

Company No. 05352611

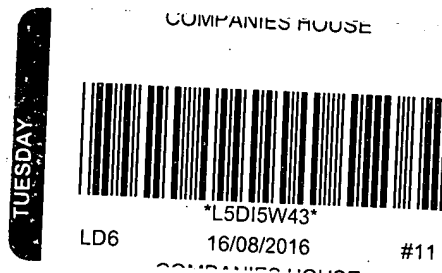
COMPANIES HOUSE COPY

New
Century
AIM VCT
plc

29th February

2016

Report and Accounts for the year
to 29th February 2016



Financial Summary	1
Chairman's Statement	2
Details of Directors	3
Management and Administration	4
Directors	5
Strategic Report	6
Investment Portfolio	8
Top Ten Investments	12
Directors' Report	13
Directors' Remuneration Report	16
Corporate Governance	18
Independent Auditors' Report	21
Statement of Comprehensive Income	24
Balance Sheet	25
Statement of Changes in Equity	26
Cash Flow Statement	27
Notes to the Financial Statements	28
Shareholder Information	39
Notice of Annual General Meeting	39

Financial Summary

	Year ended 29 February 2016	Year ended 28 February 2015
Revenue return per share (pence) for the year	0.54	0.18
Total return per share (pence) for the year	4.89	2.60
Proposed dividends per share (pence)	3.20	3.10
Net asset value per share (pence)	73.98	72.68
Cumulative value of shareholder investment (net asset value plus cumulative dividends per share) (pence)	87.90	83.50
Shareholders' funds (£'000)	6,387	6,902

Chairman's Statement

I am pleased to report another positive performance in the year for your fund. The net asset value per share rose from 72.68p to 73.98p per share, a gain of 1.79%, and the net asset value plus cumulative dividends rose from 83.5p to 87.9p per share being a rise of 5.27%. This is compared to a fall in the FTSE AIM All Share Index of 3.03% in the year.

It is also pleasing to see the share price continue to appreciate from a mid price of 61.5p at the start of the year to a mid price of 69.5p at the end of the year, a gain of 13%. We continue to work hard to create value for our shareholders and it is encouraging to see that we are making some progress.

During the period we offered our shareholders the opportunity to sell some of their shares via another buy back at close to the net asset value.

We realise the importance of income for our shareholders, and have therefore agreed, subject to shareholder approval, to increase the dividend from 3.1p to 3.2p per share which is the 5th consecutive year of increased dividend payments.

The level of qualifying investments at 84.67% is still comfortably above the 70% required level.

Your funds net asset value is published on a monthly basis. We would like to point out to our shareholders that the net asset value reported within our Accounts is based on the bid price of the shares, whereas the monthly net asset values we report are based on mid market prices. To illustrate, the net asset value of your fund based on mid market prices was 76.59p at 29th February year end, and this had increased to 82.7p on 10th June.

Now we know the UK is going to exit the EU, we are conscious of the probable volatility which will be in evidence in the Markets for some time to come.

Geoffrey Gamble

Chairman

29 June 2016



Details of Directors

Michael Barnard (Aged 65)

Michael has been employed in stockbroking since 1971. In 1974 he became a Member of the Stock Exchange. During his career his duties have spanned investment advising, investment research, dealing and company management. In 1988 he started his own stockbroking company, M D Barnard & Co. Limited. Based in Laindon, Essex, it has offices in London, Wells, Exeter and Colchester. Since 1995, he has been either managing or advising unit trust, private client and pension company portfolios with a total value of approximately £115 million.

Geoffrey Gamble (Aged 57)

Geoffrey started his career with National Westminster Bank plc. He joined Publishing Holdings plc in 1984 and became a director in 1986. He took part in an MBO in 1988, backed by Schroder Ventures (now Permira) to form Charterhouse Communications Group Ltd and was instrumental in the satisfactory venture capital exit from that company and its flotation on AIM in 1996. He became managing director of Charterhouse Communications plc in 1999.

Peter William Riley (Aged 71)

Peter is a retired solicitor. He specialised in property law with an emphasis on large commercial properties.

Ian Cameron-Mowat (Aged 65)

Ian has a BSc 1st degree in electronics and was involved in the early development of computers at Burroughs Machines. He is currently a consultant radiologist to the NHS Trust.

Management and Administration

Registered Office & Registered Number

4th Floor,
50 Mark Lane
London EC3R 7QR
Company Number: 05352611

Company Secretary

Tricor Secretaries Limited
4th Floor,
50 Mark Lane
London EC3R 7QR

Registrar

Neville Registrars Limited
Neville House
18 Laurel Lane
Halesowen
West Midlands B63 3DA

Investment Manager and Broker

M D Barnard & Co. Limited
17-21 New Century Road
Laindon,
Essex SS15 6AG

Auditor & VCT Status Adviser

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

Bankers

Bank of Scotland
New Uberior House
11 Earl Grey Street
Edinburgh EH3 9BN

Directors

Geoffrey Gamble (Chairman)
Michael David Barnard
Peter William Riley
Ian Cameron-Mowat

All directors are non-executive.

Audit Committee:

Geoffrey Gamble (Chairman)
Peter William Riley
Ian Cameron-Mowat

Strategic Report

Activities and status

The principal activity of the company during the year was the making of long-term equity and loan investments in unquoted and AIM traded companies in the United Kingdom. The company has been listed on the London Stock Exchange since 25 March 2005. The Chairman's Statement on page 2 and the Investment Manager's Review below give a review of developments during the year and of future prospects.

The directors consider that the company was not at any time up to the date of this report a close company within the meaning of Section 414 of the Act.

Investment Manager's Review

It was a volatile year for the AIM index. The early part of the year the index made good gains, but by the start of June the index started to experience a general decline through to the end of December.

2016 then started with a sharp sell off across most indices and AIM was no exception, however by mid February 2016 this abated and the Market bounced quite strongly.

We made thirteen qualifying investments, purchasing shares in Bilby, Venn Life Sciences, Hunters Property, Satellite Solutions Worldwide, TEK Capital, Falanx, Imginatik, Premaitha Health, Gear4Music, Coral Products, Belvoir Lettings, Gfinity and Cyan Holdings.

As well as these shares, we purchased shares in seventeen non qualifying companies that we thought were undervalued. We top sliced or exited twenty eight shares.

During the year the fund processed a 10% buy back of the share capital at a 5% discount to its net asset value at the time. This helped provide liquidity to shareholders that were looking to sell some of their shares.

We remain cautiously optimistic for another year of progress, although we will no doubt see more volatility in the months ahead now the Country has voted to leave the EU. This may cause uncertainty in the Markets and could possibly result in companies seeing short term decisions on contracts and capital spend being delayed. On the positive side, we have started to see a more steady flow of companies seeking funding which gives your fund the opportunity to invest in new qualifying companies or to add to existing investments.

