TriplePoint

ANNUAL REPORT
TRIPLE POINT INCOME VCT PLC

FOR THE YEAR ENDED
31 MARCH
2021

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Financial Summary

Triple Point Income VCT plc ("the Company") is a Venture Capital Trust ("VCT"). The Investment Manager is Triple Point Investment Management LLP ("TPIM"). The Company was incorporated in November 2007.

- C Ordinary Share Fund ("C Shares"): these are the shares issued in the Offer that closed on 27 May 2014. A total of £14 million was raised and 13,441,438 C Shares were issued.
- D Ordinary Share Fund ("D Shares"): these are the shares issued in the Offer that closed on 30 April 2015. A total of £14.3 million was raised and 13,701,636 D Shares were issued.
- E Ordinary Share Fund ("E Shares"): these are the shares issued in the Offer that closed on 15 May 2017. Just under £30 million was raised and 28,949,575 E Shares were issued.

The Strategic Report on pages 8 to 49, the Corporate Governance Statement on pages 52 to 55, the Directors' Remuneration Report on pages 61 to 65 and the Directors' Report on pages 66 to 69 have each been drawn up in accordance with the requirements of English law and liability in respect thereof is also governed by English law. In particular, the responsibility of the Directors for these reports is owed solely to Triple Point Income VCT plc.

The Directors submit to the members their Annual Report and Financial Statements for the Company for the year ended 31 March 2021.

YEAR ENDED 31 MARCH 2021

		C Shares	D Shares	E Shares	Total
Net assets	£'000	11,194	8,106	27,382	**46,682**
Net asset value per share	Pence	83.30p	59.59p	94.59p	–
Net profit before tax	£'000	267	349	(174)	**442**
Earnings/(loss) per share	Pence	1.93p	2.08p	(0.61p)	–
Cumulative return to Shareholders (p)					
Net asset value per share		83.30p	59.59p	94.59p	–
Dividends paid		73.50p	70.00p	11.50p	–
Net asset value plus dividends paid		156.80p	129.59p	106.09p	–

YEAR ENDED 31 MARCH 2020

		C Shares	D Shares	E Shares	Total
Net assets	£'000	11,406	8,559	29,442	**49,407**
Net asset value per share	Pence	84.87p	62.46p	101.69p	–
Net profit before tax	£'000	746	86	1,217	**2,049**
Earnings per share	Pence	5.29p	0.12p	4.13p	–
Cumulative return to Shareholders (p)					
Net asset value per share		84.87p	62.46p	101.69p	–
Dividends paid		70.00p	65.00p	5.00p	–
Net asset value plus dividends paid		154.87p	127.46p	106.69p	–

Key Highlights

C Share Class	D Share Class	E Share Class
Dividend per C Share **3.50p** (Year ended 31 Mar 2020: 55.00p)	Dividend per D Share **5.00p** (Year ended 31 Mar 2020: 55.00p)	Dividend per E Share **6.50p** (Year ended 31 Mar 2020: 5.00p)
Net Asset Value per C Share **83.30p** (Year ended 31 Mar 2020: 84.87p)	Net Asset Value per D Share **59.59p** (Year ended 31 Mar 2020: 62.46p)	Net Asset Value per E Share **94.59p** (Year ended 31 Mar 2020: 101.69p)
Total Return per C Share[1] **156.80p** (Year ended 31 Mar 2020: 154.87p)	Total Return per D Share[1] **129.59p** (Year ended 31 Mar 2020: 127.46p)	Total Return per E Share[1] **106.09** (Year ended 31 Mar 2020: 106.69p)

Realisation Proceeds

£2.98m

Realisations of investments and loan repayments generated total proceeds for the Company of £2.98 million.

Ongoing Charges Ratio[2]

2.88%

The ongoing charges ratio is a ratio of annualised ongoing charges expressed as a percentage of average net asset values throughout the year. (2020: 2.70%)

[1] Total Return is made up by current Net Asset Value plus Dividends paid to date. More information on Total Return is on pages 18 to 20.

[2] Total Return and Ongoing Charges Ratio are defined as APMs. The Board considers Total Return to be the primary measure of shareholder value.

The Annual report contains a number of Annual Performance Measures ("APMs"). APMs are financial measures that are in addition to those defined or specified in the Company's reporting framework.

CHAIR’S STATEMENT

Chair's Statement

David Frank
Chair

I am writing to present the Financial Statements for the Company for the year ended 31 March 2021.

Following the challenges that both business and society have faced during the COVID-19 pandemic ("the pandemic"), it appears we can now begin to be more optimistic with the gradual reopening of businesses and the restrictions on lockdown easing. Advances in treatment of the virus and the rollout of effective vaccines seem likely to bring us out of this crisis as 2021 progresses.

We would be remiss not to consider other fast moving world events such as the UK-EU's developing relationship, and the impact this may have on the small businesses in which we invest. As such, traits which we have long viewed as desirable, such as flexibility and a long-term mind-set, have become essential for companies if they are to survive and thrive.

It is not yet clear how much the pandemic has permanently changed our lives, or to what extent we will return to "normal" over the coming year, but 2020 will undoubtedly go down as the most tumultuous year in living memory.

Our portfolio of renewable energy investments has consistently generated electricity in a satisfactory manner. At the other end of the spectrum, our investment in Perfectly Fresh Cheshire Limited ("PFC"), the vertical growing business, has been greatly impacted by the pandemic. The valuation of the Company has remained stable, due to the nature of potential return structure in place. As the majority of the working population have been working from home, this change has unfortunately had a knock-on effect on consumer habits, in particular, on packaged sandwiches for which PFC supplies ingredients. This is discussed in greater detail in the Investment Manager's Review.

During the period, the Board commissioned an independent financial adviser to undertake an independent valuation of the Company's hydroelectric assets held across the Share Classes. As a result of this process, we have left the valuations for the Hydro companies unchanged from the prior year.

Chair's Statement

Proposed amendments to the Company's Investment Policy

The Company's current investment policy ("Investment Policy") sets out the holding periods for the assets in the C and D share classes, being 16 years following investment, and 10 to 12 years for the E share class with, in the case of the E shares, a possible early partial return of funds to shareholders if market conditions present such an opportunity. At the time of investment it was not envisaged that there would be a full exit of the C and D share classes, and consequent return of capital to shareholders, at an earlier point. However, the Board now considers that it is an opportune time to explore a potential portfolio sale of the hydroelectric assets in order to take advantage of favourable market conditions. In order to do so, the Company must first amend its Investment Policy to remove the 16-year holding period for the C and D share classes, which are wholly invested in hydroelectric assets, to provide the Board with the flexibility to proceed with a sale at any time where it believes that this would be in the best interests of shareholders.

It should be noted that, in accordance with the Investment Policy and as previously communicated to the C and D share class shareholders, a partial return of funds to those shareholders after 6 years has already taken place. No change is required to the Investment Policy in respect of the E share class, as a sale of the hydroelectric assets in the E share class would be a partial return of funds to shareholders, with other assets being held in the E share class portfolio.

The Board believes that there are a number of benefits for a sale of the hydroelectric assets at the present time as set out below:-

a) The Company has undertaken a detailed analysis and considers that the internal rate of return ("IRR") to investors would be higher following a disposal of the hydroelectric assets now in comparison to holding to full-term under the current Investment Policy. The Company has modelled the return to investors on the basis of an independent report setting out the potential disposal value of the hydroelectric assets.

b) A sale of the hydroelectric assets at the present time would enable shareholders to capitalise on the current favourable market conditions reflecting low discount rates, scarcity of in demand hydroelectric assets with inflation linked Feed-in-Tariff (FiT) income, and a long circa 15 year remaining FiT period all of which should make these assets attractive to a buyer.

c) A sale of the hydroelectric assets and return of proceeds would provide investors with liquidity which is advantageous during periods of economic uncertainty.

d) Shareholders in several share classes would save on future fees payable, including investment management fees, adviser fees and other ongoing running costs.

e) It would remove shareholders from being exposed to future operational risks of the hydroelectric assets and portfolio risks such as Scottish independence and further removals of business rate discounts.

A resolution will be proposed at the Company's 2021 Annual General Meeting ("AGM") in respect of this change to the Investment Policy. Should this resolution pass and a favourable sale price and terms be achieved, the proposed Investment Policy will allow the Board to complete a sale of the hydroelectric assets in the C, D and E share classes, with the intention to return the full proceeds of investment to C, D and E share class shareholders. This would result in a partial return of funds to E share class shareholders with other assets being held in the E share class portfolio. It is further noted that the Company will ensure that the VCT qualifying investment level is managed following a sale of assets to remain above the requisite 80% level. Further details are set out in the Notice of Meeting.

