

The Income
& Growth VCT plc
A Venture Capital Trust

Unaudited Half-Year Report
for the six months ended 31 March 2022



Since 1857

Gresham House
Specialist asset management

The Income & Growth VCT plc (“the Company” and or “the VCT”) is a Venture Capital Trust (“VCT”) listed on the London Stock Exchange. Its investment portfolio is advised by Gresham House Asset Management Limited (“Gresham House”).

Company Objective

The objective of The Income & Growth VCT plc is to provide investors with an attractive return, by maximising the stream of tax-free dividend distributions from the income and capital gains generated by a diverse and carefully selected portfolio of investments, while continuing at all times to qualify as a VCT.

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YOUR PRIVACY

We are committed to protecting and respecting your privacy. To understand how we collect, use and otherwise process personal data relating to you, or that you provide to us, please read our privacy notice, which can be found at www.incomeandgrowthvct.co.uk

Financial Highlights

Results for the Half-Year ended 31 March 2022

As at 31 March 2022:

Net assets: **£127.65 million**

Net asset value ("NAV") per share: **98.79 pence**

- Net asset value ("NAV") total return¹ per share was 2.3%.
- Share price total return¹ per share was 1.6%.
- The Board has declared an interim dividend in respect of the current year of 4.00 pence per share to be paid to Shareholders on 8 July 2022.
- The Company made one new investment of £0.81 million and three follow-on investments totalling £2.44 million.
- Proceeds of £6.24 million were received from realisations, generating net realised gains of £1.21 million.

¹ Alternative Performance Measure ("APM"). See Glossary of Terms on Page 31.

Performance Summary

The table below shows the recent past performance of the Company's existing class of shares for each of the last five years, and the current year to date.

Reporting date	Net assets	NAV per share	Share price ¹	Cumulative dividends paid per share	Cumulative total return per share to Shareholders ²		Dividends paid and proposed in respect of each year
					(NAV basis)	(Share price basis)	
As at	(£m)	(p)	(p)	(p)	(p)	(p)	(p)
31 March 2022	127.65	98.79	90.50	140.50	239.29	231.00	4.00 ³
30 September 2021	119.09	100.45	93.00	136.50	236.95	229.50	9.00
30 September 2020	83.13	70.06	59.50	131.50	201.56	191.00	14.00
30 September 2019	81.73	79.12	75.50 ⁴	113.00	192.12	188.50	6.00
30 September 2018	82.58	78.32	69.50	108.00	186.32	177.50	6.00
30 September 2017	64.35	81.24	73.00	102.50	183.74	175.50	21.00

¹ Source: Panmure Gordon & Co (mid-market price).

² Cumulative total return per share comprises the NAV per share (NAV basis) or the mid-market price per share (share price basis) plus cumulative dividends paid since launch of the current share class.

³ An interim dividend of 4.00 pence per share, referred to in the Financial Highlights above, is payable to Shareholders on 8 July 2022.

⁴ The share price at 30 September 2019 has been adjusted to add back the dividend of 4.50 pence per share paid on 18 October 2019, as the listed share price was quoted ex this dividend at this year end.

Detailed performance data, including a table of dividends paid to date for all share classes and fundraising rounds, is shown in the Performance Data appendix on pages 28-30. The tables, which give information by allotment date on NAVs and dividends paid per share, are also available on the Company's website at www.incomeandgrowthvct.co.uk where they can be accessed by clicking on "table" under "Reviewing the performance of your investment" on the home page.

Chairman's Statement

I am pleased to present the Company's Half-Year Report for the six months to 31 March 2022.

Overview

At the time of the publication of the Company's Annual Report in December 2021, I was able to report on the Company's robust performance over what was a time of material market volatility. The first six months of the Company's financial year has largely seen a continuation of this environment, with the portfolio generating a 2.3% NAV total return for the period against a backdrop of ongoing global uncertainty.

Although the period was marked by many challenges, the portfolio proved to be resilient and adaptive in facing them. The threat from global supply issues in logistics, materials and labour resulting from COVID-19 disruption is expected to remain for some months, and the unfolding geopolitical events and instability relating to Russia's brutal aggression in Ukraine has compounded uncertainties. A more challenging environment is expected in the near future. Inevitably, this has combined with expectation of an increased risk free return on capital and, arguably, a more realistic assessment of risk in public market valuations, especially for growth and technology stories and generated an overarching negative market sentiment. This has translated into material falls in AIM market valuations and sector PE multiples which impacted overall portfolio value towards the latter stages of the period. However, for the most part, your Company's largely service and software-based portfolio has continued to trade well.

M&A activity has also remained buoyant and the Investment Adviser continues to see a healthy deal flow. The Company completed its first combined new investment across all the Gresham House VCTs in February, deploying £0.81 million into Proximity Insight. Over the six-month period, the Company deployed a total of £3.25 million of investment capital and generated £6.24 million in realisation proceeds from investment activity. In that time, it added one new investment to its portfolio, realised one investment and provided follow-on funding into three existing portfolio companies.

On 20 January 2022, the Company launched an Offer for Subscription alongside the three other Mobeus VCTs ("Offers") and the Board was very pleased to see that unprecedented demand

meant that the target of £10 million was reached in less than 24 hours, at which point no further applications were accepted. It was gratifying that approximately half of the applications received were from existing Shareholders in the Company. The subsequent allotment of shares has now bolstered the Company's capital to deploy in new and exciting investment opportunities. Further details of this are set out later in my statement.

Performance

The Company's NAV total return per share was 2.3% for the six months to 31 March 2022 (2021: 35.2%), and the share price total return was 1.6% (2021: 31.9%). The difference between the NAV total return and share price total return figures above arises principally due to the timing of NAV announcements which are usually made retrospectively. This Half-Year performance represents a modest return for Shareholders during the period when many markets have seen declines. Your Board therefore remains satisfied with the way in which the portfolio companies have been able to deal with the challenges faced over the period.

The Company's resilient performance was bolstered primarily by a combination of unrealised gains in the value of investments still held such as Preservica, MBI and MRG, as well as the notable exit of Red Paddle, generating a realised gain in the period of £1.20 million which contributed to a multiple on original cost over the life of that investment of 5.4x.

Investment Portfolio

In spite of market headwinds, the portfolio has demonstrated healthy performance in the first six months of the Company's financial year. The overall value increased by £4.20 million (2021: £29.66 million), or 4.8% (2021: 58.3%) on a like-for-like basis, compared to the opening portfolio value at 1 October 2021 of £88.15 million. This increase comprised a net unrealised uplift in portfolio valuations of £2.99 million and £1.21 million in net realised gains, over the period.

At the period-end, the portfolio was valued at £89.36 million after taking account of investments purchased and sold in the period, together with the net realised and unrealised gains referred to above. The portfolio may present opportunities for further investment in the future.

Strong trading in portfolio companies improved investment values for companies such as MBI (£1.33 million),

MRG (£1.13 million), EOTH (£0.96 million) and Bella & Duke (£0.65 million) as well as a significant funding round and positive re-rating of Preservica (£5.86 million) were the primary drivers of unrealised gains for Shareholders during the period. The negative market sentiment meant that the impacts of dips in the trading performance of AIM-listed stocks were magnified and represent some of the portfolio's most significant valuation falls over the period, in Virgin Wines (£4.61 million) and Parsley Box (£0.72 million). MyTutor (£2.49 million), was similarly impacted by reduced PE sector multiples.

During the six months under review, the Company invested £0.81 million into one new investment:

- **Proximity Insight** – Retail software

In addition, three follow-on investments totalling £2.44 million were made into:

- **Preservica** – Digital archiving software
- **ActiveNav** – File analysis software
- **Caledonian Leisure** – UK leisure and experience breaks provider

We expect follow-on investments to continue to be a feature of the growth capital investments as they seek to achieve scale. Since the period-end, the Company has made one follow-on investment of £0.19 million into Northern Bloc and one new investment of £0.64 million into Bidnamic, a marketing technology business.

Details of this investment activity and the performance of the portfolio are contained in the Investment Adviser's Review and the Investment Portfolio Summary on pages 10 and 11.

Revenue account

The results for the period are set out in the Unaudited Condensed Income Statement on pages 14 and 15 and show a revenue return (after tax) of 0.51 pence per share (2021: 0.70 pence per share). The revenue return for the period of £0.61 million represents a decrease from last year's comparable figure of £0.83 million. This is due to lower dividend receipts, combined with higher other expenses and Investment Adviser fees, the latter resulting from the growth in net assets.

Dividends

The Board intends to continue to provide an attractive dividend stream to Shareholders and is pleased to declare an Interim dividend of 4.00 pence per share for the year ending 30 September 2022.

This dividend will be paid on 8 July 2022, to Shareholders on the Register on 6 June 2022, and will bring cumulative dividends paid per share to 144.50 pence per share.

Shareholders wishing to amend their participation in the Dividend Investment Scheme in time for their preference to come into effect for this dividend payment must submit their instruction to the Scheme Administrator, Link Group, by no later than 23 June 2022. For further details, please see the Company's website at www.incomeandgrowthvct.co.uk, under the "Dividends" heading.

The Company's target of paying a dividend of at least 6.00 pence per share in respect of each financial year has been met or exceeded in each of the last ten financial years. The Board continues to monitor the sustainability of its dividend target.

Offer for Subscription and Dividend Investment Scheme

On 20 January 2022, the Company took part in a Joint Offer for Subscription ("Offer") alongside the other Mobeus VCTs. Following unprecedented demand, the Offer became fully subscribed in record time, with an allotment of 10,191,964 shares taking place on 9 March 2022 raising net funds of £9.67 million for the Company. Shareholders should have now received their share certificates. If you applied for shares, but have not received your share certificate, please contact Link Group, details as shown on page 33.

Due to the rapid, and unforeseen, response to the Offer, the Board acknowledges that not all of our existing Shareholders were able to subscribe for shares and were disappointed by this outcome. For any future fundraising, the Board will consider lessons learned and seek to apply them where practical but we would encourage all Shareholders to register for, and respond to, communications digitally to improve their access and opportunity.

The Company's Dividend Investment Scheme ("DIS") provides Shareholders with the opportunity to reinvest their cash dividends into new shares in the Company at the latest published NAV per share (adjusted for any subsequent dividends). New VCT shares attract the same tax reliefs as shares purchased through an Offer for Subscription.

There were 901,031 shares allotted through the DIS during the period at a price of 95.45 pence. Since its reinstatement in 2020, 6,357,651

Ordinary shares have been allotted to participants.

Shareholders can opt-in to the DIS by completing a mandate form available on the Company's website at: www.incomeandgrowthvct.co.uk or can opt-out by contacting Link Group, using the details provided under Shareholder Information on page 26. Please note that instructions take 15 days to become effective.