Investment Objective

New Century AIM VCT PLC is a Venture Capital Trust ("VCT") established under the legislation introduced in the Finance Act 1995. The company's principal objectives as set out in the prospectus are to achieve long term capital growth through investment in a diversified portfolio of Qualifying Companies primarily quoted on AIM.

Principal risks and uncertainties

The company invests its funds primarily in unlisted companies and companies traded on AIM, which entail a higher degree of risk than investments in large listed companies. The main risk, therefore, arising from the company's activities is market price risk, representing the uncertain realisable values of the company's investments. Please refer to note 22 to these financial statements which gives a detailed review of the company's risk management.

Strategic Report

Environmental matters

Discussion in respect of environmental matters is not considered relevant or material to an understanding of the performance of the company. The company does not consider that Greenhouse Gas Emissions disclosure is relevant to the company on the grounds of immateriality due to it not having its own premises or employees.

Key performance indicators

The financial key performance indicators are set out in the financial summary on page 1.



Michael Barnard
Director

29 June 2016

Investment Portfolio

Security	Cost	Valuation	%	%
	£	29/02/2016 - £	Cost	Valuation
Qualifying Investments	7,688,349	5,267,009	84.67	82.12
Non-qualifying Investments	949,583	704,401	10.46	10.98
	8,637,932	5,971,410	95.13	93.10
Uninvested funds	442,527	442,527	4.87	6.90
	9,080,459	6,413,937	100.00	100.00
Qualifying Investments				
AIM quoted				
Tristel plc	163,901	466,089	1.81	7.27
PHSC plc	182,910	80,500	2.01	1.26
DCD Media plc	562,800	2,125	6.20	0.03
Legion Group plc	175,875	0	1.94	0
K3 Business Technology Group	90,360	348,651	1.00	5.44
Belgravium Technologies	281,400	70,000	3.10	1.09
Progility plc	753,750	8,750	8.31	0.14
Lighthouse Group plc	203,513	142,500	2.24	2.22
Invocas Group plc	100,400	8,100	1.11	0.13
Relax Group	135,675	0	1.49	0
Vianet Group	40,175	30,875	0.44	0.48
HML Holdings plc	351,549	384,400	3.87	5.99
Welby Holdings plc	502,500	0	5.53	0
Kurawood plc	150,750	0	1.66	0
Optare plc	50,753	0	0.56	0
Cyan Holdings plc	307,201	115,823	3.38	1.81
Marechale Capital plc	133,828	16,563	1.47	0.26
Lombard Risk Management	24,120	66,000	0.27	1.03
M. Winkworth plc	72,360	104,400	0.80	1.63
Bango plc	7,563	7000	0.08	0.11
Castle Street Investments plc	82,912	53,625	0.91	0.84
Kennedy Ventures plc	70,350	625	0.77	0.01
Eco City Vehicles plc	187,763	2,082	2.06	0.03
TP Group plc	109,278	21,020	1.20	0.33
Brady plc	41,805	40,185	0.46	0.63
Music Festivals plc	68,090	0	0.75	0
Inspired Energy plc	51,370	217,286	0.57	3.39
Microsaic Systems plc	78,978	35,698	0.87	0.56
Venn Life Sciences plc	115,581	93,566	1.27	1.46
DP Poland plc	20,113	34,684	0.22	0.54
Modern Water plc	50,253	7,600	0.55	0.12
Quixant plc	11,559	43,750	0.13	0.68
Litebulb Group	102,266	4,095	1.12	0.05
Blur Group	4,991	414	0.05	0.01
Keywords Studios plc	30,907	53,500	0.34	0.83
Cloudbuy plc	58,483	8,401	0.65	0.13
EU Supply plc	15,333	2,363	0.17	0.04
Plastics Capital plc	30,153	28,800	0.33	0.45
Daily Internet plc	50,256	60,000	0.55	0.94
Eclectic Bar Group	50,253	16,250	0.55	0.25

Investment Portfolio

Security	Cost	Valuation	%	%
	£	29/02/2016 - £	Cost	Valuation
Kalibrate Technologies plc	31,761	40,400	0.35	0.63
Syqic plc	19,943	5,760	0.22	0.09
Outsourcery plc	45,027	3,600	0.50	0.06
Martinco plc	100,503	140,000	1.11	2.18
Solid State plc	40,134	57,585	0.44	0.90
Audioboom Group	22,615	40,500	0.25	0.63
Scholium Group	50,253	18,500	0.55	0.29
Rosslyn Data Technologies plc	27,037	7,744	0.30	0.12
Coral Products plc	118,095	183,333	1.30	2.86
Software Radio Technology plc	27,139	30,000	0.30	0.47
ULS Technology plc	135,679	185,625	1.49	2.89
Nostra Terra Oil & Gas Co plc	12,667	4,200	0.14	0.07
Mountfield Group plc	18,482	8,000	0.20	0.12
Collagen Solutions plc	20,757	17,700	0.23	0.28
Gfinity plc	96,021	71,045	1.06	1.11
Ideagen plc	28,430	39,101	0.31	0.61
Premier Technical Services Group	130,964	202,981	1.44	3.16
Angle plc	125,880	109,834	1.39	1.71
Bilby plc	156,673	330,586	1.73	5.15
Hunters Property plc	251,256	370,000	2.77	5.77
Satellite Solutions Group	276,387	287,222	3.04	4.48
Tekcapital plc	135,683	324,000	1.49	5.05
Falanx Group Ltd	51,460	21,943	0.57	0.34
Gear4Music Holdings	150,754	138,130	1.66	2.15
Premaitha Health plc	69,349	34,500	0.76	0.54
Belvoir Lettings plc	23,320	19,000	0.26	0.30
Total qualifying investments	7,688,349	5,267,009	84.67	82.12

Investment Portfolio

Security	Cost	Valuation	%	
	£	29/02/2016 - £	Cost	Valuation
Non-qualifying Investments				
AIM quoted				
Sanderson Group	37,008	70,000	0.41	1.09
Eco City Vehicles	62,257	279	0.68	0
Rotala plc	60,796	118,800	0.67	1.85
Tristel plc	60	111	0.00	0.00
K3 Business Technology Group	131	349	0.00	0.01
Bango plc	291	80	0.00	0.00
China Food Co plc	65,969	2,300	0.73	0.04
Numis Corp	16,570	41,600	0.19	0.64
Gable Holdings plc	12,112	5,500	0.13	0.08
Lombard Risk Management plc	131	110	0.00	0.00
Castle Street Investments plc	218	39	0.00	0.00
Brady plc	106	57	0.00	0.00
Cyan Holdings plc	131	30	0.00	0.00
Sorbic International plc	18,717	2,660	0.21	0.04
DDD Group	16,647	2,288	0.18	0.04
Driver Group	8,992	7,000	0.10	0.11
TLA Worldwide plc	29,118	40,803	0.33	0.63
Sweett Group	7,578	4,400	0.08	0.07
Mobile Tornado Group	10,124	1,750	0.11	0.03
Mar City plc	10,053	4,375	0.11	0.07
Minds & Machines Group	12,063	8,900	0.13	0.14
Tyratech Inc	10,204	4,350	0.11	0.07
Audioboom plc	1,163	270	0.01	0.00
Be Heard Group plc	18,186	17,500	0.20	0.27
EKF Diagnostics plc	10,255	5,500	0.11	0.09
Gateley Holdings plc	14,627	14,700	0.16	0.23
Yolo Leisure and Technology plc	22,367	15,625	0.25	0.24
Armstrong Venturesl plc	52,570	33,250	0.58	0.53
	498,447	402,626	5.49	6.28