Investment Portfolio

The Company's funds at 31 March 2021 are 98.9% invested in a portfolio of VCT qualifying and non-qualifying quoted and unquoted investments.

The Investment Manager's review on pages 30 to 40 gives an update on the portfolio of investments in 17 small unquoted businesses and one quoted Real Estate Investment Trust.

Chair's Statement

C Share Class

The C Share Class has investments in three companies in the Hydroelectric Power sector which between them own six hydroelectric schemes in the Scottish Highlands.

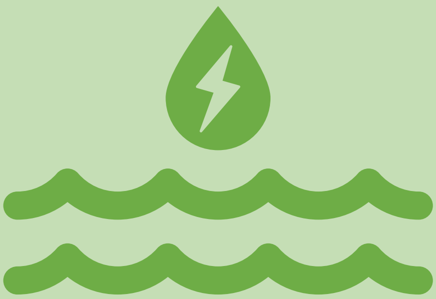
The C Share Class portfolio has recorded a profit over the period of 1.93 pence per share and as at 31 March 2021, the NAV stood at 83.30 pence per share. Total dividends paid to C Shareholders to date are 73.50 pence per share.

During the year, C Class Shareholders were paid total dividends of 3.50 pence per share. This follows the 55.00 pence per share paid during the last financial year, which was made possible by a combination of investment realisations and a small amount of borrowing, which continues to be utilised.

During the previous year, the Company put in place a loan facility for £2.7 million in order to help achieve the dividend and realisation target. £2.3 million of this facility was drawn during the period. Of the £2.3 million drawn, the C Share Class owes £300k. The loan attracts interest at 4.5% and it is not envisaged the Company will draw the remaining funds available under the current facility. The loan remains in place, and no capital payments have been made during the year. The Company has in place an additional facility agreement, which is in place until 11 June 2023, which can be drawn on if the existing lender does not extend the current agreement.

As was expected, profit has reduced due to income generating assets being realised to repay capital to Shareholders and reduce the amount of debt required within the Company to achieve the refinancing. As a result, the interim dividend of 1.75 pence per share to be paid to C Share Class shareholders on 30 July 2021 is below the targeted 3.50 pence per share. Despite this, the C Share Class will seek to pay a further 1.75 pence per share dividend to shareholders later in the year.

Further information on the C Share Class investments is included in the Investment Manager's Review on pages 30 to 40.



Hydroelectric Power

Dividend Payments

5.00p	8 Jul 2016
5.00p	14 Jul 2017
5.00p	26 Jul 2018
5.00p	25 Jul 2019
21.00p	19 Dec 2019
29.00p	25 Mar 2020
3.50p	30 June 2020

Total Dividends of

73.50 Pence Per Share

Chair's Statement

D Share Class

The D Share Class has investments in five companies in the Hydroelectric Power sector which between them own six hydroelectric schemes in the Scottish Highlands.

The D Share Class portfolio has recorded a profit over the period of 2.08 pence per share and as at 31 March 2021, the NAV stood at 59.59 pence per share. Total dividends paid to D Shareholders to date are 70.00 pence per share.

During the year, the Company paid a 5.00 pence per share dividend to Shareholders, this follows two separate distributions in the previous year of a 5.00 pence per share dividend and a significant return of capital of 50.00 pence per share.

During the previous year, the Company put in place a loan facility for £2.7 million in order to help achieve the dividend and realisation target. £2.3 million of this facility was drawn during the period. Of the £2.3 million drawn, the D Share Class owes £2 million. The loan attracts interest at 4.5% and it is not envisaged the Company will draw the remaining funds available under the current facility. The loan remains in place, and no capital payments have been made during the year. The Company has in place an additional facility agreement, which is in place until 11 June 2023, which can be drawn on if the existing lender does not extend the current agreement.

Following the realisation of some of the D Share Class assets during the previous financial year, as was expected, profit has reduced, due to income generating assets being realised to repay capital to Shareholders and reduce the amount of debt required within the Company to achieve the refinancing. As a result, the interim dividend of 1.75 pence per share to be paid to D Share Class shareholders on 30 July 2021 is below the targeted 3.50 pence per share. Despite this, the D Share Class will seek to pay a further 1.75 pence per share dividend to shareholders later in the year.

Further information on the D Share Class investments is included in the Investment Manager's Review on pages 30 to 40.

Hydroelectric Power

Dividend Payments

5.00p	14 Jul 2017
5.00p	26 Jul 2018
5.00p	25 Jul 2019
50.00p	25 Mar 2020
5.00p	30 June 2020

Total Dividends of

70.00 Pence Per Share

Chair's Statement

E Share Class

The E Share Class has a portfolio of investments spanning Hydroelectric Power, Crematorium Management, Gas Fired Energy Centres, Solar PV, Vertical Growing and SME Lending.

The E Share Class portfolio has recorded a loss over the period of 0.61 pence per share and as at 31 March 2021, the NAV stood at 94.59 pence per share. Total dividends paid to E Shareholders to date are 11.50 pence per share. A further interim dividend of 3.50 pence per share will be paid on 30 July 2021, I am delighted to say that this takes total dividends paid to E Shareholders to 15.00 pence per share in line with our target.

The Company's renewable energy assets have performed as expected during the period, with no large variations in performance seen during the year. During the period we received disappointing news regarding the valuation of the E Share Class investment in Green Peak Generation Limited ("Green Peak"), which operates a gas fired energy centre. The revised valuation resulted in a write down to the investment valuation of circa £650,000. The revised valuation considered feedback received from independent advisers and market participants as part of a sales process started last year, where a portfolio of nine companies including Green Peak were brought together for sale. The Board has been disappointed by the feedback from this sales process and the resulting indicative valuation for Shareholders. To ensure Shareholder interests are protected, an independent report was commissioned to gauge the market interest and value attributable to these companies and unfortunately this report corroborated the bids we had seen during the process. The sales process is ongoing.

Further information on the E Share Class investments is included in the Investment Manager's Review on pages 30 to 40.

Hydroelectric Power

Gas Fired Energy Centre

Solar PV

Vertical Growing

Dividend Payments

5.00p	25 Mar 2020
6.50p	30 June 2020

Total Dividends of

11.50 Pence Per Share

Chair's Statement

Share buy-backs

The Company aims, subject to distributable reserves and liquidity, to be willing to buy back the Company's shares in the market at a 10% discount to NAV.

During the year, the Company bought back and cancelled 96,999 D Ordinary Shares at a price of 52.23 pence per share. As a result of this buy back, the total return to this Shareholder was 122.23 pence per share (inclusive of D class dividends paid to date of 70p), in line with the Investment Management Agreement between the Company and the Manager, a performance fee of £4,992 has been accrued during the year.

VCT qualifying status

The Company has maintained its approved VCT status with HM Revenue & Customs. The Company's compliance with the VCT qualifying conditions is closely monitored by the Board, who receive regular reports from the Investment Manager and from our VCT taxation advisers Philip Hare & Associates LLP.

The Company is fully deployed and as a result has not made any new investment during the year.

We will continue to work closely with the Investment Manager to ensure the Company maintains compliance with the scheme rules.

Outlook

The experience of 2020 as a result of the pandemic has taught all of us that there are difficulties in making predictions in such an uncertain world. Unfortunately, the effects of the pandemic are likely to remain the dominant theme for 2021, along with concerns about the duration and severity of its legacy on the global economy. It does, however, now appear that a K-shaped recovery is underway. This undoubtedly means both winners and losers. The unique shape of the COVID-19 crisis and accompanying recession has meant some industries have thrived whilst others have suffered.

As this applies to the wider economy, this is also true of our portfolio of investments. Our hydro portfolio has continued to perform robustly. By contrast the write down of our gas fired energy centre company, although not specifically related to the pandemic, and the uncertainty surrounding our vertical growing company, show the potential divergence in our portfolio.

I would like to take this opportunity to thank Shareholders for their continued support, and our Investment Manager for their support and commitment during a challenging year.

If you have any questions about your investment, please do not hesitate to contact the Investment Manager on 020 7201 8990.

D. T. Frank

David Frank
Chair

21 June 2021

COMPANY STRATEGY AND BUSINESS MODEL

Company Strategy and Business Model

The Strategic Report has been prepared in accordance with the requirements of section 414C of the Companies Act 2006. Its purpose is to inform the members of the Company and help them to assess how the Directors have performed their duty to promote the success of the Company, in accordance with section 172 of the Companies Act 2006 ("Section 172").