Cash available for investment

The Board continues to monitor credit risk in respect of its cash balances and to prioritise the security and protection of the Company's capital. Cash and liquidity fund balances as at 31 March 2022 amounted to £38.62 million. This figure has been boosted by the funds raised under the Offer and includes £34.05 million held in money market funds with AAA credit ratings and £4.57 million held in deposit accounts with several well-known financial institutions across a range of maturities.

Share buy-backs

During the six months ended 31 March 2022, the Company bought back and cancelled 430,175 of its own shares, representing 0.4% (2021: 0.4%) of the shares in issue at the beginning of the period, at a total cost of £0.40 million (2021: £0.32 million), inclusive of expenses.

It is the Company's policy to cancel all shares bought back in this way. The Board regularly reviews its buyback policy, where its priority is to act prudently and in the interest of remaining Shareholders, whilst considering other factors, such as levels of liquidity and reserves, market conditions and applicable law and regulations. Under this policy, the Company seeks to maintain the discount at which the Company's shares trade at no more than 5% below the latest published NAV.

Shareholder Event & Communications

May I remind you that the Company has its own website which is available at: www.incomeandgrowthvct.co.uk.

The Investment Adviser last held a Shareholder Event on behalf of the Mobeus VCTs in February 2022, a recording of which can be found on the Company's website at the web address above. The event was well received and the Investment Adviser plans to hold another shareholder event in 2023. Further details will be circulated to Shareholders and shown on the Company's website in due course.

Fraud Warning

Shareholders continue to be contacted in connection with sophisticated but fraudulent financial scams which purport to come from the Company or to be authorised by it. This is often by a phone call or an email usually originating from outside of the UK, claiming or appearing to be from a corporate finance firm offering to buy your shares at an inflated price.

Further information and fraud advice plus details of who to contact, can be found in the Information for Shareholders section on page 27.

Environmental, Social and Governance ("ESG")

Following the novation of the investment advisory agreement to Gresham House, who have a dedicated team which is focused on sustainability, the Board views this as an opportunity to enhance the Company's existing protocols and procedures through the adoption of the highest industry standards. Under the new enlarged investment team, each investment executive is responsible for their own individual ESG objectives in support of the wider overarching ESG goals of the Investment Adviser. For further details, Gresham House published its second Sustainable Investment Report in April 2022, which can be found on its website at: www.greshamhouse.com.

Board Constitution

Helen Sinclair resigned as a Director of the Company following the Annual General Meeting held on 23 February 2022. The Board is extremely grateful for Helen's invaluable time, experience and commitment to her role during her tenure. The Board has since been constituted of two directors who will continue to consider the composition and succession of the Board particularly in light of the new UKLA listing rules on diversity and inclusion.

Outlook

There is no doubt that the six months under review has been a challenging environment for businesses in general, but the majority of the portfolio has continued to trade well and deliver value growth. The Board is pleased to report that the Company has achieved a positive net return for the period but remains cautious in the face of a range of macroeconomic risks.

Whilst the residual threat of further lockdowns from new variants of the virus appears to have lessened to some extent as we progress through 2022, we anticipate that the indirect effects of the

Chairman's Statement

COVID-19 pandemic and Brexit will continue to impact the UK economy and bring an element of uncertainty for some time to come, most notably in the form of supply chain and inflationary pressures. More recently, Russia's flagrant breach of the rules-based international order has of course resulted, inter alia, in global economic financial disruption and trade dislocation, including accelerated inflation. Nonetheless, your Board considers that your Company is well positioned to adapt as necessary.

In closing, the Board was very pleased to have witnessed such a positive response to the launch of the Company's Offer for subscription in January and would like to thank all Shareholders for their interest in applying for the Company's shares. The Board has been satisfied with the Company's ability to maintain a high rate of investment in quality opportunities over the period. It believes that the additional fundraising will provide the necessary capital to continue to create value growth for Shareholders in what has, to date, proven to be a successful investment strategy. The portfolio has performed well and appears robust.

I would like to take this opportunity once again to thank all Shareholders for your continued support and to extend a warm welcome to new Shareholders.



Maurice Helfgott
Chairman

25 May 2022

Investment Policy

The Company's policy is to invest primarily in a diverse portfolio of UK unquoted companies.

Asset Mix and Diversification

The Company will seek to make investments in UK unquoted companies in accordance with the requirements of prevailing VCT legislation.

Investments are made selectively across a wide variety of sectors, principally in established companies.

Investments are generally structured as part loan and part equity in order to receive regular income and to generate capital gain from realisations.

There are a number of conditions within the VCT legislation which need to be met by the Company and which may change from time to time.

No single investment may represent more than 15% (by VCT tax value) of the Company's total investments at the date of investment.

Save as set out above, the Company's other investments are held in cash and liquid funds.

Liquidity

The Company's cash and liquid funds are held in a portfolio of readily realisable interest-bearing investments, deposit and current accounts, of varying maturities, subject to the overriding criterion that the risk of loss of capital be minimised.

Borrowing

The Company's Articles of Association permit borrowing of up to 10% of the adjusted capital and reserves (as defined therein). However, the Company has never borrowed and the Board would only consider doing so in exceptional circumstances.

Summary of VCT Regulation

To assist Shareholders, the following table contains a summary of the most important rules that determine VCT approval:

To maintain its status as a VCT, the Company must meet a number of conditions, the most important of which are that:

- the Company must hold at least 80%, by VCT tax value¹ of its total investments (shares, securities and liquidity) in VCT qualifying holdings, within approximately three years of a fundraising;
- all qualifying investments made by VCTs after 5 April 2018, together with qualifying investments made by funds raised after 5 April 2011 are, in aggregate, required to comprise at least 70% by VCT tax value in "eligible shares", which carry no preferential rights (save as may be permitted under VCT rules);
- no investment in a single company or group of companies may represent more than 15% (by VCT tax value) of the Company's total investments at the date of investment;
- the Company must pay sufficient levels of income dividend from its revenue available for distribution so as not to retain more than 15% of its income from shares and securities in a year;
- the Company's shares must be listed on a regulated European stock market;
- non-qualifying investments cannot be made, except for certain exemptions in managing the Company's short-term liquidity;
- VCTs are required to invest 30% of funds raised in an accounting period beginning on or after 6 April 2018 in qualifying holdings within 12 months of the end of that accounting period, and
- the period for reinvestment of the proceeds on disposal of qualifying investments is 12 months.

To be a VCT qualifying holding, new investments must be in companies:

- which carry on a qualifying trade;
- which have no more than £15 million of gross assets at the time of investment and no more than £16 million immediately following investment from VCTs;
- whose maximum age is generally up to seven years (ten years for knowledge intensive businesses);
- that receive no more than an annual limit of £5 million and a lifetime limit of £12 million (for knowledge intensive companies the lifetime limit is £20 million, and the annual limit is £10 million), from VCTs and similar sources of State Aid funding; and
- that use the funds received from VCTs for growth and development purposes.

In addition, VCTs may not:

- offer secured loans to investee companies, and any returns on loan capital above 10% must represent no more than a commercial return on the principal; and
- make investments that do not meet the 'risk to capital' condition (which requires a company, at the time of investment, to be an entrepreneurial company with the objective to grow and develop, and where there is a genuine risk of loss of capital).

¹ VCT tax value means as valued in accordance with prevailing VCT legislation. The calculation of VCT tax value is arrived at using tax values, based on the cost of the most recent purchase of an investment instrument in a particular company, which may differ from the actual cost of each investment shown in the Investment Portfolio Summary on pages 10 and 11.

Investment Adviser's Review

Portfolio Review

The first six months of the Company's financial year have been marked by volatile markets and uncertainty resulting from global events such as the War in Ukraine as well as inflationary pressures. We are starting to see that these factors are now beginning to have a noticeable impact on consumer confidence but underlying trading to date has largely remained healthy.

Widespread volatility of global markets and negative sentiment have hampered the ability of businesses to sustain the exceptional performance of the previous financial year. However, a continuation of steady underlying trading by the majority of investee companies has ensured that the portfolio has nonetheless been able to record value growth of 4.8% over the six-month period, with combined net

unrealised and realised gains of £4.20 million.

The Company received unprecedented demand for its Offer for Subscription in January 2022, raising the full £10 million capacity of the Offer in less than 24 hours. This supports the Company's continued momentum in deploying capital, having completed its first combined investment across all the Gresham House VCTs during the period, investing £0.81 million into retail software platform Proximity Insight in February. In addition to this, strong trading activity levels have created investment opportunities for the Company as portfolio companies sought to enhance their positions by building capability in light of demand. The Company therefore delivered follow-on investments into three portfolio companies during the period, Preservica

(£1.71 million), ActiveNav (£0.43 million) and Caledonian Leisure (£0.30 million). Further investments totalling £0.83 were made after the period-end (details below).

The Company continues to generate healthy returns from the realisation of investments, completing the disposal of Red Paddle in November, generating net proceeds of £5.52 million in the period and contributing to a multiple of original cost of 5.4x and an IRR of 33.2%. As has been noted in previous reports, the traditional investments, as well as the growth investments, are continuing to make good progress. In challenging periods such as these for global markets, the diverse portfolio has demonstrated its robustness and resilience. The Investment Adviser remains confident that the portfolio is well positioned as it enters the second half-year.

The portfolio movements in the period are summarised as follows:

	2022 £m	2021 £m
Opening portfolio value	88.15	50.86
New and follow-on investments	3.25	4.42
Disposal proceeds	(6.24)	(10.22)
Net realised gains	1.21	3.59
Valuation movements	2.99	26.07
Portfolio value at 31 March	89.36	74.72

Valuation changes of portfolio investments still held

The portfolio generated net unrealised gains of £2.99 million in the first half of its financial year. A substantial portion of the valuation increases were generated within the growth portfolio, many of which operate with direct-to-consumer business models that have been able to capitalise on the continuing trend of remote working and online shopping for goods and services. Gresham House believes that much of this will prove to be permanent. The more traditional assets that form part of the older portfolio have begun to trade well again either by re-engineering their business or benefiting as COVID-19 restrictions have receded.

The total valuation increases were £11.98 million. The main valuation increases were in:

- **Preservica** - £5.86 million
- **Media Business Insight** - £1.33 million
- **Master Removers Group** - £1.13 million

Preservica has benefitted from a significant re-rating as part of a further funding round and increased scale. Media Business Insight has continued to reap the rewards of the success of its diversification to online income streams and a more flexible cost base, whilst Master Removers Group has been effective in taking advantage of strong

property markets and a structural shift in demand for storage and logistics.