Investment Portfolio

Security	Cost	Valuation	%	%
	£	29/02/2016 - £	Cost	Valuation
UK Listed				
Investec plc	202,821	102,638	2.23	1.60
Premier Farnell plc	44,542	48,000	0.49	0.75
Aviva plc	22,268	24,150	0.25	0.38
HSBC Holdings plc	21,955	16,065	0.24	0.25
Imperial Tobacco Group	23,763	37,220	0.26	0.58
Greene King	9,964	11,325	0.11	0.18
Waterman Group	9,926	16,625	0.11	0.26
Centrica plc	10,074	6,240	0.11	0.10
Twentyfour Inc	9,852	8,200	0.11	0.13
Vodafone plc	20,590	20,312	0.23	0.32
	375,755	290,775	4.14	4.53
Unlisted Investments				
Merchant House Loan	25,128	4,500	0.28	0.07
Litebulb Loan	50,253	6,500	0.55	0.10
	75,381	11,000	0.83	0.17
Total non-qualifying investments	949,583	704,401	10.46	10.98

Top Ten Investments

Security	Cost	Valuation	%	%
	£	29/02/2016 - £	Cost	Valuation
Tristel plc	163,901	466,089	1.81	7.27
HML Holdings plc	351,549	384,400	3.87	5.99
Hunters Property plc	251,256	370,000	2.77	5.77
K3 Business Technology Group	90,360	348,651	1.00	5.44
Bilby plc	156,673	330,586	1.73	5.15
Tekcapital plc	135,683	324,000	1.49	5.05
Satellite Solutions Group	276,387	287,222	3.04	4.48
Inspired Energy plc	51,370	217,286	0.57	3.39
Premier Technical Services Group	130,964	202,981	1.44	3.16
ULS Technology plc	135,679	185,625	1.49	2.89

The investments tabulated above are expressed as a percentage of the company's investment portfolio including uninvested cash.

Directors' Report

The directors present their report and the audited financial statements for the year to 29 February 2016.

Results and dividend

	Year to 29 February 2016 Revenue £'000	Year to 28 February 2015 Capital £'000	Year to 29 February 2016 Revenue £'000	Year to 28 February 2015 Capital £'000
Return on ordinary activities after taxation	51	407	18	248
Appropriated as follows:				
<i>Interim dividend paid</i>				
Revenue – nil p	-	-	-	-
Capital – nil p	-	-	-	-
<i>Final dividend paid in respect of prior period</i>				
Revenue – 0.18p (0.15p) per share	(17)	-	(16)	-
Capital – 2.92p (2.85p) per share	-	(280)	-	(301)
Transfers to/(from) reserves	34	127	2	(53)

The directors propose a final revenue dividend of 0.525p per share and a final capital dividend of 2.675p per share for the year ended 29 February 2016 to be paid on 9 September 2016 to shareholders on the register at 12 August 2016.

Directors

The directors of the company who served throughout the year and their interests in the issued ordinary shares of 10p of the company are as follows:

	Year ended 29 February 2016	Year ended 28 February 2015
Michael Barnard	2,176,380	2,578,789
Geoffrey Gamble	74,196	87,728
Peter William Riley	31,136	34,595
Ian Cameron-Mowat	105,057	121,355

All of the directors' share interests shown above are held beneficially.

Brief biographical notes on the directors are given on page 3. The director, retiring in accordance with the company's Articles of Association, is Mr Cameron-Mowat, who being eligible will offer himself for re-election at the forthcoming annual general meeting. The directors believe his experience in small companies is a great benefit to the Board and recommend his re-election.

None of the directors has a contract of service with the company and, except as mentioned below under the heading "Management", there were no contracts that subsisted during the year in which a director was materially interested and which was significant in relation to the company's business.

Directors' Report

Management

M D Barnard & Co. Limited has acted as investment manager to the company since inception. The principal terms of the Investment Management Agreement are set out in Note 6 to the Financial Statements.

VCT status monitoring

The company has engaged UHY Hacker Young LLP to advise it on compliance with the VCT legislation. UHY Hacker Young LLP reviews the company's investment portfolio to monitor ongoing VCT compliance. UHY Hacker Young LLP works closely with the investment manager, but reports directly to the Board of the company.

Substantial shareholdings

As at 29 February 2016 the company had been notified of the following shareholdings representing 3 per cent or more of the company's issued share capital during the year under review or at the date of this report:

	Number	Percentage of share capital
Michael Barnard	2,176,380	25.21%
Geoffrey Williams	379,070	4.39%
Nigel Shanks	372,476	4.31%
David Trotman	324,000	3.75%
John Brice	290,988	3.37%

Acquisition of own shares

During the year the company re-purchased 959,374 ordinary shares in accordance with the special resolution passed at the Annual General Meeting on allowing the Directors to acquire up to 14.99% of the ordinary shares of the company.

Structure of the company's capital

The company only has one class of ordinary share and each share has attached to them full voting rights, dividends and capital distribution rights (including on a winding up) and do not confer any rights of redemption.

Appointment of Directors

The Directors are subject to re-election with one third of the Directors being re-elected annually at the AGM.

Creditor payment policy

The company's payment policy is to agree terms of payment before business is transacted and to settle accounts in accordance with those terms. The company's principal expenses such as investment management fees and administration fees are paid quarterly in arrears in accordance with the respective agreements. Accordingly the company had no material trade creditors at the year end.

Post balance sheet events

Details of the post balance sheet events are set out in note 27.

Directors' Report

Annual general meeting

Notice of the annual general meeting is set out on page 39.

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution proposing that UHY Hacker Young LLP be reappointed as auditors of the company and that the Directors be authorised to determine their remuneration will be put to the next Annual General Meeting.

Statement of disclosure to auditors

So far as the directors are aware:

1. there is no relevant audit information of which the Company's auditors are unaware; and
2. the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By Order of the Board



Michael Barnard
Director

29 June 2016

Directors' Remuneration Report

The Board has prepared this report in accordance with the requirements of the Companies Act 2006. A resolution to approve this report will be put to the members at the Annual General Meeting to be held on 24 August 2016.

