Spring VCT	16.3%
Initial investment date	August 2023

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



Up Learn Ltd

Up Learn has built a product to achieve exam success for aspiring students, coupled with a money back “guarantee” if the student fails to achieve A*/A grades. Its comprehensive science-backed online platform can assist any student hoping to attain A*/A grades, irrespective of their background or starting point in life. 97% of students that complete Up Learn A-Level courses achieve A*/A, some even starting from predicted D’s and U’s. The company offers its platform through schools and directly to students, and those who complete Up Learn courses and do not achieve A*/A receive a full refund. The inherent benefit of the platform is social, due to the company’s ability to improve grades of students from all socio-economic backgrounds. It ultimately improves the quality of higher education the student can pursue, and helps democratise access to higher quality job opportunities. Since investment in 2023, the company has expanded its offering to include GCSE subjects.

Company sector	Education Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£1.14m
Blackfinch Spring VCT cost of investment in the period	£775k
Blackfinch Spring VCT total value of investment	£1.45m
Equity held by Blackfinch Spring VCT	3.8%
Initial investment date	March 2023

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



Currensea Ltd

Currensea is the UK's first travel-focused direct debit card which connects directly with a consumer's traditional high street current account. The product allows customers to spend money abroad at the lowest exchange fees, while removing the need to top up or set up a new bank account. The company also operates corporate and affinity partnerships, where participating organisations and charities can provide free branded cards to their members for mutual benefits. Since investment in 2022, Currensea has grown revenue 4x, and is developing a new loyalty proposition in partnership with a major multinational enterprise. Currensea is a registered carbon neutral business, and card users can also choose to donate a percentage of their savings to one of its charity partners such as Plastic Bank, which removes plastic from the oceans, or the Eden Reforestation Project.

Company sector	Financial Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£1.08m
Blackfinch Spring VCT cost of investment in the period	-
Blackfinch Spring VCT total value of investment	£1.44m
Equity held by Blackfinch Spring VCT	5.7%
Initial investment date	August 2022

Investment Manager's Review

Portfolio Companies - Top Ten Holdings



Recruitment Smart Technologies Ltd

Recruitment Smart is a comprehensive end-to-end recruitment platform, powered by proprietary artificial intelligence (AI) technology, that helps enterprises optimise their entire hiring process. Companies can use the platform to sort, screen and manage candidates easily, making the hiring process capital-efficient and effective. The automated AI nature of this analysis helps make hiring equitable, ignoring any human biases that may otherwise detract from the application, and levelling the playing field for all applicants, regardless of race or gender. The company has recently had success in winning large new contracts in Asia, which are propelling its growth.

Company sector	Recruitment Tech
Stage	Scale-up
Asset class	Equity
Blackfinch Spring VCT total cost of investment	£1.40m
Blackfinch Spring VCT cost of investment in the period	£620k
Blackfinch Spring VCT total value of investment	£1.40m
Equity held by Blackfinch Spring VCT	17.1%
Initial investment date	September 2022

Investment Manager's Review

Pipeline Overview

Company 1

A pioneering company providing the financial industry with software for the analysis and handling of legal documents. Legal contracts can be uploaded as PDFs and the company's proprietary AI extracts key data points and simplifies documents for easy reviewing. The company is already profitable and has multiple blue-chip organisations as clients, with significant traction in the US.

Company sector	Legal Tech
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Stage	Scale-up
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Asset class	Equity
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Company 2

This innovative company is focused on miniaturising and commercialising quantum technology. Its patented technology lets quantum sensors be embedded in field equipment instead of carefully controlled lab environments, giving applications from navigation to environmental monitoring. The passionate team is led by an award-winning engineer alongside leading experts in the field.

Company sector	Quantum Tech
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Stage	Research & Development
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Asset class	Equity
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Investment Manager's Review

Pipeline Overview

Company 3

This impressive company provides AI-driven technology solutions to enhance revenue for digital publishers. Its flagship product uses AI to dynamically adjust pricing. This, in turn, increases efficiency while minimising empty advertising space. The company has doubled in size over the last year and now seeks to further capitalise on its multi-million pound sales pipeline.

Company sector	Advertising Tech
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Stage	Scale-up
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Asset class	Equity
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Company 4

A dynamic business offering an intuitive all-in-one solution for small business financing, cash flow, and spending. Its main product uses data automatically acquired from open banking to simplify the credit application process for small business loans provided via lending partners. This innovative approach has resulted in the company's customer base doubling in the last year.

Company sector	Financial Tech
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Stage	Scale-up
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Asset class	Equity
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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 18 to the Financial Statements in the Company's Annual Report and Financial Statements for the period ended 31 December 2023.