The Directors assess the Company's success in meeting its objectives in relation to returns, stability, VCT qualification and, ultimately, exit.

The Company's Investment Policy was adopted and approved by Shareholders before changes to the rules for VCT-qualifying investments effective from 1 April 2019 and applies to the existing investment portfolio. The Company recognises that it is likely that any new Qualifying Investments would require amendment to the Investment Policy.

The Company is proposing a resolution at the upcoming AGM in respect of proposed amendments to the Investment Policy. Further details can be found on page 9 and the Notice of Meeting.

A copy of the Investment Policy is below.

Investment Policy

Investment Objectives

The Company's main focus is to generate returns from a portfolio of investments in companies based in the UK in order to make regular tax-free dividends.

The key objectives of the Company are to:

a. Pay regular tax-free dividends to investors;
b. Maintain VCT status to enable investors to benefit from the associated tax reliefs;
c. Reduce the volatility normally associated with early stage investments by applying its Investment Policy;
d. In respect of the C Shares and the D Shares, provide investors with the opportunity to exit shortly after 16 years following investment with a partial return of funds to Shareholders after 6 years; and
e. In respect of the E Shares, provide investors with the opportunity to exit between 10 and 12 years following investment with a possible early partial return of funds to Shareholders if market conditions present such an opportunity.

The Company will not vary these objectives to any material extent without the approval of the Shareholders.

The Company's Investment Policy has been designed to satisfy the legislative requirements of the VCT scheme and to provide stable and readily realisable returns. The Company's Investment Policy is directed towards new investments into cash generative businesses which are operating in stable or mature fields with a high-quality customer base and which can provide a positive return to investors. The Board may on occasion, where deemed appropriate, invest in less mature or stable fields where there is the opportunity for substantial growth and development. The investments will be made with the intention of growing and developing the revenues and profitability of the target businesses to enable them to be considered for traditional forms of bank finance and other funding. This, in turn, should enable the Company to benefit from refinance gains or from a favourable sale to a third party.

Although the landscape of VCTs has been affected, the Investment Policy of the Company will continue to aim for regular tax-free dividends, maintenance of the VCT qualifying status and to minimise the volatility associated with early stage investments.

In respect of Qualifying Investments, the Company will seek:

a. Investments on which robust due diligence has been undertaken;
b. Investments where there is access to regular material financial and other information;
c. Investments where it may be possible to mitigate capital losses through careful analysis of the collateral available; and
d. Investments where there is a strong relationship with the key decision makers.

Target Asset Allocation

The Company aims to invest its capital fully in VCT Qualifying Investments. Where this is not practicable, the long-term investment profile of the Company is expected to be:

- At least 80% in VCT Qualifying Investments; and
- A maximum of 20% in permitted Non-Qualifying Investments, cash or cash-based similar liquid investments.

Company Strategy and Business Model

Qualifying Investments

The key ongoing objective of the Company is to generate an attractive return for investors, through a combination of tax-free income and capital appreciation.

The Company will pursue investments in a range of industries but the type of business being targeted is subject to the specific investment criteria discussed below. The objective is to build a portfolio of unquoted companies which are cash generative and, therefore, capable of producing income and capital repayments to the Company prior to their disposal by the Company.

Although invested in diverse industries, it is intended that the Company's portfolio will comprise companies with certain characteristics, for example clear commercial and financial objectives, strong customer relationships and, where possible, tangible assets with value. The Company will focus on identifying businesses typically with contractual revenues from financially sound counterparties or a stream of predictable transactions with multiple clients.

Businesses with assets providing valuable security may also be considered. The objective is to reduce the risk of losses through reliability of cash flows or quality of asset backing and to provide investors with tax-free income. The criteria against which investment targets would be assessed will include the following:

a. An attractive valuation at the time of the investment;
b. Managed risk of capital losses;
c. The quality of the company's cash flows;
d. The quality of the businesses' counterparties, suppliers and market position;
e. The sector in which the business is active;
f. The quality of the company's assets;
g. The opportunity to structure an investment that can produce distributable income;
h. The potential for growing and developing the revenues and profitability of the company to enable it to be considered for traditional forms of bank finance and other funding; and
i. The ability to facilitate an exit which enables the Company to meet its key investment objective of returning funds in line with shareholder expectations.

As the value of investments increase the Company's Investment Manager will monitor opportunities for the Company to realise capital gains to enable the Company to make tax-free distributions to Shareholders.

Non-Qualifying Investments

The Non-Qualifying Investments will be managed with the intention of generating a positive return. The Non-Qualifying Investments will comprise from time to time a variety of assets including (a) short-term deposits of money, shares or units in alternative investment funds (which have the meaning given by regulation 3 of the Alternative Investment Fund Managers Regulations 2013) or in undertakings for the collective investment in transferable securities (which have the meaning given by Section 363A(4) of the Taxation (International and Other Provisions) Act 2010), which may be repurchased, redeemed, or paid out on no more than seven days' notice; and (b) ordinary shares or securities in a company which are acquired on a regulated market (defined in Section S274(4) ITA 2007).

Borrowing Powers

To the extent that borrowing is required, the Directors will restrict the borrowings of the Company and exercise all voting and other rights or powers of control over its subsidiary undertakings (if any) to ensure that the aggregate amount of money borrowed by the Group, being the Company and any subsidiary undertakings for the time being, (excluding intra-Group borrowings), shall not without the previous sanction of an ordinary resolution of the Company exceed 30% of its NAV at the time of any borrowing.

Risk Diversification

The Company aims to invest in a number of different businesses within different industry sectors but may focus investments in a single sector where appropriate to do so. No single investment by the Company will represent more than 15% of the aggregate NAV of the Company at the time the investment is made.

Company Strategy and Business Model

Valuation Policy

All unquoted investments will be valued in accordance with BVCA or similar guidelines under which investments are not normally re-valued above cost within 12 months of acquisition unless third party funding has occurred. A brief summary of the BVCA guidelines as it applies to investments is as follows:

- Investments should be reported at fair value where this can be reliably determined by the Board on the recommendation of the Investment Manager;
- That this price is a proxy for fair value;
- In estimating fair value for an investment, the valuation methodology applied should be the most appropriate for a particular investment. Such methodologies, including the price of the recent investment, earnings multiples, net assets, discounted cash flows or earnings and industry valuation benchmarks, should be applied consistently; and
- If fair value cannot be reliably measured, transaction price is used for valuing investments where it is believed that this price is a proxy for fair value.

The December 2018 update to the IPEV Guidelines discourages the use of cost or price of a recent investment as a primary methodology for valuation. That change has had no impact on the portfolio's valuation as the Company has not made any investments recently and used the recent investment round. The majority of our portfolio is valued on a discounted cash flow basis.

Any quoted investments, if made, will be valued at prevailing bid prices.

Co-Investment Policy

The Company may invest alongside other funds or entities managed or advised by the Investment Manager which would help the Company to broaden its range of investments or the scale of opportunities more than if it were investing on its own.

It is possible that conflicts may arise in these circumstances between different funds or between the Company and the Investment Manager. The Investment Manager maintains robust conflict of interest procedures to manage potential conflicts and issues are resolved at the discretion of the independent Board of the Company.

Dividend Policy

The Company will distribute, by way of dividend, such amount as ensures that it retains not more than 15% of its income from shares and securities. The Directors aim to maximise tax-free distributions of income and/or realised gains to Shareholders. It is envisaged that the Company will distribute most of its net income each year by way of dividend, subject to liquidity.

The Company's ability to pay dividends is subject to the existence of realised profits, legislative requirements, and the available cash reserves.

Share Realisation Policy

After an anticipated holding period of between five and seven years, which may include follow-on investments into investee companies as appropriate, TPIM intends to identify opportunities to realise investments in order to exit investors in the most efficient way possible.

Exits will typically be realised through sales to businesses, acquisitions by private equity or other investment funds. The proceeds of any realisation will be used to repay borrowings if applicable and to pay dividends to Investors.

Key Performance Indicators ("KPIs")

As a VCT, the Company's objectives are to provide Shareholders with up front tax relief, an attractive income and returns through capital appreciation and the payment of dividends. The Company aims to meet these criteria by investing its funds in line with the Company's Investment Policy.

The Board expects the Investment Manager to deliver a performance which meets the objectives of providing Shareholders with an attractive income and capital return. The Board has identified four KPIs that it uses in its own assessment of the Company's performance.

These are intended to provide Shareholders with sufficient information to assess how the Company has performed against its objectives in the year to 31 March 2021, and over the longer term, through the application of its investment and other principal policies.