Directors' remuneration policy

The company does not have any executive directors and, as permitted under the Listing Rules, has not, therefore, established a remuneration committee. Directors do not receive any remuneration or fees.

The directors shall be paid by the company all travel, hotel and other expenses they may incur in attending meetings of the directors or general meetings or otherwise in connection with the discharge of their duties. Any director who, by request of the directors, performs special services may be paid such extra remuneration as the directors may determine.

Directors' remuneration (audited)

None of the Directors received any remuneration from the company during the year under review.

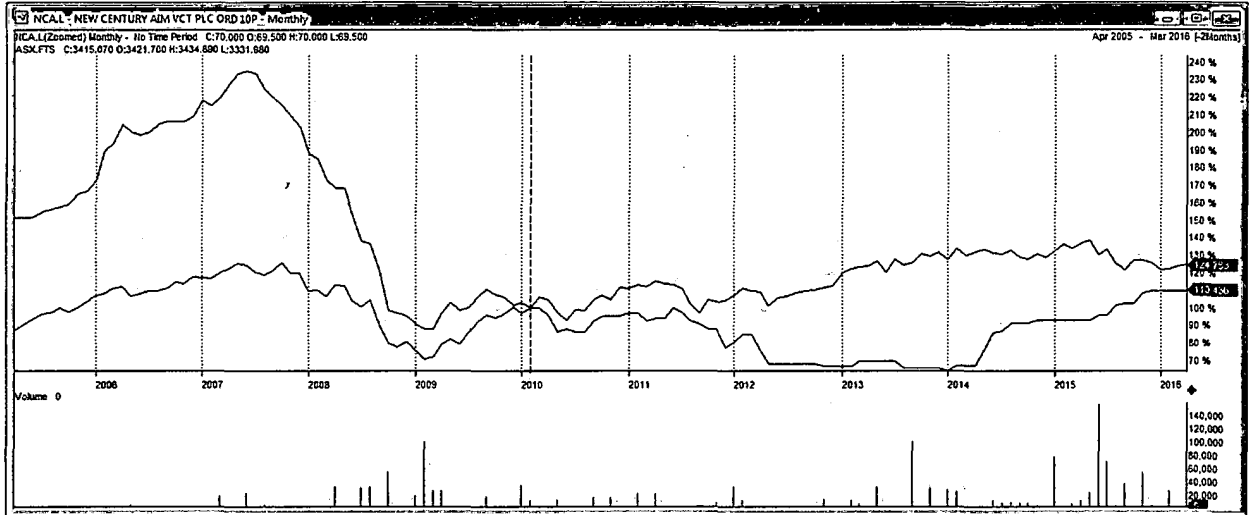
No other emoluments or pension contributions were paid by the company to, or on behalf of, any director. None of the directors has a service contract with the company.

Performance

The directors consider that the most appropriate measure of the company's performance is its Cumulative Value of Shareholder Investment (net asset value plus cumulative dividends). The company's Cumulative Value of Shareholder Investment at 28 February 2015 and 29 February 2016 are set out in the Financial Summary on page 1.

Directors' Remuneration Report

Total shareholder return



The above graph shows the company's total shareholder return compared to that of the FTSE AIM All Index total return for the period since listing on the London Stock Exchange.

By Order of the Board

Michael Barnard
Director

29 June 2016

Corporate Governance

The directors support the relevant principles of the UK Corporate Governance Code issued in September 2014 by the Financial Reporting Council, being the principles of good governance and the code of best practice as set out in the Main Principles of the Code annexed to the Listing Rules of the Financial Conduct Authority.

The UK Corporate Governance Code ('the UK Code') is available at the following location:
www.frc.org.uk/corporate/ukcgcode.cfm

Going concern

Bearing in mind that the assets of the company consist mainly of marketable securities, the directors are of the opinion that at the time of approving the financial statements, the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Board

The company is led and controlled by a Board of directors who are all non-executives. The Chairman is Geoffrey Gamble. Biographical details of all Board members are shown on page 3.

One third of the Directors are subject to re-election at each AGM by rotation.

During the year the following were held:

3 full board meetings	2 Audit Committee meetings
All directors attended all meetings with the exception of Mr Cameron-Mowat on 2 occasions and Mr Riley on 1 occasion.	All members attended with the exception of Mr Cameron-Mowat on one occasion.

Whilst only Mr Gamble had been a director of a quoted company, all directors had relevant experience with quoted companies prior to their appointment and it was therefore not thought necessary to provide further training in respect of their obligations and duties.

The Board has also established procedures whereby directors wishing to do so in the furtherance of their duties may take independent professional advice at the company's expense.

All directors have access to the advice and services of the Company Secretary. The Company Secretary provides the Board with full information on the company's assets and liabilities and other relevant information requested by the Chairman, in advance of each Board meeting.

The Board believes that it presents a balanced and understandable assessment of the company's position and prospects. The Audit Committee meets at least once a year. Under the chairmanship of a non-executive director, its membership comprises all the non-executive directors with the exception of the representative of the investment manager. During the year the Audit Committee was chaired by Mr Gamble. The Audit Committee reviews the financial statements and is reported to by the external auditors. The Audit Committee did not identify or consider any significant issues relating to the financial statements as substantially all the investments are valued by reference to publicly quoted prices. Further, the Audit Committee keeps under review the cost effectiveness, independence and objectivity of the auditors. A formal statement of independence is received from the external auditors each year. The terms of reference of the Audit Committee are available for inspection at the company's registered office.

During the year Messrs UHY Hacker Young LLP continued to act as auditors, and as part of their audit process reviewed the internal financial controls including those of the investment manager necessary for the expression of their audit opinion.

The investment manager is authorised and regulated by the Financial Conduct Authority and the directors have an opportunity to review their own auditors' review of their financial controls.

Corporate Governance

Relations with shareholders

The Chairman is the company's principal spokesman with investors, fund managers, the press and other interested parties.

Shareholders will have the opportunity to meet the Board at the AGM. The Board is also happy to respond to any written queries made by shareholders during the course of the year, or to meet with major shareholders if so requested.

In addition to the formal business of the AGM, representatives of the management team and the Board are available to answer any shareholder queries.

Separate resolutions are proposed at the AGM on each substantially separate issue. The Registrars collate proxy votes and the results (together with the proxy forms) are forwarded to the Company Secretary immediately prior to the AGM. In order to comply with the UK Code, proxy votes will be announced at the AGM, following each vote on a show of hands, except in the event of a poll being called. The notice of the next AGM and proxy form can be found at the end of these financial statements.

Financial Reporting

The directors' statement of responsibilities for preparing the financial statements is set out on page 20, and a statement by the auditors about their reporting responsibilities is set out in the Auditors' Report on page 21.

Internal control

The directors are responsible for the company's system of internal control. Although no system of internal control can provide absolute assurance against material misstatement or loss, the company's systems are designed to provide the directors with reasonable assurance that problems are identified on a timely basis and dealt with appropriately.