The total valuation decreases were £(8.99) million. The main valuation decreases were:

- **Virgin Wines** - £4.61 million
- **MyTutor** - £2.49 million
- **Parsley Box** - £0.72 million


Virgin Wines and Parsley Box have been impacted by negative market sentiment compounded by more challenging customer recruitment over the period, whilst MyTutor's valuation has been affected by a combination of smaller factors such as downgraded sector PE multiples and a reduction in surplus cash used for valuation purposes.

The portfolio's valuation changes in the period are summarised as follows:

Investment Portfolio Capital Movement	2022 £m	2021 £m
Increase in the value of unrealised investments	11.98	26.68
Decrease in the value of unrealised investments	(8.99)	(0.61)
Net increase in the value of unrealised investments	2.99	26.07
Realised gains	1.21	3.67
Realised losses	-	(0.08)
Net realised gains in the period	1.21	3.59
Net investment portfolio movement in the period	4.20	29.66

New investments during the period


The Company made one new investment of £0.81 million during the period, as detailed below:

	Company	Business	Date of investment	Amount of new investment (£m)
	Proximity Insight	Retail Software	February 2022	0.81

Proximity Insight (proximityinsight.com) is a retail technology business that offers a 'Super-App' that is used by the customer-facing teams of brands and retailers to engage, inspire and transact with customers. Headquartered in London with offices in New York and Sydney, Proximity Insight has a global client base that includes over 20 brands, boutiques and department stores in fashion, beauty, jewellery, electronics and homewares. These clients use Proximity Insight's platform to blur the lines between physical and digital retail, enhancing the customer experience and improving the lifetime value of their customers by upwards of 35%. The business grew annual recurring revenue by 117% to £2.2 million in 2021, and the investment will support Proximity Insight's continued product development and international growth. The investment was made across all six VCTs advised and managed by Gresham House, including the two Baronsmead VCTs.

Further investments during the period

The Company made three further investments into existing portfolio companies, totalling £2.44 million, as detailed below:

	Company	Business	Date of investment	Amount of further investment (£m)
	Preservica	Seller of proprietary digital archiving software	October/ November 2021	1.71

Preservica is a SaaS software business with blue chip customers and strong recurring revenues. It has developed market leading software for the long-term preservation of digital records, ensuring that digital content can remain accessible, irrespective of future changes in technology. This latest investment is to provide additional growth capital to finance the further development of the business. The business has seen annual recurring revenues nearly double over the last two financial years.

	ActiveNav	File analysis Software	December 2021	0.43
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Data Discovery Solutions (trading as ActiveNav) (activenav.com) is a file analysis software solution which makes it easier for companies to clean up network drives, respond to new data protection laws and dispose of redundant and outdated documents. ActiveNav's solution is used by significant blue-chip customers, particularly those in highly regulated industries such as energy and professional services, as well as government entities in the USA, Canada, Australia and the UK. This further funding is to market its nascent SaaS-based Hubble platform.


Investment Adviser's Review

	Company	Business	Date of investment	Amount of further investment (£m)
	Caledonian Leisure	UK Leisure and experience breaks	January/February 2022	0.30

Caledonian Leisure works with accommodation providers, coach businesses and other experienced providers (such as entertainment destinations and theme parks) to deliver UK-based leisure and experience breaks to its customers. It comprises two brands, Caledonian Travel (caledoniantravel.com) and UK Breakaways (ukbreakaways.com). The domestic leisure and experience travel market has been devastated by the COVID-19 pandemic, but the company is well-placed to expand as lockdown and travel restrictions have eased. A series of planned investment tranches has helped the company prepare for and capitalise on the strong demand for UK staycation holidays.

Realisations during the period

The Company realised its investment in Red Paddle during the period, as detailed below:

	Company	Business	Period of investment	Total cash proceeds over the life of the investment/ Multiple over cost
	Red Paddle	Design and manufacturer of stand up paddleboards	July 2015 to November 2021	£6.50 million 5.4x cost

The Company sold its investment in Vian Marketing Limited (trading as Red Paddle) to the Myers Family Office for £5.52 million (realised gain in the period: £1.20 million). This investment generated proceeds over the life of the investment of £6.50 million compared to original cost of £1.21 million, which is **a multiple of cost of 5.4x and an IRR of 33.2%**.

Loan repayments and other proceeds during the period

The Company received loan repayments totalling £0.70 million from Media Business Insight during the period as well as receiving additional nominal proceeds from Bourn Bioscience and Vectair, both of which were investments realised in a previous year.

Investment portfolio yield


In the period under review, the Company received the following amounts in loan interest and dividend income:

Investment Portfolio Yield	2022 £m	2021 £m
Interest received in the period	0.84	0.72
Dividends received in the period	0.40	0.59
Total portfolio income in the period¹	1.24	1.31
Portfolio Value at 31 March	89.36	74.72
Portfolio Income Yield (Income as a % of Portfolio value at 31 March)	1.4%	1.8%

¹ Total portfolio income in the period is generated solely from investee companies within the portfolio

New investments after the period-end


The Company made one new investment of £0.64 million after the period-end, as detailed below:

	Company	Business	Date of investment	Amount of new investment (£m)
	Bidnamic	Marketing technology business	May 2022	0.64

Bidnamic (www.bidnamic.com) is a marketing technology business that offers a SaaS platform for online retailers to optimise their search engine marketing spend. The technology was all developed internally, and uses bespoke machine learning algorithms to automate the management and optimisation of online retailers' Google shopping spend. The ARR of the business has grown substantially over the last two years and this is projected to continue. The investment round will be used to further enhance the product's capabilities, and drive continued ARR growth through expanding the sales & marketing team and building a presence in North America.

Further investments made after the period-end

The Company made one further investment into an existing portfolio company of £0.19 million after the period end, as detailed below:

	Company	Business	Date of investment	Amount of further investment (£m)
	Northern Bloc	Dairy and allergen-free ice cream producer	April 2022	0.19

Northern Bloc Ice Cream (northern-bloc.com) is an established food brand in the emerging and rapidly growing vegan market. By focusing on chef quality and natural ingredients, Northern Bloc has carved out an early mover position in the vegan ice cream sector. The company's focus on plant-based alternatives has strong environmental credentials as well as it being the first ice cream brand to move wholly into sustainable packaging. Following the initial investment in December 2020, Northern Bloc has grown rapidly and strengthened its prospects. COVID disruption has impacted its plan but this further investment provides additional working capital and funds a new production facility to increase its resilience, flexibility and margins in the future.

Environmental, Social, Governance considerations

Following the novation of the advisory agreement to Gresham House on 30 September 2021, a market leader that is well-resourced with knowledge and expertise in sustainability, the Investment Adviser aims to establish ESG procedures and protocols of the highest standards as set out and informed by Gresham House plc. The first tangible example of movement towards this revised approach is that that the individual members of the investment team now have their own individual ESG objectives set which align with the wider ESG goals of the Investment Adviser.

Gresham House published its second Sustainable Investment Report in April 2022 that, along with existing asset specific policies, including the Public Equity Policy, can be found on its website www.greshamhouse.com. These reports and policies cover the Investment Adviser's sustainable investment commitments, how the investment processes meet these commitments and the application of the sustainable investment framework. The Gresham House Board and General Management Committee assess the adherence to the commitments in the Sustainable Investment Policies on an annual basis.

In a changing world, the Investment Adviser believes that this approach will contribute towards the enhancement of Shareholder value going forward.

Outlook

Whilst the period under review has been marked with volatility and uncertainty as a result of a number of factors affecting both the global and UK economy, the portfolio has continued to trade well. Even so, negative market sentiment has impacted valuations, particularly those of the AIM-listed stocks. Global supply issues and inflationary pressures are starting to cause a noticeable impact on consumer confidence. Although there are challenging times ahead, nevertheless the Company has achieved a positive return for the period and with new investment remaining buoyant. The Investment adviser therefore remains cautiously optimistic that the portfolio will continue to provide healthy returns for shareholders.

Gresham House Asset Management Limited

Investment Adviser

25 May 2022

Investment Portfolio Summary

as at 31 March 2022

Growth focused portfolio

MBO focused portfolio

	Total cost at 31 March 2022 (unaudited) £	Valuation at 30 September 2021 (audited) £	Additional investments in the period £	Valuation at 31 March 2022 (unaudited) £
Preservica Limited Seller of proprietary digital archiving software	4,675,163	8,986,207	1,714,264	16,558,035
Virgin Wines UK Plc (AIM quoted) Online wine retailer	65,288	12,830,864	-	8,224,913
MPB Group Limited Online marketplace for used photographic and video equipment	1,510,992	7,466,511	-	7,629,204
EOTH Limited (trading as Equip Outdoor Technologies) Branded outdoor equipment and clothing (Rab and Lowe Alpine)	1,383,313	5,427,729	-	6,388,397
My Tutorweb Limited (trading as MyTutor) Digital marketplace connecting school pupils seeking one-to-one online tutoring	3,361,778	8,640,371	-	6,146,278
Media Business Insight Holdings Limited A publishing and events business focused on the creative production industries	2,966,160	4,199,330	-	4,829,658
End Ordinary Group Limited (trading as Buster and Punch) Industrial inspired lighting and interiors retailer	2,046,612	4,470,852	-	4,516,899
Master Removers Group 2019 Limited (trading as Anthony Ward Thomas, Bishopsgate and Aussie Man & Van) A specialist logistics, storage and removals business	464,658	2,847,390	-	3,974,741
Bella & Duke Limited A premium frozen raw dog food provider	1,323,745	3,165,212	-	3,813,948
Data Discovery Solutions Limited (trading as ActiveNav) Provides the global market leading file analysis software for information governance, security and compliance	1,975,681	3,087,000	432,181	3,254,109
Manufacturing Services Investment Limited (trading as Wetsuit Outlet) Online retailer in the water sports market	3,205,182	3,202,735	-	3,202,421
I-Dox plc (AIM quoted) Developer and supplier of knowledge management products	453,881	2,916,088	-	2,608,460
Arkk Consulting Limited (trading as Arkk Solutions) Provider of services and software to enable organisations to remain compliant with regulatory reporting requirements	2,182,187	2,264,597	-	2,324,614
Tharstern Group Limited Software based management Information systems	1,454,278	1,668,487	-	2,194,651
Connect Childcare Group Limited Nursery management software provider	1,157,214	1,390,148	-	1,333,867
Vivacity Labs Limited Provider of artificial intelligence & urban traffic control systems	1,250,760	1,250,760	-	1,250,760
Caledonian Leisure Limited Provider of UK leisure and experience breaks	748,749	449,251	299,498	1,088,103
Rota Geek Limited Workforce management software	1,250,800	962,085	-	1,085,432
Spanish Restaurant Group Limited (trading as Tapas Revolution) Spanish restaurant chain	1,630,233	979,122	-	988,943
Bleach London Holdings Limited Hair colourants brand	874,302	1,335,917	-	960,952
IPV Limited Provider of media asset software	954,674	954,674	-	954,674
Legatics Holdings Limited SaaS LegalTech software provider	909,330	909,330	-	909,330
Northern Bloc Ice Cream Limited Supplier of premium vegan ice cream	473,100	506,869	-	872,583
Pets' Kitchen Limited (trading as Vet's Klinik) Veterinary clinics	844,200	844,200	-	844,200
Proximity Insight Holdings Limited Super-App used by customer-facing teams of brands and retailers to engage, inspire and transact with customers	807,000	-	807,000	807,000
Aquasium Technology Limited Manufacturing and marketing of bespoke electron beam welding and vacuum furnace equipment	166,667	478,072	-	617,538
Muller EV Limited (trading as Andersen EV) Provider of premium electric vehicle (EV) chargers	554,750	317,000	-	554,750