The primary KPIs in meeting these objectives are:

- Net Asset Value ("NAV") plus dividends paid ("Total Return")
- Compliance with VCT Legislation
- Ongoing Charges Ratio
- Earnings per Share

Company Strategy and Business Model

C Share Class

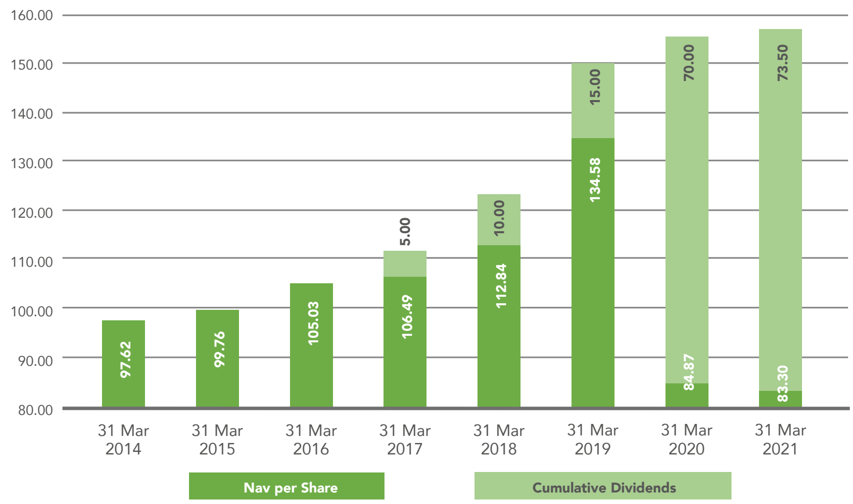
The Net Asset Value per C Share has decreased from 84.87 pence per share at 31 March 2020 to 83.30 pence per share at the reporting date. After making an adjustment for dividends paid during the year the C Shares Total Return has increased from 154.87 pence per share at 31 March 2020 to 156.80 pence per share at the reporting date.

This represents an increase of 1.25%. Whilst Net Asset Value has fallen, Total Shareholder Return has continued to increase. Profits during the year were attributable to the income received on the C Share Class Hydro Investments.

The increase in the Total Return for the C Shareholders is in line with the Company's long-term objectives to achieve both capital growth and pay dividends to Shareholders.

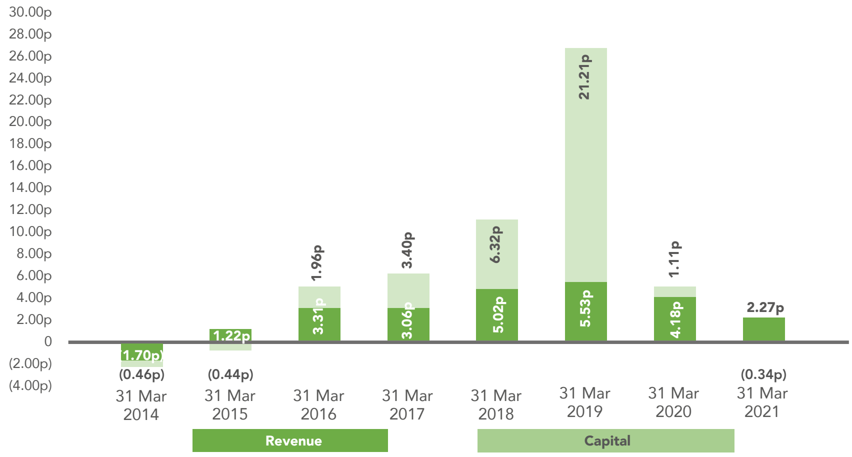
Total Return

NAV plus dividends paid is a measure of shareholder value that includes the current NAV plus cumulative dividends paid to Shareholders to date. The Charts show how the Total Return of each Share Class has developed since launch. Total Return is deemed an alternative performance measure.

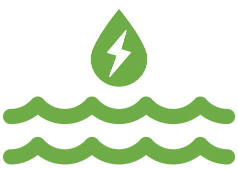


Earnings per Share

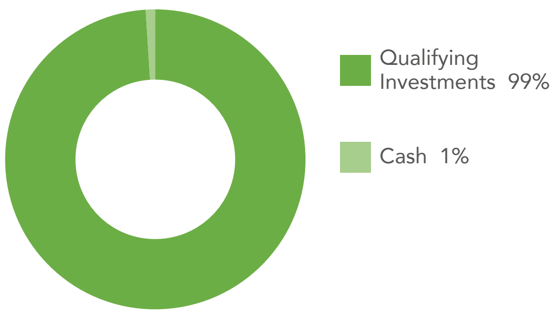
The Charts show the Company's earnings per share by share class for the year ended 31 March 2021. The longer-term trend of performance on this measure is shown in the Charts below. This also shows the distinction between earnings generated by revenue and earnings generated by capital movements.



Investment classification for the C Share Class by asset value and sector value:



100% Invested in Hydroelectric Power



Company Strategy and Business Model

D Share Class

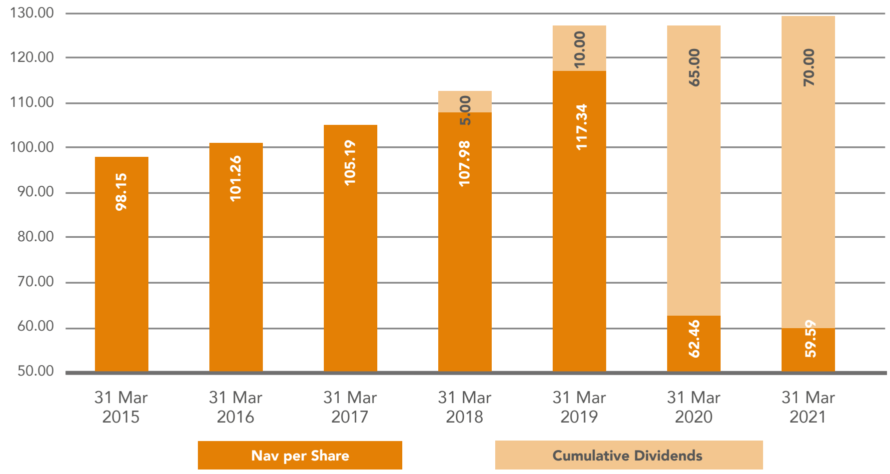
The Net Asset Value per D Share has decreased from 62.46 pence per share at 31 March 2020 to 59.59 pence per share at the reporting date. After making an adjustment for dividends paid during the year the D Shares Total Return has increased from 127.46 pence per share at 31 March 2020 to 129.59 pence per share at the reporting date.

This represents an increase of 1.67 %. Whilst Net Asset Value has fallen, Total Shareholder Return has continued to increase, albeit at a slightly slower rate. Profits during the year were attributable to the income received on the D Share Class Hydro Investments.

The increase in the Total Return for the D Shareholders is in line with the Company's long-term objectives to achieve both capital growth and pay dividends to Shareholders.

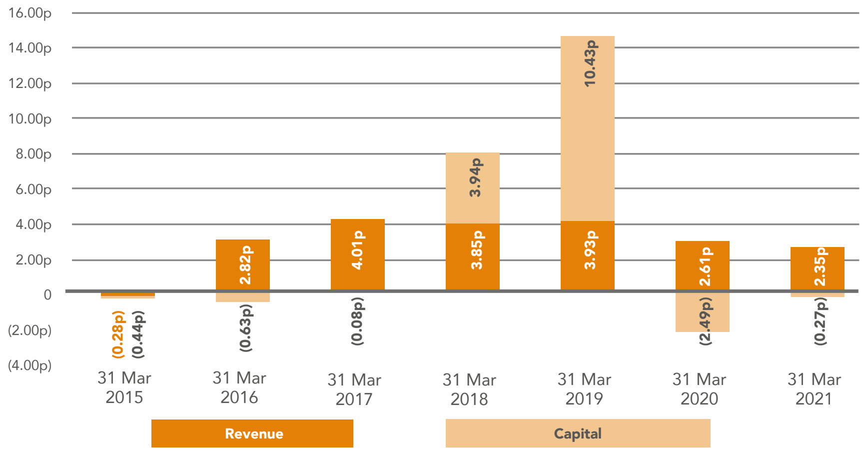
Total Return

NAV plus dividends paid is a measure of shareholder value that includes the current NAV plus cumulative dividends paid to Shareholders to date. The Charts show how the Total Return of each Share Class has developed since launch. Total Return is deemed an alternative performance measure.



Earnings per share

The Charts show the Company's earnings per share by share class for the year ended 31 March 2021. The longer-term trend of performance on this measure is shown in the Charts below. This also shows the distinction between earnings generated by revenue and earnings generated by capital movements.