The directors have conducted a review of the effectiveness of the system of internal control for the year covered by the financial statements. This accords with the FRS's guidance on Risk Management, internal control and related Financial and Business reporting.

Although the Board is ultimately responsible for safeguarding the assets of the company, the Board has delegated, through written agreements, the day-to-day operation of the company to M D Barnard & Co. Limited.

Compliance statement

The Listing Rules require the Board to report on compliance with the fifty-four UK Code provisions throughout the accounting year. The Comply or Explain Section of the UK Code does however acknowledge that some provisions may have less relevance for investment companies. With the exception of the limited items outlined below, the company has complied throughout the accounting year to 29 February 2016 with the provisions set out in Sections A to E of the UK Code.

1. The Board has not appointed a nominations committee as they consider the Board to be small and it comprises wholly non-executive directors. Appointments of new directors are dealt with by the full Board.
2. New directors do not receive a full, formal and tailored induction on joining the Board. Such matters are addressed on an individual basis as they arise.
3. Due to the size of the Board and the nature of the company's business, a formal performance evaluation of the Board, its committees, the individual directors and the Chairman has not been undertaken. Specific performance issues are dealt with as they arise.

Corporate Governance

4. The company has three independent directors, as defined by the UK Code issued in September 2014. The Board consider that Messrs. Gamble, Riley and Cameron-Mowat are independent in character and judgement and there are no relationships or circumstances which are likely to affect, or could appear to affect the directors' judgement. The Board considers that all directors have sufficient experience to be able to exercise proper judgement within the meaning of the UK Code.
5. The company does not have a chief executive officer or senior independent director. The Board does not consider this to be necessary for the size of the company.
6. The company does not conduct a formal review as to whether there is a need for an internal audit function. The directors do not consider that an internal audit would be an appropriate control for a venture capital trust.
7. The Audit Committee is chaired by Geoffrey Gamble, Chairman of the Board of directors, whom the Board regard as independent despite recommendations to the contrary in the Governance Code due to his being Chairman of the Board of directors.
8. The non-executive directors do not have service contracts, whereas the recommendation is for fixed term renewable contracts.
9. The company has no major shareholders so shareholders are not given the opportunity to meet any new non-executive directors at a specific meeting other than the AGM.

Statement of directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the revenue of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that proper accounting records are kept, which disclose with reasonable accuracy at any time the financial position of the company, enabling them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the company's system of internal control, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Responsibility statement

The directors confirm that to the best of their knowledge:

1. the financial statements, prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
2. the Directors' report includes a fair review of the development and performance and position of the company, together with a description of the principal risks and uncertainties that it faces.

Independent Auditors' Report to the members of New Century AIM VCT plc

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 February 2016 and of the company's return for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We have audited the financial statements of New Century AIM VCT plc for the year ended 29 February 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our assessment of risks of material misstatements

We identified the following risks that we believe have had the greatest impact on our audit strategy and scope:

- The carrying value of the investments and the recognition of realised and unrealised gains and losses. The investment portfolio and associated realised and unrealised gains and losses is the key driver to the financial performance of the company and has the greatest impact on both the statement of comprehensive income and balance sheet.
- Compliance with the VCT rules is necessary to maintain the VCT status and associated tax benefits.
- Accounting for the buyback of shares completed during the year.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements. We define financial statement materiality as the magnitude by which misstatements, including omissions, could influence the economic decisions taken on the basis of the financial statements by reasonable users.

We also determine a level of performance materiality which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

We determined materiality for the financial statements as a whole to be £105,000. In determining this we based our assessment on an average of three key indicators, being the result before tax, the net assets and gross assets of the company. On the basis of our risk assessment, together with our assessment of the company's control environment, our judgement is that performance materiality for the financial statements should be 75% of materiality, being £78,750.

An overview of the scope of our audit

The approach we took to the assessed risks described above was as follows:

- We tested the value of the year-end investments by reference to market price information at the year end. The purchase and sale of investments were agreed to contract notes and cash movements on a sample basis. The realised gains and losses on the sale of investments were re-calculated for both the individual transactions on a sample basis and for the total portfolio.

Independent Auditors' Report to the members of New Century AIM VCT plc

The movement in unrealised gains was checked for arithmetical accuracy and validated by reviewing the opening costs to prior year balances and purchases on a sample basis.

The portfolio is maintained by the investment advisor in accordance with the investment management agreement. We agreed the investment portfolio to a signed confirmation provided by the investment advisor detailing each investment, the cost and market price.

- Our work in respect of the compliance with the VCT rules involved testing the eight conditions for maintaining approval as a VCT as set out by HMRC. Each of the conditions was tested in turn in order to assess whether it had been met as at the year end.
- We agreed the number of shares bought back to supporting documentation and cash receipt, agreeing both the number and price at which the shares were bought back. Additionally we agreed the accounting treatment associated with the share buyback.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's web-site at www.frc.org.uk/apb/scope/private.cfm.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 20, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the financial statements is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the company acquired in the course of performing our audit; or
- is otherwise misleading.

Independent Auditors' Report to the members of New Century AIM VCT plc

Matters on which we are required to report by exception (continued)

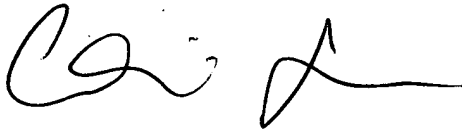
In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review:

- the directors' statement, set out on page 18, in relation to going concern; and
- the part of the Corporate Governance Statement relating to the company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review; and
- certain elements of the report to the shareholders by the Board on directors' remuneration.



**Colin Jones (Senior statutory auditor)
for and on behalf of UHY Hacker Young**

Chartered Accountants
Statutory Auditors

Quadrant House
4 Thomas More Square
London, E1W 1YW

30 June 2016

Statement of Comprehensive Income (incorporating the revenue account) for the year to 29 February 2016

		Year ended 29 February 2016			Year ended 28 February 2015		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments							
- realised		-	282	282	-	118	118
- unrealised		-	182	182	-	187	187
Income	5	118	-	118	84	-	84
Investment management fee	6	(19)	(57)	(76)	(19)	(57)	(76)
Other expenses	7	(48)	-	(48)	(47)	-	(47)
Return on ordinary activities before taxation		<u>51</u>	<u>407</u>	<u>458</u>	<u>18</u>	<u>248</u>	<u>266</u>
Tax credit/ (charge) on ordinary activities	9	-	-	-	-	-	-
Return on ordinary activities after taxation		<u>51</u>	<u>407</u>	<u>458</u>	<u>18</u>	<u>248</u>	<u>266</u>
Return per ordinary share (pence)	11	<u>0.54</u>	<u>4.35</u>	<u>4.89</u>	<u>0.18</u>	<u>2.42</u>	<u>2.60</u>

The notes on pages 28 to 38 form an integral part of these financial statements.