	Total cost at 31 March 2022 (unaudited) £	Valuation at 30 September 2021 (audited) £	Additional investments in the period £	Valuation at 31 March 2022 (unaudited) £
CGI Creative Graphics International Limited Vinyl graphics to global automotive, recreation vehicle and aerospace markets	1,943,948	587,292	-	509,847
RDL Corporation Limited Recruitment consultants within the pharmaceutical, business intelligence and IT industries	1,441,667	322,033	-	367,941
Parsley Box Group Plc (AIM quoted) Supplier of home delivered, ambient ready meals targeting the over 60s	874,001	1,084,367	-	361,456
Kudos Innovations Limited Online platform that provides and promotes academic research dissemination	472,500	200,340	-	112,575
Jablite Holdings Limited (in members' voluntary liquidation) Manufacturer of expanded polystyrene products	498,790	65,779	-	65,779
Corero Network Security plc (AIM quoted) Provider of e-business technologies	600,000	10,314	-	11,002
Oxonica Limited International nanomaterials group	2,524,527	-	-	-
Veritek Global Holdings Limited Maintenance of imaging equipment	2,289,859	-	-	-
BookingTek Limited Software for hotel groups	779,155	-	-	-
Racoon International Group Limited Supplier of hair extensions, hair care products and training	655,851	-	-	-
Oakheath Limited (in members' voluntary liquidation) Online platform that connects people seeking home care from experienced independent carers	649,528	-	-	-
NexxtDrive Limited/Nexxt E-drive Limited Developer and exploiter of mechanical transmission technologies	487,014	-	-	-
Biomer Technology Limited Developer of biomaterials for medical devices	137,170	-	-	-
Disposals in period				
Vian Marketing Limited (trading as Red Paddle Co) Design, manufacture and sale of stand-up paddleboards and windsurfing sails	-	4,324,963	-	
Total	52,044,707	88,145,889	3,252,943	89,363,060
Total Investment Portfolio split by type				
Growth focused portfolio¹	36,359,607	65,067,630	3,252,943	69,933,271
MBO focused portfolio¹	15,685,100	23,078,259	-	19,429,789
Total	52,044,707	88,145,889	3,252,943	89,363,060

¹ The growth focused portfolio contains all investments made after the change in the VCT regulations in 2015 plus some investments that are growth in nature made before this date. The MBO focused portfolio contains investments made prior to 2015 as part of the previous MBO strategy.

Statement of the Directors' Responsibilities

Responsibility statement

In accordance with Disclosure and Transparency Rule (DTR) 4.2.10, Maurice Helfgott (Chairman) and Justin Ward (Chairman of the Audit, Investment and Nomination & Remuneration Committees), being the Directors of the Company, confirm that to the best of their knowledge:

- (a) The condensed set of financial statements, which has been prepared in accordance with Financial Reporting Standard 104 "Interim Financial Reporting" gives a true and fair view of the assets, liabilities, financial position and profit of the Company as required by DTR 4.2.10;
- (b) the Half Year Management Report, which comprises the Chairman's Statement, Investment Policy, Investment Review and Investment Portfolio Summary, includes a fair review of the information required by DTR 4.2.7, 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;
- (c) a description of the principal risks and uncertainties facing the Company for the remaining six months is set out under the following heading, in accordance with DTR 4.2.7; and
- (d) there were no related party transactions in the first six months of the current financial year that are required to be disclosed, in accordance with DTR 4.2.8.

Principal risks and uncertainties

In accordance with DTR 4.2.7, the Board confirms that the principal risks and uncertainties facing the Company have not materially changed from those identified in the Annual Report and Financial Statements for the year ended 30 September 2021 ("the Annual Report"). The occurrence of the COVID-19 pandemic and the war in Ukraine have created heightened uncertainty but has not changed the nature of the principal risks. The Board considers that the present processes for mitigating those risks remain appropriate.

The principal risks faced by the Company are:

- Investment and liquidity
- Loss of approval as a Venture Capital Trust;
- Regulatory;
- Economic, political and other external risks
- Financial and operating;
- Market liquidity;

A detailed explanation of the principal risks facing the Company can be found in the Annual Report on pages 33 and 34, as well as in Note 16 on Financial Instruments on pages 70 to 77 of that report. Copies can be viewed or downloaded from the Company's website: www.incomeandgrowthvct.co.uk

Going Concern

The Board has assessed the Company's operation as a going concern. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out earlier in the Half Year management report which comprises

the Chairman's Statement, Investment Policy, Investment Adviser's Review and Investment Portfolio Summary. The Directors have satisfied themselves that the Company continues to maintain a significant cash position. The majority of companies in the portfolio are well funded and the portfolio taken as a whole remains resilient and well diversified, although the continuing impact of COVID-19, Brexit, and Russia's invasion of Ukraine, may impose further considerable demands upon the liquidity and trading prospects of some of these companies in the near-term. The major cash outflows of the Company (namely investments, share buybacks and dividends) are within the Company's control. The Board's assessment of liquidity risk and details of the Company's policies for managing its capital and financial risks are shown in Notes 16 and 17 of the Annual Report and Financial Statements on pages 70 to 78. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the Interim report and financial statements.

Cautionary Statement

This report may contain forward looking statements with regard to the financial condition and results of the Company, which are made in the light of current economic and business circumstances. Nothing in this report should be construed as a profit forecast.

For and on behalf of the Board:



Maurice Helfgott
Chairman

25 May 2022

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Unaudited Condensed Income Statement

for the six months ended 31 March 2022

	Notes	Six months ended 31 March 2022 (unaudited)		
		Revenue £	Capital £	Total £
Net investment portfolio gains	9	-	4,197,868	4,197,868
Income	4	1,266,322	-	1,266,322
Investment Adviser's fees	5	(325,312)	(975,934)	(1,301,246)
Investment Adviser's performance fees	5	-	(704,303)	(704,303)
Other expenses		(280,973)	-	(280,973)
Profit on ordinary activities before taxation		660,037	2,517,631	3,177,668
Tax on profit on ordinary activities	6	(49,366)	49,366	-
Profit for the period and total comprehensive income		610,671	2,566,997	3,177,668
Basic and diluted earnings per share	7	0.51p	2.13p	2.64p

The revenue column of the Income Statement includes all income and expenses. The capital column accounts for the net investment portfolio gains (unrealised gains and realised gains on investments) and the proportion of the Investment Adviser's fee and performance fee charged to capital.

The total column is the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS"). In order to better reflect the activities of a VCT and in accordance with the 2014 Statement of Recommended Practice ("SORP") issued by the Association of Investment Companies ("AIC") and updated in April 2021, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The revenue column of profit attributable to equity Shareholders is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 274 Income Tax Act 2007.

All the items in the above statement derive from continuing operations of the Company. No operations were acquired or discontinued in the period/year.

The notes to the unaudited financial statements on pages 20 to 26 form part of these Half-Year Financial Statements.

Six months ended 31 March 2021 (unaudited)			Year ended 30 September 2021 (audited)		
Revenue £	Capital £	Total £	Revenue £	Capital £	Total £
-	29,661,261	29,661,261	-	43,637,384	43,637,384
1,328,132	-	1,328,132	1,953,493	-	1,953,493
(223,439)	(670,315)	(893,754)	(548,812)	(1,646,435)	(2,195,247)
-	(742,900)	(742,900)	-	(1,095,268)	(1,095,268)
(218,943)	-	(218,943)	(444,069)	-	(444,069)
885,750	28,248,046	29,133,796	960,612	40,895,681	41,856,293
(56,538)	56,538	-	(50,487)	50,487	-
829,212	28,304,584	29,133,796	910,125	40,946,168	41,856,293
0.70p	23.90p	24.60p	0.77p	34.57p	35.34p

Unaudited Condensed Balance Sheet

as at 31 March 2022

	Notes	31 March 2022 (unaudited) £	31 March 2021 (unaudited) £	30 September 2021 (audited) £
Fixed assets				
Investments at fair value	9	89,363,060	74,720,423	88,145,889
Current assets				
Debtors and prepayments		622,615	3,917,073	2,459,633
Current asset investments	10	37,198,475	32,954,426	27,194,727
Cash at bank	10	1,424,968	1,378,815	2,653,455
		39,246,058	38,250,314	32,307,815
Creditors: amounts falling due within one year		(955,691)	(1,022,895)	(1,367,430)
Net current assets		38,290,367	37,227,419	30,940,385
Net assets		127,653,427	111,947,842	119,086,274
Capital and reserves				
Called up share capital		1,292,177	1,182,005	1,185,549
Capital redemption reserve		40,984	28,439	36,682
Share premium reserve		23,827,036	12,283,303	13,328,900
Revaluation reserve		42,700,452	31,570,937	43,197,940
Special distributable reserve		46,405,339	52,950,812	50,884,712
Realised capital reserve		10,836,154	10,890,667	8,511,877
Revenue reserve		2,551,285	3,041,679	1,940,614
Equity Shareholders' funds		127,653,427	111,947,842	119,086,274
Basic and diluted net asset value:				
Basic and diluted net asset value per share	11	98.79p	94.71p	100.45p

The financial information for the six months ended 31 March 2022 and the six months ended 31 March 2021 has not been audited.

The notes to the unaudited financial statements on pages 20 to 26 form part of these Half-Year Financial Statements.