Investment classification for the D Share Class by asset value and sector value:

100% Invested in Hydroelectric Power

Company Strategy and Business Model

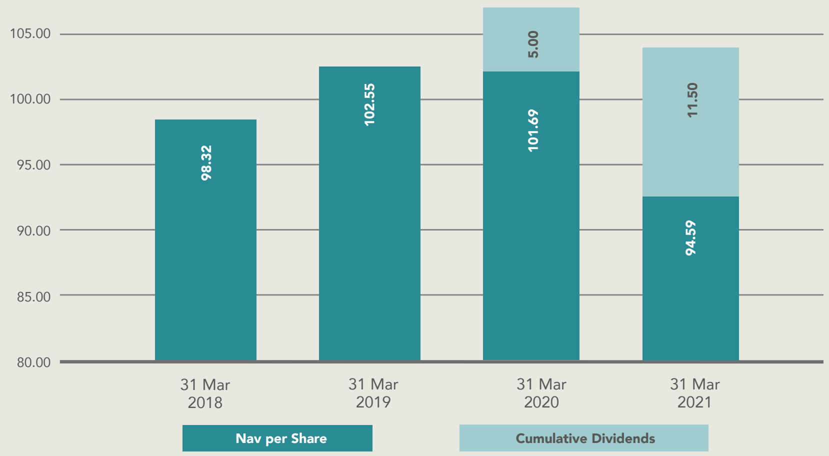
E Share Class

The Net Asset Value per E Share has decreased from 101.69 pence per share at 31 March 2020 to 94.59 pence per share at the reporting date. After making an adjustment for dividends paid during the year the E Shares Total Return has decreased from 106.69 pence per share at 31 March 2020 to 106.09 pence per share at the reporting date. The reduction in Total Return, is a result of the valuation write down of Green Peak and a loss on the part disposal of the Company's holding in Triple Point Social Housing REIT plc. This represents a decrease of 0.56% in Total Shareholder Return from the previous year.

The Board and the Investment Manager continue to closely monitor the portfolio and seek to maximise value where possible.

Total Return

NAV plus dividends paid is a measure of shareholder value that includes the current NAV plus cumulative dividends paid to Shareholders to date. The Charts show how the Total Return of each Share Class has developed since launch. Total Return is deemed an alternative performance measure.



Earnings per Share

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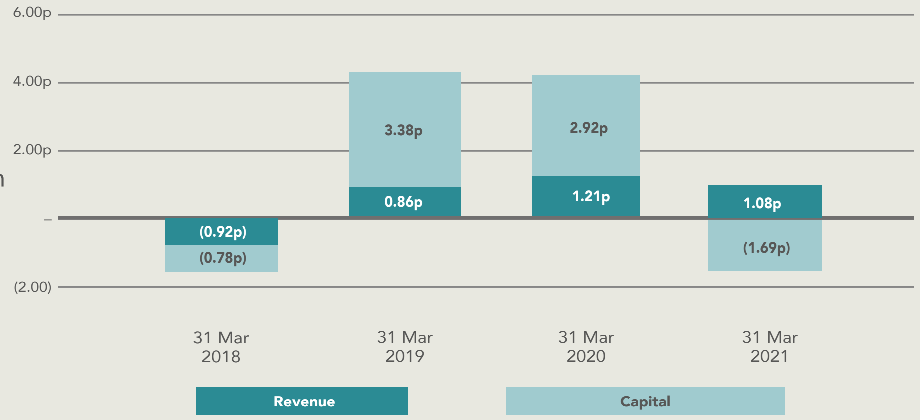
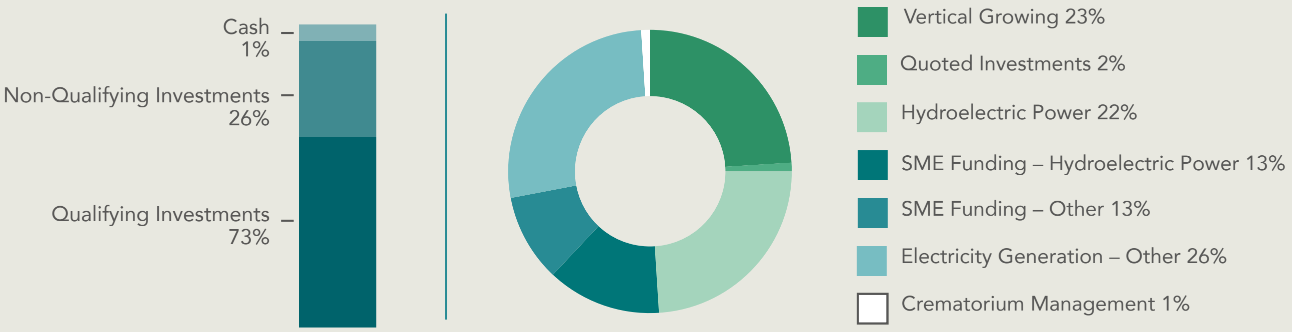


Investment classification for the E Share Class by asset value and sector value:



* Please note that the percentage of qualifying investments in the above bar chart is not representative of the Company as a whole, whose total qualifying investments exceed the requisite 80% threshold.

Company Strategy and Business Model

Compliance with VCT legislation

By making an investment in a Venture Capital Trust, Shareholders become eligible for several tax benefits under VCT tax legislation. This is, however, contingent on the Company complying with VCT tax legislation. The Board can confirm that throughout the year ended 31 March 2021, the Company continued to meet the relevant tests.

To achieve compliance, the Company must meet a number of tests set by Her Majesty's Revenue and Customs ("HMRC"). A summary of these steps is set out on page 68 under "VCT Regulation".

Ongoing Charges Ratio

The Ongoing Charges Ratio[3] is a ratio of annualised ongoing charges expressed as a percentage of the average Net Asset Value throughout the period. The annual running costs of the Company are capped at 3.5% of the Company's NAV, above which, the Investment Manager will bear any excess costs.

The ongoing charges of the Company for the financial year under review represented 2.88% (2020: 2.70%) of the average net assets. The increase during the year is due to an increase in general administration costs of the Company.

Tax Benefits

The Company's objective is to provide Shareholders with an attractive income and capital return by investing its funds in a broad spread of unlisted UK companies which meet the relevant criteria for investment by VCTs.

Investing in a VCT brings the benefit of tax-free dividends, as well as up-front income tax relief. The Company continues to meet the VCT qualification requirements which are continuously monitored by the Investment Manager and reviewed by the Directors. Investment classification by asset value and sector value are shown over the following pages.

VCT Regulation

VCTs were first introduced in the Finance Act 1995 to provide a means for private individuals to invest in unquoted companies in the UK. The Finance Act 2004 introduced changes to VCT legislation designed to make VCTs more attractive to investors. The current tax benefits available to eligible investors in VCTs include:

- Up-front income tax relief of 30% on a maximum investment of £200,000 per tax year on newly issued shares;
- Exemption from income tax on dividends received; and
- Exemption from capital gains tax on disposals of shares in VCTs.

Since the Finance Act 2004, the VCT rules have subsequently been amended under the Finance Act 2014 and The Finance (No 2) Act 2015. The Investment Manager, utilising advice from Philip Hare & Associates LLP, ensures continued compliance with any legislative changes.

The Company has been approved as a VCT by HMRC. To maintain this approval, the Company must comply with certain requirements on a continuing basis. Within three years from the effective date of provisional approval or later allotment at least 80% (from 1 March 2020, the percentage of the Company's investments held in "qualifying holdings" increased to 80% from 70%) of the Company's investments must comprise "qualifying holdings" of which at least 30% must be in eligible Ordinary Shares. For accounting periods ending on or after 6 April 2018, the minimum percentage is 70% in all cases. However, holdings acquired before 6 April 2018 using certain 'protected monies' – holdings acquired using monies raised, or derived from monies raised, by the VCT before 6 April 2011 – are ignored when determining whether the VCT meets the 70% eligible shares condition. This investment criterion continues to be met.

3 This ratio is calculated using the AIC's "Ongoing Charges" methodology which can be found on their website https://www.theaic.co.uk/. The Ongoing Charges ratio is deemed an alternative performance measure.

Company Strategy and Business Model

Exit Programme

During the previous year, the Company took steps to achieve a partial realisation for the C and D Class Shareholders. These distributions, along with initial tax relief equates to a return to C and D Class Shareholders of at least 100 pence per share.

The Company's exit programme is discussed in greater detail in the Investment Manager's Review on pages 30 to 40 and a copy of the Company's Share Realisation Policy is on page 17.