All revenue and capital items in the above statement are from continuing operations in the current year. No operations were acquired or discontinued in the current year. Other than as shown above, the company had no recognised gains or losses. Accordingly, the above represents the total comprehensive income for the year.

Balance Sheet at 29 February 2016

	Note	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Fixed assets			
Investments	12	5,971	6,269
Current assets			
Debtors	15	443	661
Current liabilities			
Creditors: amounts falling due within one year	16	(27)	(28)
		<u>6,387</u>	<u>6,902</u>
Capital and reserves			
Called up share capital	17	863	950
Share premium	20	612	549
Capital reserve – realised	20	1,140	193
Capital reserve – unrealised	20	1,483	2,023
Capital Redemption Reserve Fund	20	313	217
Revenue reserve	20	1,976	2,970
		<u>6,387</u>	<u>6,902</u>
Total equity shareholders' funds			
		<u>6,387</u>	<u>6,902</u>
Net asset value per ordinary share	18	<u>74p</u>	<u>73p</u>

The financial statements on pages 24 to 38 were approved by the Board of directors on 29 June 2016 and were signed on its behalf by:



Michael Barnard
Director

The notes on pages 28 to 38 form an integral part of these financial statements.

Company's registered number: 05352611

Statement of Changes in Equity at 29 February 2016

	Share capital	Share premium account	Capital redemption reserve	Capital realised	Capital unrealised	Revenue reserve	Total
	£	£	£	£	£	£	£
As at 1 March 2014	1,002	198	111	1,335	633	3,998	7,277
Cancellation of shares	(106)	-	106	-	-	(729)	(729)
Realised gains on disposals	-	-	-	118	-	-	118
Share issue	54	351	-	-	-	-	405
Transfer of unrealised loss to realised on disposal of investment	-	-	-	(1,203)	1,203	-	-
Net revenue before tax	-	-	-	-	-	18	18
Capital element of investment management fee	-	-	-	(57)	-	-	(57)
Dividends paid	-	-	-	-	-	(317)	(317)
Unrealised gains	-	-	-	-	187	-	187
At 28 February 2015	950	549	217	193	2,023	2,970	6,902
As at 1 March 2015	950	549	217	193	2,023	2,970	6,902
Cancellation of shares	(96)	-	96	-	-	(748)	(748)
Realised gains on disposals	-	-	-	282	-	-	282
Share issue	9	63	-	-	-	-	72
Transfer of unrealised gain to realised on disposal of investment	-	-	-	722	(722)	-	-
Net revenue before tax	-	-	-	-	-	51	51
Capital element of investment management fee	-	-	-	(57)	-	-	(57)
Dividends paid	-	-	-	-	-	(297)	(297)
Unrealised gains	-	-	-	-	182	-	182
At 29 February 2016	863	612	313	1,140	1,483	1,976	6,387

Cash Flow Statement at 29 February 2016

	Note	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Cash flow from operating activities			
Cash generated from operations	21	(125)	(123)
Net cash generated from operating activities		(125)	(123)
Cash flows from investing activities			
Interest received		7	3
Investment income		111	81
Net cash from investing activities		118	84
Cash flows from financing activities			
Sale of investments		2,496	1,518
Purchase of investments		(1,734)	(1,059)
Share issue		72	405
Dividends paid		(297)	(317)
Share cancellation		(748)	(729)
Net cash used in financing activities		(211)	(182)
Net decrease in cash and cash equivalents		(218)	(221)
Cash and cash equivalents at the beginning of the year		661	882
Cash and cash equivalents at the end of year		443	661

1. Company information

New Century AIM VCT PLC is a UK incorporated company whose registered office is:

4th Floor
50 Mark Lane
London EC3R 7QR

New Century AIM VCT PLC is a Venture Capital Trust established under the legislation introduced in the Finance Act 1995. The company's principal objective is to achieve long term capital growth through investment in a diversified portfolio of qualifying companies primarily quoted on AIM.
Investments

2. Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards and with the Financial Reporting Council's Financial Reporting Standard FRS 102 and with the Statement of Recommended Practice for Investment Companies re-issued by the Association of Investment Companies in November 2014.

Notes to the Financial Statements for the year to 29 February 2016

This is the first year in which the financial statements have been prepared under FRS 102. No adjustment or re-statement of prior years has been required as a result of this transition.

Going Concern basis – on the basis that the assets of the company consist mainly of marketable securities, the directors are of the opinion that at the time of approving the accounts, the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

The financial statements are presented in Sterling.

It is not the company's policy to exercise controlling or significant influence over investee companies, although it may hold a significant interest in some companies. Accordingly, the results of these companies are not incorporated into the revenue account except to the extent of any income earned or received.

3. Significant estimates and judgements

As the company's investment holdings, which comprise almost 94% of its total assets, are stated at market value based on the closing prices of the London Stock Exchange, the directors do not believe that there is any inherent uncertainty in their presentation of these amounts, and that in their judgement, market value and fair value may be regarded as identical for the purpose of these accounts.

4. Accounting policies

Investments

Listed or AIM traded investments are stated at market value, which is based upon market bid prices at the balance sheet date. In the event that the shares held by the company are subject to certain restrictions, or the holding is significant in relation to the traded issued share capital of the investee company then the directors may apply a discount to the relevant market price.

Investments in unquoted companies are valued by the directors in accordance with British Venture Capital Association ("BVCA") guidelines.

Notes to the Financial Statements for the year to 29 February 2016

4. Accounting policies (continued)

Investments (continued)

Realised surpluses or deficits on the disposal of investments and permanent impairments in the value of investments are taken to realised capital reserves. Unrealised surpluses and deficits on the revaluation of investments are taken to unrealised capital reserves. Costs incurred relating to acquisitions and disposals are charged to capital reserves as a deduction from proceeds or an addition to costs.

It is not the company's policy to exercise controlling or significant influence over investee companies, although it may hold a significant interest in some companies. Accordingly, the results of these companies are not incorporated into the revenue account except to the extent of any income earned or received.

Income

Dividend income receivable from quoted securities is recognised on the ex-dividend date. Income from unquoted equity and non-equity securities is recognised on an accruals basis except that a full provision is made until the receipt of the income is certain.

Interest from cash and deposits and fixed returns on debt securities are recognised on an accruals basis.

Expenses

All expenses are accounted for on an accruals basis. One quarter of the investment management fee is charged to the revenue account and the remaining three quarters is charged to capital reserves, net of corporation tax relief, and inclusive of any irrecoverable value added tax. The allocation of the management fee reflects the directors' estimate of the source of the long-term returns in the portfolio from revenue and capital.

Taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Notes to the Financial Statements for the year to 29 February 2016

5. Income

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Interest receivable		
- bank deposits and liquid funds	<u>7</u>	<u>3</u>
Dividends receivable	111	81
Investment income	<u>118</u>	<u>84</u>

6. Investment management fees

	Year ended 29 February 2016		Year ended 29 February 2015	
	Revenue £'000	Capital £'000	Revenue £'000	Capital £'000
Investment management fees	<u>19</u>	<u>57</u>	<u>19</u>	<u>57</u>

M D Barnard & Co. Limited ("MDB") provides investment management services to the company in respect of the company's portfolio of venture capital investments under an investment management agreement dated 10 March 2005. Michael Barnard who is a non-executive director of the company is managing director and proprietor of MDB.

Under the terms of the investment management agreement, MDB is entitled to a fee (exclusive of VAT) equal to 1% per annum of the net assets of the company. The fee is calculated quarterly in arrears based on the net assets at 29 February, 31 May, 31 August and 30 November. No performance fee is payable.

The investment management agreement is for a minimum period of three years from 24 March 2005 terminable by either party at any time thereafter by one year's prior written notice.

Notes to the Financial Statements for the year to 29 February 2016

7. Other expenses

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Administrative and secretarial services	11	19
Auditors' remuneration		
- for audit services	10	10
- for tax services	2	1
Regulatory fees	19	11
Miscellaneous	6	6
	<u>48</u>	<u>47</u>

8. Directors' remuneration

No remuneration has been paid or is payable for year to 29 February 2016, this is also true for the prior year.

9. Tax charge/(credit) on ordinary activities

	Year ended 29 February 2016		Year ended 28 February 2015	
	Revenue £'000	Capital £'000	Revenue £'000	Capital £'000
United Kingdom tax based on the taxable return for the year	-	-	-	-
Factors affecting tax charge/(credit) for the year				
Return on ordinary activities before taxation	51	407	18	248
Tax on above at the small company rate of 20% (2015: 20%)	10	81	4	50
UK dividends not subject to corporation tax	(22)	-	(16)	-
Capital loss on investment	-	(101)	-	(70)
Non allowable expenses	1	-	1	-
Unutilised losses	11	20	11	20
Current tax charge/(credit) for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

At the balance sheet date, the company has unused tax losses available for offset against suitable future gains. A deferred tax asset of £260,000 (2015: £250,000) has not been recognised in respect of such losses due to the unpredictability of suitable future taxable profits.

Notes to the Financial Statements for the year to 29 February 2016

10. Dividends

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Interim dividend paid	-	-
Final dividend paid in respect of previous year	297	317
	<u>297</u>	<u>317</u>

The directors propose a final revenue dividend of 0.525p per share and a final capital dividend of 2.675p per share for the year ended 29 February 2016 to be paid on 9 September 2016 to shareholders on the register at 12 August 2016.

11. Return per ordinary share

The revenue return, per ordinary share, is based on the net revenue on ordinary activities after taxation of £50,806 (2015: £18,346) and on 9,376,947 (2015: 10,240,327) ordinary shares, being the weighted average number of ordinary shares in issue during the year.

The capital return per ordinary share is based on a net realised and unrealised capital return of £407,621 (2015: £247,684) and on 9,376,947 (2015: 10,240,327) ordinary shares, being the weighted average number of ordinary shares in issue during the year.

12. Fixed asset investments

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
UK Listed	290	346
AIM	5,670	5,869
Unlisted	11	54
	<u>5,971</u>	<u>6,269</u>

Movements in investments, including realised and unrealised gains and losses, during the year are summarised as follows:

	Year ended 29 February 2016				
	Unlisted £'000	UK listed £'000	AIM £'000	ISDX Mkts £'000	Total £'000
Valuation at 1 March 2015	54	346	5,869	-	6,269
Purchases at cost	-	89	1,645	-	1,734
Sales proceeds	-	(149)	(2,347)	-	(2,496)
Realised gains/(losses)	-	8	274	-	282
Unrealised gains/(losses)	(43)	(4)	229	-	182
Valuation at 29 February 2016	<u>11</u>	<u>290</u>	<u>5,670</u>	<u>-</u>	<u>5,971</u>
Cost at 1 March 2015	76	410	7,910	-	8,396
Purchases	-	89	1,645	-	1,734
Sales proceeds	-	(149)	(2,348)	-	(2,497)
Realised gains/(losses)	-	25	980	-	1,005
Cost at 29 February 2016	<u>76</u>	<u>375</u>	<u>8,187</u>	<u>-</u>	<u>8,638</u>

Notes to the Financial Statements for the year to 29 February 2016

12. Fixed asset investments (continued)

Year ended 28 February 2015

	Unlisted £'000	UK listed £'000	AIM £'000	ISDX Mkts £'000	Total £'000
Valuation at 1 March 2014	5	406	6,012	-	6,423
Purchases at cost	50	40	969	-	1,059
Sales proceeds	-	(118)	(1,400)	-	(1,518)
Realised gains/(losses)	-	5	113	-	118
Unrealised gains/(losses)	(2)	13	176	-	187
Valuation at 28 February 2015	53	346	5,870	-	6,269
Cost at 1 March 2014	367	448	8,924	201	9,940
Purchases	50	40	969	-	1,059
Sales proceeds	-	(118)	(1,400)	-	(1,518)
Realised gains/(losses)	(341)	40	(583)	(201)	(1,085)
Cost at 28 February 2015	76	410	7,910	-	8,396

The overall gain on investments for the years shown in the Income Statement is analysed as follows:

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Net realised gain on disposal	282	118
Increase in unrealised appreciation	182	187
	<u>464</u>	<u>305</u>

13. Venture capital investments

A full list of investments held is disclosed under Investment Portfolio.

14. Significant interests

The company did not hold more than 10% of the allotted equity share capital of any class of any investee company.

15. Debtors

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Uninvested funds with broker: M D Barnard & Co. Limited	<u>443</u>	<u>661</u>

Notes to the Financial Statements for the year to 29 February 2016

16. Creditors: amounts falling due within one year

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Trade creditors and accruals	27	28
	<u>27</u>	<u>28</u>

17. Share capital

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Authorised 15,000,000 ordinary shares of 10p each	<u>1,500</u>	<u>1,500</u>
Allotted, called up and fully paid 8,634,374 (2015: 9,497,479) ordinary shares of 10p	<u>863</u>	<u>950</u>

On 27 March 2015 the company issued 96,269 ordinary shares at a price of 74.84 pence per share.

On 11 December 2015 the company completed a share buy-back of 959,374 ordinary shares at a price of 78.02 pence per share. Those ordinary shares that were bought back were cancelled and in accordance with Section 733 of the Companies Act 2006 a capital redemption reserve was established in respect of the nominal value of the ordinary share capital being cancelled.

18. Net asset value per share

Net asset value per share is based on net assets at 29 February 2016 of £6,387,636 (28 February 2015 of £6,903,068) and on 8,634,374 ordinary shares (2015: 9,497,479 ordinary shares) in issue at those dates.

19. Performance incentive arrangements

The Investment Manager is not entitled to any performance incentive arrangements.