Unaudited Condensed Statement of Changes in Equity

for the six months ended 31 March 2022

	Non-distributable reserves				Distributable reserves			Total
	Called up share capital	Capital redemption reserve	Share premium reserve	Revaluation reserve	Special distributable reserve (Note a)	Realised capital reserve (Note b)	Revenue reserve (Note b)	
	£	£	£	£	£	£	£	£
At 1 October 2021	1,185,549	36,682	13,328,900	43,197,940	50,884,712	8,511,877	1,940,614	119,086,274
Comprehensive income for the period								
Profit/(loss) for the period	-	-	-	2,989,587	-	(422,590)	610,671	3,177,668
Total comprehensive income for the period	-	-	-	2,989,587	-	(422,590)	610,671	3,177,668
Contributions by and distributions to owners								
Shares issued via Offer for Subscription (Note c)	101,920	-	9,898,080	-	-	-	-	10,000,000
Issue costs (Note c)	-	-	(250,968)	-	(81,278)	-	-	(332,246)
Dividends re-invested into new shares	9,010	-	851,024	-	-	-	-	860,034
Shares bought back (Note d)	(4,302)	4,302	-	-	(396,145)	-	-	(396,145)
Dividends paid	-	-	-	-	(2,371,079)	(2,371,079)	-	(4,742,158)
Total contributions by and distributions to owners	106,628	4,302	10,498,136	-	(2,848,502)	(2,371,079)	-	5,389,485
Other movements								
Realised losses transferred to special reserve (Note a)	-	-	-	-	(1,630,871)	1,630,871	-	-
Realisation of previously unrealised appreciation	-	-	-	(3,487,075)	-	3,487,075	-	-
Total other movements	-	-	-	(3,487,075)	(1,630,871)	5,117,946	-	-
At 31 March 2022	1,292,177	40,984	23,827,036	42,700,452	46,405,339	10,836,154	2,551,285	127,653,427

Notes

- a): The Company's special reserve is available to fund buybacks of shares as and when it is considered by the Board to be in the interests of Shareholders, and to absorb any existing and future realised losses and for other corporate purposes. At 31 March 2022, the Company has a special reserve of £46,405,339, all of which arises from shares issued more than three years after the end of the financial year in which they were issued. Reserves originating from share issues are not distributable under VCT rules if they are within three years of the end of an accounting period in which the shares were issued. The total transfer of £1,630,871 from the realised capital reserve to the special distributable reserve above is the total of realised losses incurred by the Company in the period.
- b): The realised capital reserve and the revenue reserve together comprise the Profit and Loss Account of the Company.
- c): Under the Company's Offer for subscription launched on 20 January 2022, 10,191,964 Ordinary Shares were allotted on 9 March 2022, raising net funds of £9,667,754 for the Company. This figure is net of issue costs of £250,968 and facilitation fees of £81,278.
- d): During the period, the Company repurchased 430,175 of its own shares at the prevailing market price for a total cost (including stamp duty) of £396,145, which were subsequently cancelled. The difference between the figure shown above of £396,145 and that per the Condensed Statement of Cash Flows of £437,809 is £41,664 which was a creditor at the previous year end.

The notes to the unaudited financial statements on pages 20 to 26 form part of these Half-Year Financial Statements.

Unaudited Condensed Statement of Changes in Equity

for the six months ended 31 March 2021

	Non-distributable reserves				Distributable reserves			Total £
	Called up share capital £	Capital redemption reserve £	Share premium reserve £	Revaluation reserve £	Special distributable reserve £	Realised capital reserve £	Revenue reserve £	
At 1 October 2020	1,186,617	23,827	12,283,303	6,862,342	54,626,873	5,938,001	2,212,467	83,133,430
Comprehensive income for the period								
Profit for the period	-	-	-	26,073,426	-	2,231,158	829,212	29,133,796
Total comprehensive income for the period	-	-	-	26,073,426	-	2,231,158	829,212	29,133,796
Contributions by and distributions to owners								
Shares bought back	(4,612)	4,612	-	-	(319,384)	-	-	(319,384)
Total contributions by and distributions to owners	(4,612)	4,612	-	-	(319,384)	-	-	(319,384)
Other movements								
Realised losses transferred to special reserve	-	-	-	-	(1,356,677)	1,356,677	-	-
Realisation of previously unrealised appreciation	-	-	-	(1,364,831)	-	1,364,831	-	-
Total other movements	-	-	-	(1,364,831)	(1,356,677)	2,721,508	-	-
At 31 March 2021	1,182,005	28,439	12,283,303	31,570,937	52,950,812	10,890,667	3,041,679	111,947,842

The composition of each of these reserves is explained below:

Called up share capital - The nominal value of shares originally issued, increased for subsequent share issues either via an Offer for Subscription or Dividend Investment Scheme or reduced due to shares bought back by the Company.

Capital redemption reserve - The nominal value of shares bought back and cancelled is held in this reserve, so that the Company's capital is maintained.

Share premium reserve - This reserve contains the excess of gross proceeds less issue costs over the nominal value of shares allotted under recent Offers for Subscription and the Company's Dividend Investment Scheme.

Revaluation reserve - Increases and decreases in the valuation of investments held at the period-end are accounted for in this reserve, except to the extent that the diminution is deemed permanent.

In accordance with stating all investments at fair value through profit and loss (as recorded in Note 9), all such movements through both revaluation and realised capital reserves are shown within the Income Statement for the period.

Special distributable reserve - This reserve is created from cancellations of the balances upon the Share premium reserve, which are transferred to this reserve from time to time. The cost of share buybacks and any realised losses on the sale or impairment of investments (excluding transaction costs) are charged to this reserve. 75% of the Investment Adviser fee expense, and the related tax effect, that are charged to the realised capital reserve are transferred to this reserve. This reserve will also be charged any facilitation fee payments to financial advisers, which arose as part of the Offer for Subscription.

Realised capital reserve - The following are accounted for in this reserve:

- Gains and losses on realisation of investments;
- Permanent diminution in value of investments;
- Transaction costs incurred in the acquisition and disposal of investments;
- 75% of the Investment Adviser fee expense and 100% of any performance fee payable, together with the related tax effect to this reserve in accordance with the policies; and
- Capital dividends paid.

Revenue reserve - Income and expenses that are revenue in nature are accounted for in this reserve, as well as 25% of the Investment Adviser fee together with the related tax effect, as well as income dividends paid that are classified as revenue in nature.

The notes to the unaudited financial statements on pages 20 to 26 form part of these Half-Year Financial Statements.

Unaudited Condensed Statement of Cash Flows

for the six months ended 31 March 2022

Notes	Six months ended 31 March 2022 (unaudited) £	Six months ended 31 March 2021 (unaudited) £	Year ended 30 September 2021 (audited) £
Cash flows from operating activities			
Profit for the financial period	3,177,668	29,133,796	41,856,293
Adjustments for:			
Net investment portfolio gains	(4,197,868)	(29,661,261)	(43,637,384)
(Increase)/decrease in debtors	(218,732)	(12,233)	183,844
(Decrease)/Increase in creditors and accruals	(370,075)	799,205	1,104,812
Net cash (outflow)/inflow from operating activities	(1,609,007)	259,507	(492,435)
Cash flows from investing activities			
Purchase of investments	9 (3,442,183)	(4,417,515)	(8,087,743)
Disposal of investments	9 8,478,630	6,715,869	12,195,381
Net cash inflow from investing activities	5,036,447	2,298,354	4,107,638
Cash flows from financing activities			
Shares issued as part of Offer for subscription	10,000,000	-	-
Issue costs and facilitation fees as part of Offer for subscription	(332,246)	-	-
Equity dividends paid	8 (3,882,124)	-	(4,852,504)
Purchase of own shares	(437,809)	(413,435)	(1,103,332)
Net cash inflow/(outflow) from financing activities	5,347,821	(413,435)	(5,955,836)
Net increase/(decrease) in cash and cash equivalents	8,775,261	2,144,426	(2,340,633)
Cash and cash equivalents at start of period	26,696,413	29,037,046	29,037,046
Cash and cash equivalents at end of period	34,471,674	31,181,472	26,696,413
Cash and cash equivalents comprise:			
Cash at bank and in hand	10 1,424,968	1,378,815	2,653,455
Cash equivalents	10 34,046,706	29,802,657	24,042,958

The notes to the unaudited financial statements on pages 20 to 26 form part of these Half-Year Financial Statements.

Notes to the Unaudited Condensed Financial Statements

for the six months ended 31 March 2022

1. Company information

The Income and Growth VCT plc is a public limited company incorporated in England, registration number 04069483. The registered office is 5 New Street Square, London, EC4A 3TW.

2. Basis of preparation of the Financial Statements

These Financial Statements prepared in accordance with accounting policies consistent with Financial Reporting Standard 102 ("FRS102"), Financial Reporting Standard 104 ("FRS104") - Interim Financial Reporting, with the Companies Act 2006 and the 2014 Statement of Recommended practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('the SORP') (updated in April 2021) issued by the Association of Investment Companies ("AIC").

The Half-Year Report has not been audited, nor has it been reviewed by the auditor pursuant to the Financial Reporting Council's (FRC) guidance on Review of Interim Financial Information.

3. Principal accounting policies

The accounting policies have been applied consistently throughout the period. Full details of principal accounting policies will be disclosed in the Annual Report, while the policy in respect of investments is included within an outlined box at the top of Note 9 on investments.

4. Income

	Six months ended 31 March 2022 (unaudited) £	Six months ended 31 March 2021 (unaudited) £	Year ended 30 September 2021 (audited) £
Income			
- Dividends	400,218	588,183	694,891
- Money market funds	15,113	2,569	4,103
- Loan stock interest	838,162	715,528	1,220,332
- Bank deposit interest	12,829	16,063	28,376
- Other income	-	5,789	5,791
Total Income	1,266,322	1,328,132	1,953,493

5. Investment Adviser's fees and performance fees

	Six months ended 31 March 2022 (unaudited) £	Six months ended 31 March 2021 (unaudited) £	Year ended 30 September 2021 (audited) £
Allocated to revenue return: Investment Adviser's fees	325,312	223,439	548,812
Allocated to capital return: Investment Adviser's fees	975,934	670,315	1,646,435
Investment Adviser's performance fees	704,303	742,900	1,095,268
Total	2,005,549	1,636,654	3,290,515
Investment Adviser's fee	1,301,246	893,754	2,195,247
Investment Adviser's performance fees	704,303	742,900	1,095,268
Total	2,005,549	1,636,654	3,290,515

On 30 September 2021, Mobeus sold its VCT and Investment management business to Gresham House. As a result, the Company's Investment advisory arrangements have been novated to Gresham House. The entire core management, investment and operational teams involved with the Company all transferred to Gresham House in connection with this transaction.

The Directors have charged 75% of the fees payable under the Investment Adviser's agreement, and 100% of the amounts payable under the Incentive Agreement, to the capital reserve. The Directors believe it is appropriate to charge the incentive fees wholly against the capital return, as any fees payable depend on capital performance, as explained below.

On 30 September 2014, a revised incentive fee agreement was signed between the Board, on behalf of the Company, and Mobeus, with effect from 1 October 2013, to amend and replace the previous agreement. This agreement was novated to Gresham House following its purchase of the Mobeus VCT fund and Investment management business on 30 September 2021.