The valuation of, and potential exit routes for, the Company's portfolio of investments are reviewed and discussed at Board meetings. The Investment Manager has successfully implemented exit plans for other VCTs under its management.

Borrowing

During the previous year, the Company entered into a short-term facility agreement with Triple Point Lease Partners ("TPLP"). TPLP is a business that specialises in leasing, lending and infrastructure financing with the public sector (Local Authorities and the NHS) and corporates and is also managed by the Investment Manager.

The secured facility was for £2.7 million at a fixed rate of 4.5% per annum. The facility was put in place to refinance a portfolio of the hydroelectric assets to enable the C and D Share Classes to pay a dividend. This was in line with the original mandate of both share classes. This agreement has been extended with TPLP and at the year-end there was £2.3 million outstanding, with a further £0.4m of the facility still in place. As a precautionary measure, the Company had entered into a similar facility agreement with a different lender on the same key terms, but which included a two year availability period and a three year term. This agreement was put in place to mitigate the risk of the existing loan facility not being extended by the existing lender. This agreement has now been extended by a further 12 months at no additional cost. The facility agreement now expires on 11 June 2023.

Principal Risks, Uncertainties and Emerging Risks

The Directors seek to mitigate the Company's principal risks by regularly reviewing performance and monitoring progress and compliance. In the mitigation and management of these risks, the Directors carry out a robust assessment of the Company's emerging and principal risks, including those that would threaten its business model, future performance, solvency or liquidity.

The main areas of risk identified by them, along with the risks to which the Company is exposed through its operational and investing activities, are detailed below. The Board does not consider the likelihood or impact of these risks to have changed in the year.

The Board maintains a comprehensive risk register which sets out the risks affecting both the Company and the investee companies in which it is invested. The risk register is reviewed and updated at least twice a year to ensure that procedures are in place to identify principal and emerging risks. The purpose of the Company's risk management policies and procedures is not to eliminate risks, but to reduce them and to ensure that the Company is adequately prepared to respond to such risks and to minimise any impact if the risk materialises.

The Company does not consider Brexit to continue to be a principal or emerging risk as the Company invests into UK-based companies insulating it from any potential future deals negotiated with the EU, and because of the certainty from the Brexit deal reached at the end of 2020. Although Brexit is not deemed to be a principal risk for the majority of the portfolio, the Board acknowledges the fact that Brexit has had an impact on the operations of their Vertical Growing Investment. The Board continues to monitor the progress of PFC and receive updates from the Investment Manager on a quarterly basis.

Details of the Company's internal controls are contained in the Corporate Governance Internal Control section on page 55 and further information on exposure to risks including those associated with financial instruments is given in note 19 of the financial statements.

Company Strategy and Business Model

Risk	Overview	Mitigation
VCT Qualifying Status	The Company is required at all times to observe the conditions laid down in the Income Tax Act 2007 for the maintenance of approved VCT status. The loss of such approval could lead to the Company losing its exemption from corporation tax on capital gains, to investors being liable to pay income tax on dividends received from the Company and, in certain circumstances, to investors being required to repay the initial income tax relief on their investment.	The Investment Manager keeps the Company's VCT qualifying status under continual review and reports to the Board on a quarterly basis. The Board has also appointed Philip Hare & Associates LLP to undertake an independent VCT status monitoring role.
Investment Risk	The Company's VCT qualifying investments are held in small and medium-sized unquoted investments which, by their nature, entail a higher level of risk and lower liquidity than investments in large quoted companies. This could make it difficult to realise investments in line with the relevant strategy.	The Directors and Investment Manager aim to limit the risk attached to the portfolio as a whole by careful selection and timely realisation of investments, by carrying out rigorous due diligence procedures and by maintaining a spread of holdings in terms of industry sector and geographical location. The Board reviews the investment portfolio with the Investment Manager on a regular basis. Where possible, a member of the Investment Manager holds a seat on the board of the portfolio companies.
Financial Risk	As a VCT the Company is exposed to market price risk, credit risk, fair value risk, liquidity risk and interest rate risk. As most of the Company's investments involve a medium to long-term commitment and are relatively illiquid, the Directors consider that it is inappropriate to finance the Company's activities through borrowing, other than for short-term liquidity.	The key elements of financial risk are discussed in more detail in note 19.
COVID-19 pandemic	The COVID-19 pandemic has caused and could continue to cause economic disruption and depression, closure of businesses, staff absences, unemployment, reduction of consumer demand, and sectoral restructuring. This may impact on investee companies' performance and valuation metrics, ability to exit investments on a timely basis, ability to raise new funds and ability to make new investments.	Deployment of funds into a number of investee companies across a diverse range of sectors. TPIM has been in close contact with investee companies to ensure that they are able to maximise their runway during the disruption caused by the Covid-19 pandemic, and the Company regularly monitors their performance and appropriateness of their valuations.
Failure of Internal Controls Risk	The Board regularly reviews the system of internal controls, both financial and non-financial, operated by the Company and the Investment Manager. These include controls designed to ensure that the Company's assets are safeguarded and that proper accounting records are maintained.	The Board maintains a risk register which sets out the risks affecting both the Company and the investee companies in which the Company is invested. This risk register is reviewed and updated at least twice a year to ensure that procedures are in place to identify the principal risks which may affect the Company and its portfolio companies, mitigate and minimise the impact of those risks should they crystallise and to identify emerging risks and to determine whether any actions are required. This enables the Board to carry out a robust assessment of the risks facing the Company, including those risks that would threaten its business model, future performance, solvency or liquidity.
Liquidity Risk	In line with the Company's initial mandate for the C and D Share Classes the Company has entered into a short-term loan facility of £2.3 million which has repayment terms of 364 days. The Company currently has £521k of cash. This therefore poses a slight risk to the Company's liquidity and cash flow prospects.	The Company and the lender have reviewed longer-term cash flow forecasts and the Company is comfortable that it will generate sufficient cash flow from its current investments to service and repay the borrowing. The Company keeps an open dialogue with the lender and will continue to update the lender on the outlook for its loan and on the performance of the Company's investment portfolio. The lender has indicated its willingness to extend the facility if required. The Company has entered into a similar facility agreement with a different lender which includes the same key terms, but also has a two year availability period. This agreement was put in place to mitigate the risk of the existing loan facility not being extended by the existing lender. This facility agreement has been extended by an additional 12 months at no additional cost to the Company. This now expires on 11 June 2023.

Company Strategy and Business Model

Climate Change and related legislation

Taking into account the potential impact of climate change and any related legislation which may be enacted in respect of meeting the UK's climate change targets, an assessment of the key risks for each share class has been considered. If a change in Government renewable energy policy were applied retrospectively to current operating projects including those in the Share Classes, this could adversely impact the market price for the Hydro and Solar Assets or the value of the green benefits earned from generating renewable energy. Further, performance of Hydroelectric Assets may be adversely affected by lower or more concentrated rainfall in Scotland. Nevertheless, the hydroelectric companies continue to perform well, and as such performance will continue to be monitored closely.

A negative impact of climate change can be seen with the Company's investment in a Gas Fired Energy Centre, originally intended to bridge the transition gap to renewable energy. The market is moving away from these types of assets to a green alternative such as battery storage. This has had a negative impact on the valuation of this business.

Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Investment Manager's Report.

The financial risk management objectives and policies of the Company, including exposure to price risk, interest rate risk, credit risk and liquidity risk are discussed in note 19 to the financial statements.

The Company entered into a loan facility during the previous period. More detail on this can be found in the Strategic Report on page 22. The borrowing was in line with the original mandate for the C and D Shareholders. The Company continues to meet day-to-day liquidity needs through its cash resources and income from its investment portfolio, although, at present it does not have sufficient cash to repay the facility other than through a realisation of investments in the hydro portfolio. A separate facility agreement is in place to cover the possibility that the existing loan agreement was not extended. If a hydro disposal were not to occur, a repayment schedule would be agreed under the terms of the facility agreement. The proposed repayment profile would utilise cash generated from the hydro portfolio. The facility agreement is in place until 11 June 2023.

The Company's revenue comes from predominantly secure and reliable counterparties across all three of its share classes. The Hydro portfolio revenue is contractual, with inflation linked FiT income and export income from a recently signed 12-month power purchase agreement. The rooftop solar business also benefits from contractual and inflation linked income through the government FiT and ROC schemes. We have experienced minimal disruption to these revenue streams as a result of the COVID-19 pandemic.