Notes to the Financial Statements for the year to 29 February 2016

20. Reserves

Called up share capital represents the nominal value of shares that have been issued.

Share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve relates to capital repurchased.

Capital reserve – realised represents surpluses or deficits on the disposal of investments and permanent impairment in the value of investments.

Capital reserve – unrealised represents surpluses and deficits on the revaluation of investments

Revenue reserve includes all current and prior period retained profits and losses.

21. Notes to the cash flow statement

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Operating activity		
Operating return	458	266
Gain on sale of investments	(282)	(118)
Investment income (note 5)	(118)	(84)
Unrealised profits on investments	(182)	(187)
Decrease in creditors (note 16)	(1)	-
	<u>(125)</u>	<u>(123)</u>

Cash and cash equivalents

Cash and cash equivalents comprise £442,528 (2015: £661,134) of uninvested funds, held in a bank account with the investment manager.

22. Risk management and financial instruments

A statement of the company's principal objectives is given within the Strategic Report on page 6. In order to achieve these objectives the company invests its funds primarily in qualifying holdings in unlisted companies and companies traded on AIM, which by their nature may entail a higher degree of risk than investments in large listed companies. The company has not entered into any derivative transactions, and does not expect to do so in the foreseeable future. As a Venture Capital Trust, the company invests in securities for the long term, and it is the company's policy that no trading in investments or other financial instruments shall be undertaken.

Market price risk

The main risks arising from the company's investing activities are market price risk, representing the uncertain realisable values of the company's investments. The directors aim to limit the risk attaching to the portfolio as a whole by careful selection of investments and by maintaining a wide spread of investments in terms of financing stage, industry sector and geographical location.

Notes to the Financial Statements for the year to 29 February 2016

22. Risk management and financial instruments (continued)

Market price risk (continued)

The assets of the company are held for the most part as listed investments which carry market risk in the form of a single risk variable - market price movement. The directors do not consider that a risk analysis of that single risk variable will produce any useful information beyond the obvious that downward movement in share prices will result in a downward movement in the share values and vice versa. For this reason, the directors do not consider it appropriate to prepare a sensitivity analysis to market price movement.

Interest rate risk

The company finances its activities through retained profits including realisable capital profits, and through the issue of equity shares. It has not entered into any borrowings. The company's investment portfolio includes investments in interest bearing securities in investee companies and in other fixed interest securities. Details of interest bearing assets are given below under Financial assets.

Liquidity risk

There is liquidity risk associated with unquoted investments, which are not readily realisable.

Credit risk

Credit risk is the risk of a borrower defaulting on either an interest payment or the capital sum of a loan. The exposure is limited to uninvested funds held with the investment manager and the fixed interest loan notes.

Currency risk

The company's assets and liabilities are denominated in sterling.

Capital

The company's capital is provided in its entirety by its shareholders in the form of ordinary shares.

The company's purpose and objective is the investment of its capital funds in listed investments, primarily those quoted on the Alternative Investment Market with a view to securing capital appreciation over the long term.

There were no externally imposed capital requirements with which the company had to comply during the year to 29 February 2016.

Notes to the Financial Statements for the year to 29 February 2016

22. Risk management and financial instruments (continued)

Financial assets

The interest rate profile of the company's financial assets is set out below:

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Floating rate	443	661
Fixed rate	6	49
Non-interest bearing	5	5
	<u>454</u>	<u>715</u>
	Year ended 29 February 2016	Year ended 28 February 2015
Fixed rate assets		
Weighted average interest rate	10%	10%
Weighted average years to maturity	1.75	2.75

Floating rate financial assets comprise cash held on deposit and investments in liquidity funds. The benchmark rate for these investments is the UK bank base rate.

Non-interest bearing financial assets comprises equity share and non-equity share investments in investee companies, cash held on non-interest bearing deposit and debtors.

Fair values

The investments of the company are valued by the directors in accordance with the guidelines issued by the British Venture Capital Association, and the carrying values are considered to approximate the fair value of the investments. The fair values have also been determined in line with the fair value hierarchy as set out in FRS 102 11.27.

23. Financial assets and liabilities

	Year ended 29 February 2016 £'000	Year ended 28 February 2015 £'000
Financial assets measured at fair value	5,971	6,269
Financial liabilities measured at amortised cost	(27)	(28)

Notes to the Financial Statements for the year to 29 February 2016

24. Related party transactions

New Century AIM VCT plc is managed by M D Barnard & Co. Limited. Details of the relationship and transactions with the related party are included in note 6.

No amounts were payable to key management personnel during the year (2015: £nil).

25. Capital commitments

There were no investments which were approved at the year-end but which had not completed.

26. Control

New Century AIM VCT plc is not under the control of any one party or individual.

27. Post balance sheet events

On 29 June 2016 the directors proposed a dividend in respect of the year ended 29 February 2016 of £276,300 representing 3.20p per ordinary share.

Shareholder Information for the year to 29 February 2016

The Company

New Century AIM VCT PLC was incorporated on 4 February 2005 in England & Wales. In March 2005, the company obtained a listing on the London Stock Exchange. A total of £8.465 million was raised (before expenses) through an offer for subscription of new ordinary shares at 100p.

The Investment Manager

New Century AIM VCT PLC is managed by M D Barnard & Co. Limited, an independent fund management company based in Laindon, Essex. M D Barnard & Co. Limited currently manages or advises investment trust, unit trust and venture capital funds totalling approximately £40 million including New Century AIM VCT PLC.

Venture Capital Trusts

Venture Capital Trusts (VCTs) were introduced in the Finance Act 1995 and are intended to provide a means whereby individual investors can invest in small unquoted trading companies in the UK, with incentives in the form of a number of tax benefits. Investors subscribing for new shares in a VCT are currently entitled to claim Income Tax relief of 30% on their investment, irrespective of their marginal rate (up to a maximum of £200,000 per tax year). The tax relief cannot exceed the amount which reduces an investor's Income Tax liability to nil. In addition, all dividends paid by VCTs are tax free and disposals of VCT shares are not subject to Capital Gains Tax. Conversely, losses on VCT shares are not allowable to offset against taxable gains.

The company has reached the end of its provisionally approved period and now complies with the full requirements for approval. In order to maintain its approval the company must comply with certain requirements on a continuing basis; in particular, within three years from the date of provisional approval at least 70% by value of the company's investments must comprise "qualifying holdings", of which at least 30% by value must be in eligible ordinary shares.

As with investment trusts, capital gains accruing to VCTs are not chargeable gains for UK Corporation Tax purposes.

Financial calendar

Annual General Meeting 2016	24 August 2016
Interim report for six months to 31 August 2016 published	October 2016
Preliminary announcement of results for the year to 28 February 2017	June 2017
Annual General Meeting 2017	August 2017

Share price

The mid-market price of shares in New Century AIM VCT PLC is available daily on the London Stock Exchange website (www.londonstockexchange.com).