Any payment under the revised incentive agreement is 15% of net realised gains for each year, payable in cash. It is payable only if Cumulative Net Asset Value (NAV) total return per share (being the closing NAV at a year end plus cumulative dividends paid to that year end, since 1 October 2013) equals or exceeds a "Target Return". The Target Return is the greater of two targets, being either:

- (i) compound growth of 6% per annum (but 5% per annum for the year ended 30 September 2014 only), before deducting any incentive fee payable (for the year of calculation only) in Cumulative NAV total return per share; or
- (ii) the cumulative percentage change in the Consumer Prices Index since 1 October 2013 to the relevant financial year-end, the resultant figure then being multiplied by $(100+A)/100$, where A is the number of full 12 month periods (or part thereof) that have passed between 1 October 2013 and the relevant financial year end.

Both measures of Target Return are applied to the same opening base, being NAV per share as at 30 September 2013 of 113.90 pence. The objective of this Target Return is to enable shareholders to benefit from a cumulative NAV return of at least 6% per annum (5% in the financial year ended 30 September 2014), before any incentive fee is payable. Once a payment has been made, cumulative NAV total return is calculated after deducting past years' incentive fees paid and payable.

Under this agreement, any fee payments to Gresham House are subject to an annual cap of an amount equal to 2% of the net assets of the Company as at the immediately preceding year-end. Any excess over the 2% remains payable to Gresham House in the following year(s), subject to the 2% annual cap in such subsequent year(s) and after any payment in respect of such subsequent year(s).

For the year ending 30 September 2022, the Target Return is 190.62 pence per share (being a 6% uplift on the Target Return at the previous year-end of 179.83 pence per share). As at 31 March 2022, the Cumulative Total NAV return is 199.33 pence per share, so the Target Return for the 2022 financial year has currently been met and a fee of £704,303 has been accrued. This fee is payable subject to the cumulative Target NAV return continuing to exceed the Target Return at the year-end and the approval of the Company's Annual Report by Shareholders at the AGM.

Notes to the Unaudited Condensed Financial Statements for the six months ended 31 March 2022

6. Taxation

There is no tax charge for the period as the Company incurred tax allowable expenses in excess of taxable income.

7. Basic and diluted earnings and return per share

	Six months ended 31 March 2022 (unaudited) £	Six months ended 31 March 2021 (unaudited) £	Year ended 30 September 2021 (audited) £
i) Total earnings after taxation: Basic and diluted earnings per share (Note a)	3,177,668 2.64p	29,133,796 24.60p	41,856,293 35.34p
ii) Revenue earnings from ordinary activities after taxation Basic and diluted revenue earnings per share (Note b)	610,671 0.51p	829,212 0.70p	910,125 0.77p
Net investment portfolio gains Capitalised Investment Adviser fees and performance fees less taxation	4,197,868 (1,630,871)	29,661,261 (1,356,677)	43,637,384 (2,691,216)
iii) Total capital return Basic and diluted capital earnings per share (Note c)	2,566,997 2.13p	28,304,584 23.90p	40,946,168 34.57p
iv) Weighted average number of shares in issue in the period (Note d)	119,992,964	118,453,326	118,422,497

Notes:

- Basic earnings per share is total earnings after taxation divided by the weighted average number of shares in issue.
- Basic revenue earnings per share is the revenue return after taxation divided by the weighted average number of shares in issue.
- Basic capital earnings per share is the total capital return after taxation divided by the weighted average number of shares in issue.
- There are no instruments that will increase the number of shares in issue in the future. Accordingly, the above figures currently represent both basic and diluted earnings per share.

8. Dividends

Dividend	Type	For the year ended 30 September	Pence per share	Date paid	Six months ended 31 March 2022 (unaudited) £	Six months ended 31 March 2021 (unaudited) £	Year ended 30 September 2021 (audited) £
Interim	Income	2021	1.00p	23 July 2021	-	-	1,181,978
Interim	Capital	2021	4.00p	23 July 2021	-	-	4,727,910
Interim	Capital*	2021	2.00p	7 January 2022	2,371,079	-	-
Interim	Capital	2021	2.00p	7 January 2022	2,371,079	-	-
Total					4,742,158	-	5,909,888

* - This dividend was paid out of the Company's Special distributable reserve.

For the period ended 31 March 2022, £4,742,158 disclosed above differs to that shown in the Condensed Statement of Cash Flows of £3,882,124 due to £860,034 of new shares allotted subject to listing under the Company's Dividend Investment Scheme.

9. Summary of movement on investments during the period

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of investments at "fair value through profit and loss" (FVTPL). All investments held by the Company are classified as FVTPL and measured in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") guidelines, as updated in December 2018. This classification is followed as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income.

Purchases and sales of unlisted investments are recognised when the contract for acquisition or sale becomes unconditional. For investments actively traded on organised financial markets, fair value is generally determined by reference to Stock Exchange market quoted bid prices at the close of business on the balance sheet date. Purchases and sales of quoted investments are recognised on the trade date where a contract of sale exists whose terms require delivery within a time frame determined by the relevant market. Where the terms of a disposal state that consideration may be received at some future date and, subject to the conditionality and materiality of the amount of deferred consideration, an estimate of the fair value discounted for the time value of money may be recognised through the Income Statement. In other cases, the proceeds will only be recognised once the right to receive payment is established and there is no reasonable doubt that payment will be received.

Unquoted investments are stated at fair value by the Directors at each measurement date in accordance with appropriate valuation techniques, which are consistent with the IPEV guidelines:-

- (i) Each investment is considered as a whole on a 'unit of account' basis, i.e. that the value of each portfolio company is considered as a whole, alongside consideration of:-

The price of new investments made, if deemed to be made as part of an orderly transaction, are considered to be at fair value at the date of the transaction. The inputs that derived the investment price are calibrated within individual valuation models and at every subsequent quarterly measurement date, are reconsidered for any changes in light of more recent events or changes in the market performance of the investee company. The valuation bases used are the following:

- a) a multiple basis. The enterprise value of the investment may be determined by applying a suitable price-earnings ratio, revenue or gross profit multiple to that company's historic, current or forecast post-tax earnings before interest and amortisation, or revenue, or gross profit (the ratio used being based on a comparable sector but the resulting value being adjusted to reflect points of difference identified by the Investment Adviser compared to the sector including, inter alia, scale and liquidity).

or:-

- b) where a company's underperformance against plan indicates a diminution in the value of the investment, provision against the price of a new investment is made, as appropriate.

- (ii) Premiums, to the extent that they are considered capital in nature, and that they will be received upon repayment of loan stock investments are accrued at fair value when the Company receives the right to the premium and when considered recoverable.

- (iii) Where a multiple or the price of recent investment less impairment basis is not appropriate and overriding factors apply, a discounted cash flow, net asset valuation, realisation proceeds, or a weighted average of these bases may be applied.

Capital gains and losses on investments, whether realised or unrealised, are dealt with in the profit and loss and revaluation reserves and movements in the period are shown in the Income Statement. All figures are shown net of any applicable transaction costs incurred by the Company.

All investments are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement.

A key judgement made in applying the above accounting policy relates to investments that are permanently impaired. Where the value of an investment has fallen permanently below the price of recent investment, the loss is treated as a permanent impairment and as a realised loss, even though the investment is still held. The Board assesses the portfolio for such investments and, after agreement with the Investment Adviser, will agree the values that represent the extent to which an investment loss has become realised. This is based upon an assessment of objective evidence of that investment's future prospects, to determine whether there is potential for the investment to recover in value.

The methods of fair value measurement are classified into hierarchy based on the reliability of the information used to determine the valuation.

- Level 1 – Fair value is measured based on quoted prices in an active market.
- Level 2 – Fair value is measured based on directly observable current market prices or indirectly being derived from market prices.
- Level 3 – Fair value is measured using valuation techniques using inputs that are not based on observable market data.

Notes to the Unaudited Condensed Financial Statements

for the six months ended 31 March 2022

	Traded on AIM Level 1 £	Unquoted ordinary shares Level 3 £	Unquoted Preference shares Level 3 £	Unquoted Loan stock Level 3 £	Total £
Valuation at 1 October 2021	16,841,633	57,782,482	1,400,192	12,121,582	88,145,889
Purchases at cost (Note a)	-	746,639	1,583,423	922,881	3,252,943
Sales - proceeds (Note b)	-	(4,857,496)	-	(1,376,144)	(6,233,640)
- net realised gains	-	1,208,281	-	-	1,208,281
Reclassification at valuation (Note c)	-	425,790	-	(425,790)	-
Net unrealised (losses)/gains on investments in the period	(5,635,802)	8,611,665	66,174	(52,450)	2,989,587
Valuation at 31 March 2022	11,205,831	63,917,361	3,049,789	11,190,079	89,363,060
Book cost at 31 March 2022	1,993,170	32,486,833	2,823,969	14,740,735	52,044,707
Unrealised gains/(losses) at 31 March 2022	9,712,661	36,225,139	226,121	(3,463,469)	42,700,452
Permanent impairment of valuation of investments	(500,000)	(4,794,611)	(301)	(87,187)	(5,382,099)
Valuation at 31 March 2022	11,205,831	63,917,361	3,049,789	11,190,079	89,363,060
Gains/(losses) on investments					
Realised gains based on historical cost	-	4,492,632	-	202,724	4,695,356
Less amounts recognised as unrealised gains in previous years	-	(3,284,351)	-	(202,724)	(3,487,075)
Net realised gains based on carrying value at 30 September 2021	-	1,208,281	-	-	1,208,281
Net movement in unrealised (losses)/gains in the period	(5,635,802)	8,611,665	66,174	(52,450)	2,989,587
Net investment portfolio (losses)/gains for the period ended 31 March 2022	(5,635,802)	9,819,946	66,174	(52,450)	4,197,868

Notes

a): Purchases of investments shown above of £3,252,943 is £189,240 less than that shown on the Condensed Statement of Cash Flows due to a follow on investment into Northern Bloc which completed after the period end.

b): The sale proceeds shown above of £6,233,640 is £2,244,990 less than that shown on the Condensed Statement of Cash Flows of £8,478,630 due to proceeds received from Proactive in the period. This amount was recognised as a debtor at 30 September 2021.

c): The Company's loan investment in Northern Bloc Ice-Cream Limited was converted into equity during the period.