The pandemic has highlighted the need for greater food security here in the UK. PFC has continued to refine its operations and has remained operational during the pandemic. Unfortunately, demand for its product from its main customer has reduced as a result of the reduction in demand for packaged sandwiches due to the pandemic. We do expect the heightened scrutiny of the food and farming sector to continue, from both a food security and an environmental point of view. PFC has diversified its customer base, taking on a new customer, but the capital intensive nature of operating a vertical growing facility remains challenging.

The Company had net current liabilities of £1.34 million (2020: net current liabilities of £1.35 million) and had cash balances of £521k (2020: £700k) (this does not include cash balances held within investee companies), which the Board believes are sufficient to meet current obligations as they fall due. Further detail on liquidity risk can be found in the principal risks, uncertainties and emerging risks section on page 23.

The major cash outflows of the Company are the payment of dividends, which is discretionary and can be scaled back if required. The interest on the loan facility amount is payable quarterly and has been factored into cash flow projections produced by the Company.

The Directors have reviewed cash flow projections which cover a period of at least 12 months from the date of approval of this report. These show that the Company has sufficient financial resources to continue to meet its day-to-day commitments for at least the next 12 months. Scenarios have been run including a hydro disposal scenario and alternatively a scenario in which the hydroelectric assets are held to maturity. Under both scenarios, the Company has sufficient resources to continue as a going concern for at least the next 12 months.

Company Strategy and Business Model

The Company has an existing 364-day loan facility in place. This has recently been renewed by the lender. As was the case last year, due to the short-term nature of the loan agreement, the Company entered into a similar facility agreement with a different lender which includes a two-year availability period. Following the year end, the Board sought an extension to the alternative facility agreement at no additional cost to the Company. This alternative facility agreement remains in place until 11 June 2023.

This agreement was put in place to mitigate the risk of the existing loan facility not being extended. The Directors therefore continue to adopt the going concern basis in preparing these financial statements.

Viability Statement

The Association of Investment Companies Code of Corporate Governance 2019 requires the Board to assess the Company's viability over an appropriate period. The Directors have assessed the prospects of the Company over a longer period than 12 months required by the Going Concern provision.

The Board conducted this review for a period of three years, which was considered to be an appropriate time horizon, as investors are required to hold their investment for a period of five years in order to benefit from the associated tax reliefs which will have elapsed within the next three years.

The Board has determined that three years up to 31 March 2024 is the maximum timescale over which the future position of the Company can be forecast with a material degree of accuracy and therefore this is the appropriate period over which to consider its viability. During the next three years both the C and D Share Class will have completed their income generation phase. Further, the Company has proposed a resolution at the AGM that would allow the Company to explore a potential portfolio sale of the hydroelectric assets in the C and D Shares Classes in order to take advantage of favourable market conditions. Such a sale would likely see a full exit of the share classes and the capital being returned to Shareholders. The E Share Class will also reach its five-year holding period. Based on this the Directors believe it is reasonable to make their assessment over three years.

As part of the assessment the Company undertook various scenario testing, with regard to the Company's financing facility, this included both a sale and a hold to maturity case. In the hold scenario it was assumed that the Company would draw on the existing alternative facility with TP Leasing Limited ("TPLL") on the same terms and an agreed amortisation schedule would be put in place to be paid down utilising income from the hydro portfolio. On a sale, it was assumed that the loan would be repaid in full using proceeds realised from a sale.

In order to assess this requirement, the Board regularly considers the Company's strategy and considers the Company's current position. It also carries out a robust assessment of the principal risks, including future performance and liquidity. Consideration has also been given to the Company's reliance on, and close working relationship with, the Investment Manager. This has enabled the Directors to state that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment. The Board has considered both the Company's long-term and short-term cash flow projections and considers these to be realistic and reasonable.

To provide this assessment the Board has considered the Company's financial position and ability to meet its expenses as they fall due as well as considering longer-term viability:

- The expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments foreseen which would alter that position;
- The Company has no employees, only Non-Executive Directors, and consequently does not have redundancy or other employment related liabilities or responsibilities;
- Most of the Company's investments will involve a medium to long-term commitment and will be relatively illiquid but the Board reduces the risk as a whole by careful selection and timely realisation of investments;
- The Directors will continue to monitor closely changes in the VCT legislation and adapt to any changes to ensure the Company maintains approval. The Directors have appointed an independent adviser to undertake the VCT status monitoring role; and
- The Directors have considered the ongoing and future effects of the COVID-19 pandemic on the Company and its longer-term viability. More detail on this is included in the principal risks, uncertainties and emerging risks section on page 23.

Based on the results of this review, the Directors have a reasonable expectation that the Company will be able to continue its operations and meet its expenses and liabilities as they fall due over the period of their assessment.

Company Strategy and Business Model

Section 172(1) Statement

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 when performing their duty and forms the directors' statement required under section 414CZA of that Act.

This section describes how the Board engages with its key stakeholders, and how it considers their interests when making its decisions. Further, it demonstrates how the Board takes into consideration the long-term impact of its decisions, and its desire to maintain a reputation for high standards of business conduct.

Stakeholder Engagement

This section describes how the Board engages with its key stakeholders, how it considers their interests and the outcome of the engagement when making its decisions, the likely consequences of any decision in the long-term, and further ensures that it maintains a reputation for high standards of business conduct.

Stakeholder	Importance	Board Engagement
Shareholders	Continued shareholder support is critical to the sustainability of the Company and the delivery of its strategy.	The Board is committed to maintaining open channels of communication with Shareholders. Formal updates are provided to Shareholders as part of the Annual or Interim Reports, and the Board and the Investment Manager will also respond to any written queries made by Shareholders during the course of the year. The Board receives shareholder communications from the Investment Manager on a quarterly basis. The Chair provides this feedback to the Board and is responsible for providing a clear understanding of the views of Shareholders to the Board. The Board recognises the importance of providing strong financial returns to Shareholders and the eligible tax benefits under VCT tax legislation and takes this in consideration when making investments into and from investee companies, approving offers for subscription and declaring declarations. Annual General Meeting ("AGM") Whilst shareholder engagement has been more challenging during the COVID-19 pandemic, the Board continues to engage with shareholders through its Annual and Interim Reports, RNS communications, and encourages shareholders to attend where possible, or subject to UK Government Guidance during the COVID-19 pandemic, submit questions in advance of an AGM.
Investment Manager	The Investment Manager's performance is critical to the Company to enable it to successfully deliver its investment strategy and meet its long-term investment objectives of capital growth and tax-free dividends.	The Board has delegated the authority for the day-to-day running of the Company to the Investment Manager. The Board then engages with the Investment manager in reviewing, setting, approving, and overseeing the execution of the Investment Policy and strategy of the Company. The Investment Manager attends both Board and other committee meetings to update the Board on the performance of the Company and its portfolio. At every quarterly Board meeting, a review of financial and operating performance of the Company and its investments is undertaken, including a review of legal and regulatory compliance. The Board also reviews other areas including the Company's strategy; key risks; corporate responsibility; compliance and legal matters.

Company Strategy and Business Model

Investee companies	The Company via its Investment Manager has important relationships with individuals responsible for the maintenance and performance of its investee companies. As part of achieving its investment objectives, the Company provides funding to a number of investee companies and as such, has debtor relationships with several companies.	The Investment Manager obtains monthly operational reports from the Operation & Maintenance ("O&M") providers. Site visits are undertaken at least annually by representatives from the Investment Manager including the Investor Directors and portfolio management team. The Investment Manager is in regular contact with the O&M providers. Management accounts and performance reports are provided to the Directors of investee companies on a quarterly basis. Should issues arise with payment deadlines, the Investment Manager, on behalf of the Company, will consider appropriate measures to engage with any debtors and take into consideration their circumstances, with the aim of not causing detriment to the Company's long term sustainable success.
External Service Providers	To function as a VCT with a premium listing on the London Stock Exchange, the Company relies on external service providers for support in meeting all relevant obligations. These service providers are fundamental to ensuring that Company meets the high standards of conduct that the Board sets.	The Company has a number of service providers which include the Investment Manager and Company Secretary, Registrar, Legal Advisers, VCT Compliance Adviser and the Auditor. The Board has regular contact with the two main service providers, the Investment Manager, and the Company Secretary through quarterly Board meetings and more regular discussions with the Board. This relationship has been of particular importance this year as a result of the challenges experienced due to the COVID-19 pandemic.
Lenders	The Company values its relationships with its debt providers. Prudent debt financing is important to effectively manage the Company's capital and achieve the target return promised to Shareholders.	The Investment Manager engaged with and ensured the Company met its obligations in relation to the loan facility agreement which was put in place during the year. The Company entered into and received a loan facility from TPLP on 11 June 2020. This is disclosed further in note 2 to the Financial Statements. The Company also has a loan facility agreement with TP Leasing Limited TPLL which was entered into on 18 March 2020.
Community	The Directors recognise that the long-term success of the Company is linked to the success of the communities in which the Company, and its investee companies, operate.	The Board is cognisant of the impact of the Company's operations and of the companies in which it invests and believes that its investment activities have many positive benefits beyond the returns delivered for Shareholders.
Regulators	The Company can only operate with the approval of its regulators.	The Company engages an external adviser to report on its compliance with the VCT rules.