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 28 June 2024 and their impact on the condensed set of financial statements;
- The “Statement of Principal Risks and Uncertainties” on page 22 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

20 August 2024

Income Statement

for the six-month period ended 28 June 2024

	Note	Revenue £'000	Capital £'000	Total £'000
Return on investments		-	2,081	2,081
Investment management fee		(123)	(370)	(493)
Other expenses		(278)	-	(278)
Loss on ordinary activities before taxation				
Taxation on ordinary activities		-	-	-
Loss and total comprehensive income attributable to shareholders		(401)	1,711	1,310
Return per share (pence)				
Ordinary shares (pence)	6	(1.12)	4.82	3.70

Income Statement

for the year ended 31 December 2023 (audited)

	Note	Revenue £'000	Capital £'000	Total £'000
Return on investments		-	3,871	3,871
Investment management fee		(164)	(491)	(655)
Other expenses		(194)	(18)	(212)
(Loss)/profit on ordinary activities before taxation		(358)	3,362	3,004
Taxation on ordinary activities		-	-	-
(Loss)/profit and total comprehensive income attributable to shareholders		(358)	3,362	3,004
Return per share (pence)				
Ordinary shares (pence)	6	(1.37)	12.89	11.52

Income Statement

for the six-month period ended 30 June 2023

	Note	Revenue £'000	Capital £'000	Total £'000
Return on investments		-	1,336	1,336
Investment management fee		(75)	(228)	(303)
Other expenses		(209)	-	(209)
Loss on ordinary activities before taxation		(284)	1,108	(824)
Taxation on ordinary activities		-	-	-
Loss and total comprehensive income attributable to shareholders		(284)	1,108	(824)
Return per share (pence)				
Ordinary shares (pence)	6	(1.16)	4.52	3.36

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 32 and 33 are an integral part of the statement.

Statement of Changes In Equity

for the six-month period ended 28 June 2024 (unaudited)

	Non-distributable reserves			Distributable reserves		Total £'000
	Share capital £'000	Share premium £'000	Capital reserve £'000	Capital reserve £'000	Revenue reserve £'000	
Opening balance as at 1 January 2024	289	1,288	5,481	23,667	(1,366)	29,359
Total comprehensive income for the period	-	-	2,081	(370)	(401)	1,310
Contributions by and distributions to owners						
Share issues	125	12,744	-	-	-	12,869
Share issue expenses	-	(134)	-	(2,084)	-	(2,218)
Closing balance as at 28 June 2024	414	13,898	7,562	21,213	(1,767)	41,320

Statement of Changes In Equity

for the year ended 31 December 2023 (audited)

	Non-distributable reserves			Distributable reserves		Total £'000
	Share capital £'000	Share premium £'000	Capital reserve £'000	Capital reserve £'000	Revenue reserve £'000	
Opening balance as at 1 January 2023	212	19,559	1,610	(1,103)	(1,008)	19,267
Total comprehensive income for the period	-	-	3,871	(509)	(358)	3,004
Contributions by and distributions to owners						
Share issues	77	7,075	-	-	-	7,152
Share issue expenses	-	(64)	-	-	-	(64)
Share premium cancellation	-	(25,279)	-	25,279	-	-
Closing balance as at 31 December 2023	289	1,288	5,481	23,667	(1,366)	29,359

Statement of Changes In Equity

for the six-month period ended 30 June 2023 (unaudited)

	Non-distributable reserves			Distributable reserves		Total £'000
	Share capital £'000	Share premium £'000	Capital reserve £'000	Capital reserve £'000	Revenue reserve £'000	
Opening balance as at 1 January 2023	212	19,559	1,610	(1,103)	(1,008)	19,267
Total comprehensive income for the period	-	-	1,336	(228)	(284)	824
Contributions by and distributions to owners						
Share issues	58	5,253	-	-	-	5,311
Share issue expenses	-	(47)	-	-	-	(47)
Closing balance as at 30 June 2023	270	24,762	2,946	(1,331)	(1,292)	25,355

The accompanying notes on pages 32 and 33 are an integral part of the statement.

Condensed Balance Sheet

as at 28 June 2024

	Note	28 June 2024 (unaudited) £'000	31 December 2023 (audited) £'000	30 June 2023 (unaudited) £'000
Fixed assets				
Investments held at fair value		34,196	25,758	21,683
Current assets				
Debtors	6	6	210	6
Cash at bank		8,568	3,734	3,933
		8,574	3,944	3,939
Current liabilities				
Creditors: amounts falling due within one year		(1,450)	(343)	(267)
Net current assets		7,124	3,601	3,672
Net assets		41,320	29,359	25,355
Capital and reserves				
Called up share capital		414	289	270
Share premium account		13,898	1,288	24,762
Capital reserve		28,775	29,148	1,615
Revenue reserve		(1,767)	(1,366)	(1,292)
Equity shareholders' funds	6	41,320	29,359	25,355
Net asset value per share (p)		99.70	101.54	93.85

The accompanying notes on pages 32 and 33 are an integral part of the balance sheet.