Level 3 unquoted equity and loan investments are valued in accordance with IPEV guidelines as follows:

	as at 31 March 2022 (unaudited) £	as at 31 March 2021 (unaudited) £	as at 30 September 2021 (audited) £
Valuation methodology			
Multiple of earnings, revenues or gross margin, as appropriate	76,729,700	52,346,068	69,628,026
Recent investment price	807,000	1,445,435	1,293,451
Recent investment price (reviewed for impairment)	554,750	-	317,000
Estimated realisation proceeds	65,779	65,779	65,779
Net asset value	-	341,550	-
Total	78,157,229	54,198,832	71,304,256

10. Current asset investments and Cash at bank

	as at 31 March 2022 (unaudited) £	as at 31 March 2021 (unaudited) £	as at 30 September 2021 (audited) £
OEIC Money market funds	34,046,706	29,802,657	24,042,958
Cash equivalents per Statement of Cash Flows	34,046,706	29,802,657	24,042,958
Bank deposits that mature after three months	3,151,769	3,151,769	3,151,769
Current asset investments	37,198,475	32,954,426	27,194,727
Cash at bank	1,424,968	1,378,815	2,653,455

11. Net asset value per share

	as at 31 March 2022 (unaudited)	as at 31 March 2021 (unaudited)	as at 30 September 2021 (audited)
Net assets	£127,653,427	£111,947,842	£119,086,274
Number of shares in issue	129,217,701	118,200,511	118,554,881
Net asset value per share - basic and diluted	98.79p	94.71p	100.45p

12. Post balance sheet events

On 6 April 2022, a further investment of £0.19 million was made into Northern Bloc Ice Cream Limited, an existing portfolio company.

On 5 May 2022, a new investment of £0.64 million was made into Bidnamic Limited.

On 23 May 2022, a further investment of £0.40 million was made into Muller EV Limited (trading as Andersen EV), an existing portfolio company.

13. Statutory Information

The financial information for the six months ended 31 March 2022 and the six months ended 31 March 2021 has not been audited.

The financial information contained in this Half-Year report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial statements for the year ended 30 September 2021 have been filed with the Registrar of Companies. The auditor has reported on these Financial Statements and that report was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

14. Half-Year Report

Copies of this Report are being sent to all Shareholders who elected to receive a paper copy otherwise Shareholders are being notified that a copy is available on the Company's website. Further copies are available free of charge from the Company's registered office, 5 New Street Square, London, EC4A 3TW, or can be downloaded via the Company's website at www.incomeandgrowthvct.co.uk.

Shareholder Information

Communication with shareholders

We aim to communicate regularly with our Shareholders. The February Annual General Meetings provide a useful platform for the Board to meet Shareholders and exchange views. Your Board welcomes your attendance at all general meetings, if practicable and circumstance allow, to give you the opportunity to meet your Directors and representatives of the Investment Adviser. The Company releases Interim Management Statements in respect of those quarters when it does not publish Annual or Half-Year Financial Statements. The Investment Adviser also recently held a Virtual Shareholder Event which is available for viewing online via the Company's website.

Shareholders wishing to follow the Company's progress can visit its website at www.incomeandgrowthvct.co.uk. The website includes up-to-date information on fund performance, including the most recent NAV, and dividends paid as well as publicly available information on the Company's portfolio of investments and copies of company reports. There is also a link to the London Stock Exchange's website at www.londonstockexchange.com which provides up to the minute details of the share price and latest NAV announcements, etc.

Financial calendar

May 2022	Announcement and circulation of the Half-Year results for the six months to 31 March 2022
30 September 2022	Year-End
December 2022	Announcement of Annual Results and circulation to Shareholders of the Annual Report for the year ended 30 September 2022
Early 2023	Shareholder Event
February 2023	Annual General Meeting

Dividends

Shareholders who wish to have their dividends paid directly into their bank account, rather than having them sent by cheque to their registered address, can complete a mandate for this purpose. Mandates can be obtained by contacting the Company's Registrar, Link Group, at the address given on page 33.

Shareholders are encouraged to ensure that the Registrar maintain up-to-date details for their accounts and to check whether they have received and banked all dividends payable to them. This is particularly important if a Shareholder has recently changed address or bank details. We are aware that a number of dividends remain unclaimed by Shareholders and whilst we will endeavour to contact them if this is the case, we cannot guarantee that we will be able to do so if the Registrar does not have an up-to-date postal and/or email address.

Dividend Investment Scheme (the "Scheme")

Those Shareholders who wish to participate, or to amend their existing participation, in the DIS, can do so by visiting www.incomeandgrowthvct.co.uk and click the Dividends tab or by contacting the Registrar directly using the details below.

Those Shareholders who wish to opt-in or opt-out of the Scheme can do so at any time by contacting the Scheme Administrator, Link Group, via email at vcts@linkgroup.co.uk or by telephone on 0371 664 0324. For further information and to download the Mandate Form required to opt-in to the Scheme, please visit www.incomeandgrowthvct.co.uk and select the Dividends subheading on the left-hand side.

Please note that Shareholders' elections to opt-in or opt-out of the Scheme must be received at least 15 days prior to a dividend payment date in order to become effective.

Managing your shareholding online

For details on your individual shareholding and to manage your account online, Shareholders may log into or register with the Link Shareholder Portal: www.signalshares.com. You can use the Portal to change your address details, check your holding balance and transactions, view the dividends you have received and add and amend your bank details.

Selling your shares

The Company's Shares are listed on the London Stock Exchange and as such they can be sold in the same way as any other quoted company through a stockbroker. Shareholders are also advised to discuss their individual tax position with their financial advisor before deciding to sell their shares.

The Company is unable to buy back shares direct from Shareholders, so you will need to use a stockbroker to sell your shares. If you are considering selling your shares or trading in the secondary market, please contact the Company's Corporate Broker, Panmure Gordon (UK) Limited ("Panmure Gordon"). Panmure Gordon is able to provide details of close periods (when the Company is prohibited from buying in shares) and details of the price at which the Company has bought in shares.

Panmure can be contacted as follows:

Chris Lloyd: 0207 886 2716
chris.lloyd@panmure.com

Paul Nolan: 0207 886 2717
paul.nolan@panmure.com

Common Reporting Standard ("CRS") and Foreign Account Tax Compliance Act ("FATCA")

Tax legislation was introduced with effect from 1 January 2016 under the Organisation for Economic Co-operation and Development Common Reporting Standard for Automatic Exchange of Financial Account Information. The legislation requires investment trust companies to provide personal information to HMRC on certain investors who purchase their shares. As an affected entity, the Company has to provide information annually to HMRC relating to a number of non-UK based certificated Shareholders who are deemed to be resident for tax purposes in any of the 90 plus countries who have joined CRS. All new Shareholders, excluding those whose shares are held in CREST, entered onto the share register after 1 January 2016 will be asked to provide the relevant information. Additionally, HMRC's policy position on FATCA now means that, as a result of the restricted secondary market in VCT shares, the Company's shares are not considered to be "regularly traded". The Company is therefore also an affected entity for the purposes of this legislation and as such will have to provide information annually to HMRC relating to Shareholders who are resident for tax purposes in the United States.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders: <https://www.gov.uk/government/publications/exchange-of-information-account-holders>.

Fraud Warning Boiler Room fraud and unsolicited communications to Shareholders

We have been made aware of a number of Shareholders being contacted in connection with sophisticated but fraudulent financial scams which purport to come from the Company or to be authorised by it. This is often by a phone call or an email usually originating from outside of the UK, claiming or appearing to be from a corporate finance firm offering to buy your shares at an inflated price.

Further information on boiler room scams and fraud advice, as well as who to contact, can be found first in the answer to a question "What should I do if I receive an unsolicited offer for my shares?" within the VCT Investor area of the Investment Adviser's website in the A Guide to VCTs section: www.mobeusvcts.co.uk/investor-area and secondly, in a link to the FCA's ScamSmart site: www.fca.org.uk/scamsmart

We strongly recommend that you seek financial advice before taking any action if you remain in any doubt. You can also contact the Investment Adviser on 0207 024 7600, or email info@greshamhouse.com to check whether any claims made by a caller are genuine.

Shareholders are also encouraged to ensure their personal data is always held securely and that data held by the Registrar of the Company is up to date, to avoid cases of identity fraud.

Shareholder enquiries:

For enquiries concerning the investment portfolio or the Company in general, please contact the Investment Adviser, Gresham House. To contact the Chairman or any member of the Board, please contact the Company Secretary, also Gresham House, in the first instance.

The Registrar may be contacted via their shareholder portal, post or telephone for queries relating to your shareholding including dividend payments, dividend mandate forms, change of address, etc.

Full contact details for each of Gresham House and Link Group are included under Corporate Information on page 33.

Performance Data at 31 March 2022 (unaudited)

Share price at 31 March 2022 90.50p¹
NAV per share as at 31 March 2022 98.79p

Performance data for all fundraising rounds

The following table shows, for all investors in The Income & Growth VCT plc, how their investments have performed since they were originally allotted shares in each fundraising.

Shareholders from the original fundraising in 2000/01 should note that the funds were managed by three investment advisers, up until 10 March 2009. At that date, Mobeus (now Gresham House) became the sole adviser, to this and all subsequent fundraisings.

Total return data, which includes cumulative dividends paid to date, is shown on both a share price and a NAV basis as at 31 March 2022. The NAV basis enables Shareholders to evaluate more clearly the performance of the Fund, as it reflects the underlying value of the portfolio at the reporting date. This is the most widely used measure of performance in the VCT sector.

Allotment date(s)	Allotment price (p)	Net allotment price ² (p)	Cumulative dividends paid per share (p)	Total return per share to Shareholders since allotment		
				(Share price basis) (p)	(NAV basis) (p)	% change since 30 September 2021 (NAV basis)
Funds raised - O Fund³ (launched 18 October 2000)						
Between 3 November 2000 and 11 May 2001	100.00	60.62	128.55	197.13	203.41	0.9%
Funds raised 2007/8 - S Share fund (launched 14 December 2007)						
Between 1 April 2008 and 6 June 2008	100.00	70.00	140.50	231.00	239.29	1.0%
Funds raised 2010/11 (launched 12 November 2010)						
21 January 2011	104.80	73.36	140.00	230.50	238.79	1.0%
28 February 2011	107.90	75.53	138.00	228.50	236.79	1.0%
22 March 2011	105.80	74.06	138.00	228.50	236.79	1.0%
1 April 2011	105.80	74.06	136.00	226.50	234.79	1.0%
5 April 2011	105.80	74.06	136.00	226.50	234.79	1.0%
10 May 2011	105.80	74.06	136.00	226.50	234.79	1.0%
6 July 2011	106.00	74.20	136.00	226.50	234.79	1.0%
Funds raised 2012 (launched 20 January 2012)						
8 March 2012	106.40	74.48	112.00	202.50	210.79	1.1%
4 April 2012	106.40	74.48	112.00	202.50	210.79	1.1%
5 April 2012	106.40	74.48	112.00	202.50	210.79	1.1%
10 May 2012	106.40	74.48	112.00	202.50	210.79	1.1%
10 July 2012	111.60	78.12	112.00	202.50	210.79	1.1%
Funds raised 2013 (launched 29 November 2012)						
14 January 2013	116.00	81.20	112.00	202.50	210.79	1.1%
28 March 2013	112.60	78.82	106.00	196.50	204.79	1.2%
4 April 2013	112.60	78.82	106.00	196.50	204.79	1.2%
5 April 2013	112.60	78.82	106.00	196.50	204.79	1.2%
10 April 2013 Pre RDR ⁴	115.30	80.71	106.00	196.50	204.79	1.2%
10 April 2013 Post RDR ⁴	112.60	78.82	106.00	196.50	204.79	1.2%
7 May 2013	112.60	78.82	106.00	196.50	204.79	1.2%

¹ - Source: Panmure Gordon & Co (mid-price basis).

² - Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 20% up until 5 April 2004, 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

³ - Shareholders who invested in 2000/01 received 0.7578 shares in the current share class for each share previously held on 29 March 2010, when the Company's two share classes merged. The net allotment price, NAV, cumulative dividend, total return, share price and percentage return data per share have been adjusted to reflect this conversion ratio.

⁴ - RDR means the date of implementation of the Retail Distribution Review on 31 December 2012, which affected the level of charges in the allotment price for applications received before and after that date.

Allotment date(s)	Allotment price (p)	Net allotment price ¹ (p)	Cumulative dividends paid per share (p)	Total return per share to Shareholders since allotment		
				(Share price basis) (p)	(NAV basis) (p)	% change since 30 September 2021 (NAV basis)
Funds raised 2014 (launched 28 November 2013)						
9 January 2014	117.82 ²	82.47	100.00	190.50	198.79	1.2%
11 February 2014	119.02 ²	83.31	100.00	190.50	198.79	1.2%
31 March 2014	115.64 ²	80.95	96.00	186.50	194.79	1.2%
3 April 2014	116.17 ²	81.32	96.00	186.50	194.79	1.2%
4 April 2014	115.45 ²	80.82	96.00	186.50	194.79	1.2%
6 June 2014	121.55 ²	85.09	96.00	186.50	194.79	1.2%
Funds raised 2015 (launched 10 December 2014)						
14 January 2015	108.33 ²	75.83	82.00	172.50	180.79	1.3%
17 February 2015	113.17 ²	79.22	82.00	172.50	180.79	1.3%
10 March 2015	109.88 ²	76.92	78.00	168.50	176.79	1.3%
Funds raised 2017/18 (launched 6 September 2017)						
28 September 2017	82.49 ²	57.74	38.00	128.50	136.79	1.7%
20 October 2017	82.67 ²	57.87	38.00	128.50	136.79	1.7%
9 November 2017	83.20 ²	58.24	38.00	128.50	136.79	1.7%
20 November 2017	84.54 ²	59.18	38.00	128.50	136.79	1.7%
21 November 2017	84.50 ²	59.15	38.00	128.50	136.79	1.7%
24 January 2018	81.27 ²	56.89	35.00	125.50	133.79	1.8%
13 March 2018	82.32 ²	57.62	35.00	125.50	133.79	1.8%
Funds raised 2019/20 (launched 25 October 2019)						
8 January 2020	77.28 ²	54.10	23.00	113.50	121.79	2.0%
Funds raised 2021/22 (launched 20 January 2022)						
9 March 2022	98.12 ²	68.68	-	90.50	98.79	-

¹ - Net allotment price is the allotment price less applicable income tax relief. Income tax relief was 20% up until 5 April 2004, 40% from 6 April 2004 to 5 April 2006, and 30% thereafter.

² - Average effective offer price. Shares were allotted pursuant to the 2014, 2015, 2017/18, 2019/20 and 2021/22 offers at individual prices for each investor in accordance with its pricing formula set out in each offer's respective securities note.

Performance Data at 31 March 2022 (unaudited)

Cumulative dividends paid

	Funds raised 2000/01 'O' Share Fund (p)	Funds raised 2007/08 'S' Share Fund (p)	Funds raised 2010/11 (p)	Funds raised 2012 (p)	Funds raised 2013 (p)	Funds raised 2014 (p)	Funds raised 2015 (p)	Funds raised 2017/18 (p)	Funds raised 2019/20 (p)	Funds raised 2021/22 (p)
07 January 2022	3.03 ¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
23 July 2021	3.79 ¹	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
28 September 2020	8.34 ¹	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
07 October 2020	2.27 ¹	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
18 October 2019	3.41 ¹	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
12 July 2019	1.14 ¹	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
15 February 2019	2.65 ¹	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
21 June 2018	1.89 ¹	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
15 February 2018	2.27 ¹	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
31 August 2017	11.37 ¹	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
20 June 2017	2.27 ¹	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
15 February 2017	3.03 ¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
07 July 2016	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
15 February 2016	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
30 June 2015	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
20 March 2015	3.03 ¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
30 October 2014	6.06 ¹	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
03 July 2014	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
12 March 2014	3.03 ¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
27 June 2013	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
08 February 2013	4.55 ¹	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
15 February 2012	3.02 ¹	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
27 January 2012	15.16 ¹	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
28 March 2011	1.52 ¹	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
22 February 2011	1.52 ¹	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
29 March 2010 Merger of the 'O' and 'S' Share Funds										
17 March 2010	2.00	0.50								
16 February 2009	4.00									
15 February 2008	2.00									
24 October 2007	2.00									
15 February 2007	3.75									
14 February 2006	3.25									
04 February 2005	1.25									
11 February 2004	1.25									
12 February 2003	1.75									
18 February 2002	1.20									
Total dividends paid	128.55	140.50	140.00	112.00	112.00	100.00	82.00	38.00	23.00	0.00

¹ - The dividends paid after the merger, on the former 'O' Share Fund shareholdings have been restated to take account of the merger conversion ratio.

The above data relates to an investor in the first allotment of each fundraising. The precise amount of dividends paid to Shareholders by date of allotment is shown in the table on the previous pages.

Glossary of Terms

Alternative performance measure (“APM”)

A financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the VCT’s financial reporting framework. These APMs tend to be industry specific terms which help Shareholders to understand and assess the Company’s progress. A number of terms contained within this Glossary have been identified as APMs.

Cumulative dividends paid (APM)

The total amount of dividend distributions by the Company over the time period specified. A list of all dividends paid since the launch of the Company is shown on the Company’s website www.incomeandgrowthvct.co.uk. Dividends paid in the year and dividends paid in respect of the year are shown in the Performance Summary on page 1.

Cumulative total return (APM)

Cumulative total return per share comprises the NAV per share (NAV basis) or the mid-market price per share (Share price basis), plus cumulative dividends paid since launch of the current share class in 2008.

Internal Rate of Return (“IRR”)

The internal rate of return is the annual discount rate that equates the original investment cost with the value of subsequent cash flows (such as receipts/dividends or further investment) and the latest valuation/exit proceeds or net asset value. Generally speaking, the higher an investment’s IRR, the more successful it is.

Net asset value or NAV

The value of the Company’s total assets less its total liabilities. It is equal to the total equity Shareholders’ funds.

Net asset value per share or NAV per share

The net asset value per share is calculated as total equity Shareholders’ funds divided by the number of Ordinary shares in issue at the year end/period end.

NAV Total Return (APM)

This measure combines two types of returns received by Shareholders. Firstly, as income in the form of dividends and secondly, as capital movements (net asset value) of the value of the fund.

A performance measure that adjusts for dividends that have been paid in a period or year. This allows Shareholders to assess the returns they have received both in terms of the performance of the Company but also including dividends they have received from the Company which no longer form part of the Company’s assets.

It is calculated as the percentage return achieved after taking the closing NAV per share and adding dividends paid in the year and dividing the total by the opening NAV per share. The Directors feel that this is the most meaningful method for Shareholders to assess the performance of the VCT.

To aid comparison with the wider Investment Trust market, the Annual Report also contains a Total Return performance measure which assumes dividends are reinvested. This assumes that dividends paid are reinvested at the date of payment at a price equivalent to the latest announced NAV at the ex-div date. Where this is referred to it will be specified in the notes.

Ongoing charges ratio (APM)

This figure, calculated using the AIC recommended methodology, shows Shareholders the annual percentage reduction in shareholder returns as a result of recurring operational expenses, assuming markets remain static and the portfolio is not traded. Although the Ongoing Charges figure primarily is based upon historic information, it provides Shareholders with an indication of the likely level of costs that will be incurred in managing the VCT in the future.

Realised gains/(losses) in the period/year

This is the profit or loss that arises following the full or partial disposal of a holding in a portfolio company. It is calculated by deducting the value of the holding as at the previous year-end from the proceeds received in respect of such disposal.

Share price Total Return (APM)

As NAV Total Return, but the Company’s mid-market share price is used in place of NAV. This measure more reflects the actual return a Shareholder will have earned, were they to sell their shares at the period end date. It includes the impact of any discounts or premiums at which the share price trades compared to the underlying net asset values of the Company. If the shares trade at a discount, the returns could be less than the NAV Total Return, but if trading at a premium, returns could be higher than the NAV Total Return.

Timeline of the Company

October 2000

The Company is launched as TriVest VCT plc advised by three managers, Foresight Group, GLE Development Capital and LICA Development Capital.

April 2001

The Company's first fundraising of its "O Share Fund" is completed.

October 2007

The Company changes its name to The Income & Growth VCT plc.

December 2007

The 'S' Share Fund is launched.

March 2009

The Company becomes a VCT solely advised by Matrix Private Equity Partners. The Company changes its Investment Policy to focus on more mature businesses.

March 2010

The 'O' Share Fund (launched in 2000) merges with the 'S' Share Fund (launched in 2007) to create the current class of shares.

November 2011

The Company sells its stake in App-DNA for 32 times cost and pays a special interim capital dividend of 20p per share in the following January.

June 2012

Matrix Private Equity Partners LLP becomes a fully independent firm owned by its partners and renames itself Mobeus Equity Partners LLP.

2010-2014

The Company participates in four linked fundraisings with other Mobeus advised VCTs.

March 2015

The Company closes a successful fundraising with the other Mobeus advised VCTs in which £10 million was raised for the Company.

February 2016

The Company changes its Investment Policy to focus on younger, smaller development capital transactions.

September 2017

The Company launched a fundraising to raise up to £25 million.

March 2018

The Company closed its fundraising, having successfully raised £25 million.

October 2019

The Company launched a fundraising to raise up to £10 million.

January 2020

The Company closed its fundraising, having successfully raised £10 million.

October 2021

Gresham House Asset Management Limited acquires VCT fund and investment management business from Mobeus Equity Partners LLP. The Mobeus-advised VCTs' investment advisory arrangements are novated from Mobeus to Gresham House.

January 2022

The Company launched and closed a fundraising having successfully raised £10 million.

Corporate Information

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Gresham House

Specialist asset management

The Income & Growth VCT plc