Statement of Cash Flows

for the six-month period ended 28 June 2024

	Six-month period ended 28 June 2024 (unaudited) £'000	Year ended 31 December 2023 (audited) £'000	Six-month period ended 30 June 2023 (unaudited) £'000
Cash flows from operating activities			
Investment Manager's fees paid	(421)	(677)	(320)
Cash paid to Directors	(38)	(45)	(20)
Other cash payments	(80)	(214)	(121)
Net cash outflow from operating activities	(539)	(936)	(461)
Cash flows from investing activities			
Purchase of investments	(6,357)	(5,103)	(3,562)
Net cash outflow from investing activities	(6,357)	(5,103)	(3,562)
Cash flows from financing activities			
Proceeds from share issues	12,737	7,152	5,311
Share issues costs	(134)	(64)	(40)
Interim dividends paid	(873)	-	-
Net cash inflow from financing	11,730	7,088	5,271
Reconciliation of net cash flow to movement in net cash			
(Decrease)/increase in cash and cash equivalents	4,834	1,049	1,248
Cash and cash equivalents at the beginning of the period	3,734	2,685	2,685
Cash and cash equivalent at the end of the period	8,568	3,734	3,933
Reconciliation of loss on ordinary activities before taxation to net cash outflow from operating activities			
Profit on ordinary activities before taxation	1,310	3,004	823
Net gain on investments	(2,081)	(3,871)	(1,336)
Decrease/(increase) in debtors	203	(208)	(4)
Increase in creditors	29	139	56
Net cash outflow from operating activities	(539)	(936)	(461)

The accompanying notes on pages 32 and 33 are an integral part of the statement.

Notes To The Financial Statements

for the six-month ended 28 June 2024

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 un-listed growth companies.

2. Basis of accounting

The half-yearly financial report covers the six-month period ended 28 June 2024. The condensed financial statements for this period have been prepared in accordance with FRS 104 (“Interim Financial Reporting”) published in January 2022, and in accordance with the Statement of Recommended Practice “Financial Statements of Investment Trust Companies and Venture Capital Trusts” published in July 2022 (“SORP”).

The comparative figures for the year ended 31 December 2023 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.

The Financial Statements are prepared in pounds sterling, which is the functional currency of the company. All values in these financial statements are rounded to the nearest thousand (£’000), except where stated.

3. Going concern

The Board of Directors is satisfied that the Company has adequate availability 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 twelve months from the date these Financial Statements were approved). In reaching this conclusion the Directors took into the account the nature of the Company’s business and Investment Policy, its risk management policies, and the cash holdings. As at 28 June 2024 the Company held cash balances with a value of £8,568,117 (30 June 2023: £3,932,665). Cash flow projections show the Company has sufficient funds to meet all its expected expenditure for a period of twelve calendar months after the date of the financial statement. The Directors have reviewed the portfolio of qualifying investments and expect the Company to continue to satisfy the conditions of VCT compliance. Businesses in this increasingly diversified portfolio are performing well overall. 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 profit attributable to shareholders for the six-month period ended 28 June 2024 of £1,309,701 (30 June 2023: £823,497) and the weighted average number of ordinary shares in issue during the period of 35,482,326 (30 June 2023: 24,509,232). There is no difference between basic and diluted earnings per share.

6. Net asset value per share

The net asset value per share at 28 June 2024 is based on net assets of £41,320,485 (30 June 2023: £25,354,656) and the number of ordinary shares in issue on 28 June 2024 of 41,445,052 (30 June 2023: 27,015,720). 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 Manager's fee, Blackfinch Investments Limited also receives a secretarial and administration fee of 0.3% of NAV per annum and Receiving Agent fee of £13,000 per annum, paid quarterly. For its work as the VCT promoter, Blackfinch Investment Limited receives a promoter fee of 2.5%-3% of the subscription amount at the point of investment.

During the six-month period ended 28 June 2024, £493,316 (30 June 2023: £303,390), £59,198 (30 June 2022: £36,452), £6,500 (30 June 2023: £6,500), and £134,084 (30 June 2023: £46,934) was charged by Blackfinch Investments Limited for investment manager's fees, administration fees, receiving agent fees, and promoter fee respectively.

The Directors who held office at 28 June 2024 and their interests in the shares of the Company (including beneficial and family interests) were:

		28 June 2024	30 June 2023
		Shares held	Shares held
Peter Hewitt	Director	5,087	5,063
Katrina Tarizzo	Director	-	-
Reuben Wilcock	Director	3,314	3,298

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.

Directors and Advisers

Directors (all non-executive)

Peter Lionel Raleigh Hewitt (Chairman)
Dr Katrina Tarizzo
Dr Reuben Wilcock

Solicitors and Sponsor

Howard Kennedy Corporate Services LLP
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All of:

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VCT Tax Adviser

Philip Hare & Associates LLP
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Auditor

BDO LLP
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Secretary

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Investment Manager, Promoter and Administrator

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