Company Strategy and Business Model

Principal Decisions

Below are the principal decisions made or approved by the Directors during the year. In taking these decisions, the Directors considered their duties under section 172 of the Act. Principal decisions have been defined as those that have a material impact to the Company and its key stakeholders.

Dividends

The Company declared dividends during the year to C Share Class holders of 3.50 pence per share, D Share Class holders of 5.00 pence per share and the E Share Class dividend of 6.50 pence per share.

This decision represented the culmination of a significant return of Capital for D Share Class holders, taking total distributions to 70.00 pence per share, and the continuing payment of an annual dividend for E Share Class holders. It represented the first dividend of the income generation phase for the C Share Class. Consideration was given to the reserve position of the Company to be able to facilitate these distributions.

The Company will declare further interim dividends to Shareholders of 1.75 pence per share for each of the C and D Share Class Shareholders and 3.50 pence per share for the E Share Class Shareholders.

Impact of COVID-19

During the year, the Board has had to give consideration to the potential impact on the Company and its portfolio companies from the global pandemic. The Board has continued to meet regularly during the year to discuss, amongst other things, the crisis and the impact which it has had on the portfolio companies and implement any necessary actions to mitigate the impact of COVID-19. The Portfolio has been relatively unaffected by the impacts of the pandemic.

During the lock down period, the Board ensured its main service providers had all effectively implemented their business continuity plans and were able to continue working remotely, with no impact to the services provided to the Company.

INVESTMENT MANAGER'S REVIEW

Sector Analysis

Industry Sector	Crematorium Management	Vertical Growing	Electricity Generation: Hydroelectric Power	Electricity Generation: Other Electric Power	SME Funding: Hydroelectric Power	SME Funding: Other	Quoted Investments	Total Investments
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Investments at 31 March 2020								
C Shares	–	–	11,502	–	–	–	–	11,502
D Shares	–	–	10,146	–	–	–	–	10,146
E Shares	97	6,282	5,872	7,872	3,348	2,717	2,927	29,115
Total	**97**	**6,282**	**27,520**	**7,872**	**3,348**	**2,717**	**2,927**	**50,763**
Investments realised during the period								
C Shares	–	–	(258)	–	–	–	–	(258)
D Shares	–	–	(110)	–	–	–	–	(110)
E Shares	–	–	(69)	–	–	–	(2,546)	(2,615)
Total disposals	**–**	**–**	**(437)**	**–**	**–**	**–**	**(2,546)**	**(2,983)**
Investments revalued during the period								
C Shares	–	–	–	–	–	–	–	–
D Shares	–	–	–	–	–	–	–	–
E Shares	15	187	–	(637)	–	500	177	242
Total revaluations	**15**	**187**	**–**	**(637)**	**–**	**500**	**177**	**242**
Investments at 31 March 2021								
C Shares	–	–	11,244	–	–	–	–	11,244
D Shares	–	–	10,036	–	–	–	–	10,036
E Shares	112	6,469	5,803	7,235	3,348	3,217	558	26,742
Total	**112**	**6,469**	**27,083**	**7,235**	**3,348**	**3,217**	**558**	**48,022**
Total investments %	**0.23%**	**13.47%**	**56.40%**	**15.07%**	**6.97%**	**6.70%**	**1.16%**	**100.00%**

Investment Manager's Review

Jonathan Parr
Head of Energy
Triple Point Investment Management LLP

We have the pleasure of presenting our annual review for the year ended 31 March 2021.

Our portfolio has, on the whole, remained relatively resilient against the worst effects of the pandemic. Although power prices experienced volatility, the majority of our renewable assets are in receipt of FiTs and ROCS and fixed power purchase agreements with one of the big six energy providers. The Company and the Investment Manager will continue to monitor the ongoing operation of all the Share Class investments.

C Share Class

The C Share Class has investments in three companies which between them own six hydroelectric schemes in the Scottish Highlands.

Further updates on this sector are detailed in the Hydroelectric Power section on pages 34 to 35.

D Share Class

The D Share Class has investments in five companies which between them own six hydroelectric schemes in the Scottish Highlands.

Further updates on this sector are detailed in the Hydroelectric Power section on pages 34 to 35.

E Share Class

The E Share Class has a diverse portfolio consisting of 18 companies spanning hydroelectric power, rooftop solar, crematoria, vertical growing and social housing through its investment in a REIT.

TPIM is paid an annual management fee as Investment Manager to Triple Point Social Housing REIT plc and consequently has agreed to rebate a corresponding part of its management fee relating to this investment, to ensure VCT Investors are not bearing additional fees.

Review of Portfolio

Solar Energy

The Company holds an investment in four portfolios of rooftop solar PV systems through the following investee companies:

- Green Energy for Education Limited ("GEFE"), which owns a portfolio of 103 systems on residential rooftops in East Anglia;
- Campus Link Limited ("CMP"), which owns a portfolio of 36 systems on residential rooftops in South West England;
- Digima Limited ("DIG"), which owns a portfolio of 104 systems on residential rooftops in East Anglia; and
- Digital Screen Solutions Limited ("DSS"), which owns a portfolio of 323 systems on residential rooftops in Northern Ireland.

The GEFE, CMP and DSS portfolios are currently performing in line with, or slightly above, expectations. The DIG portfolio is performing slightly below expectations, and DIG is working closely with its Operations & Maintenance provider in an effort to improve this performance going forward.

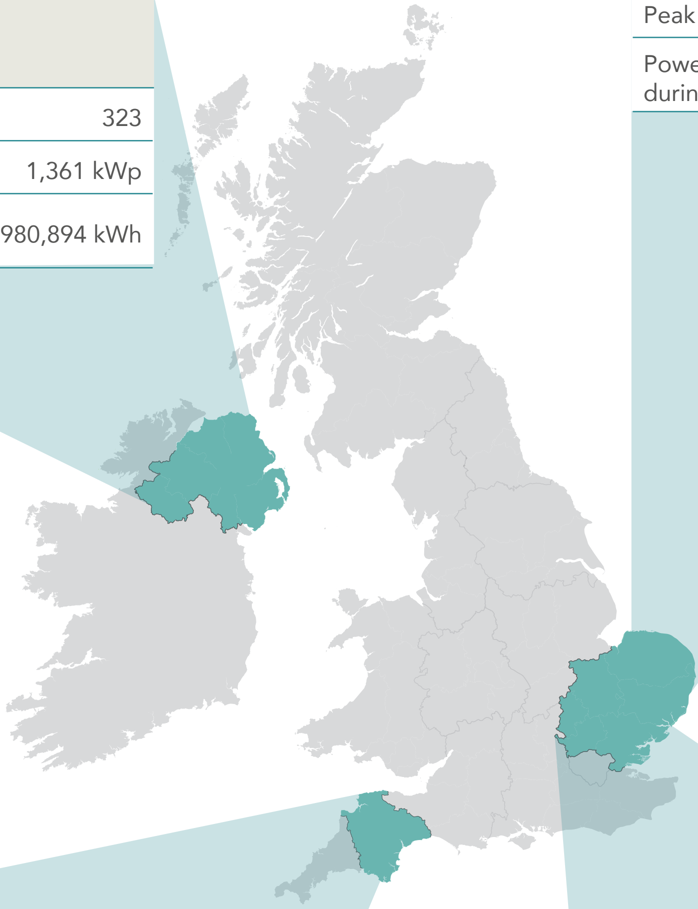
Solar Energy

Digima Limited
East Anglia

Number of Systems	104
Peak Capacity	306 kWp
Power produced during the period	250,492 kWh

Digital Screen Solutions
Northern Ireland

Number of Systems	323
Peak Capacity	1,361 kWp
Power produced during the period	980,894 kWh



Campus Link Limited
South West

Number of Systems	36
Peak Capacity	120 kWp
Power produced during the period	122,617 kWh

Green Energy for Education Limited
East Anglia

Number of Systems	103
Peak Capacity	278 kWp
Power produced during the period	292,376 kWh

Hydroelectric Power

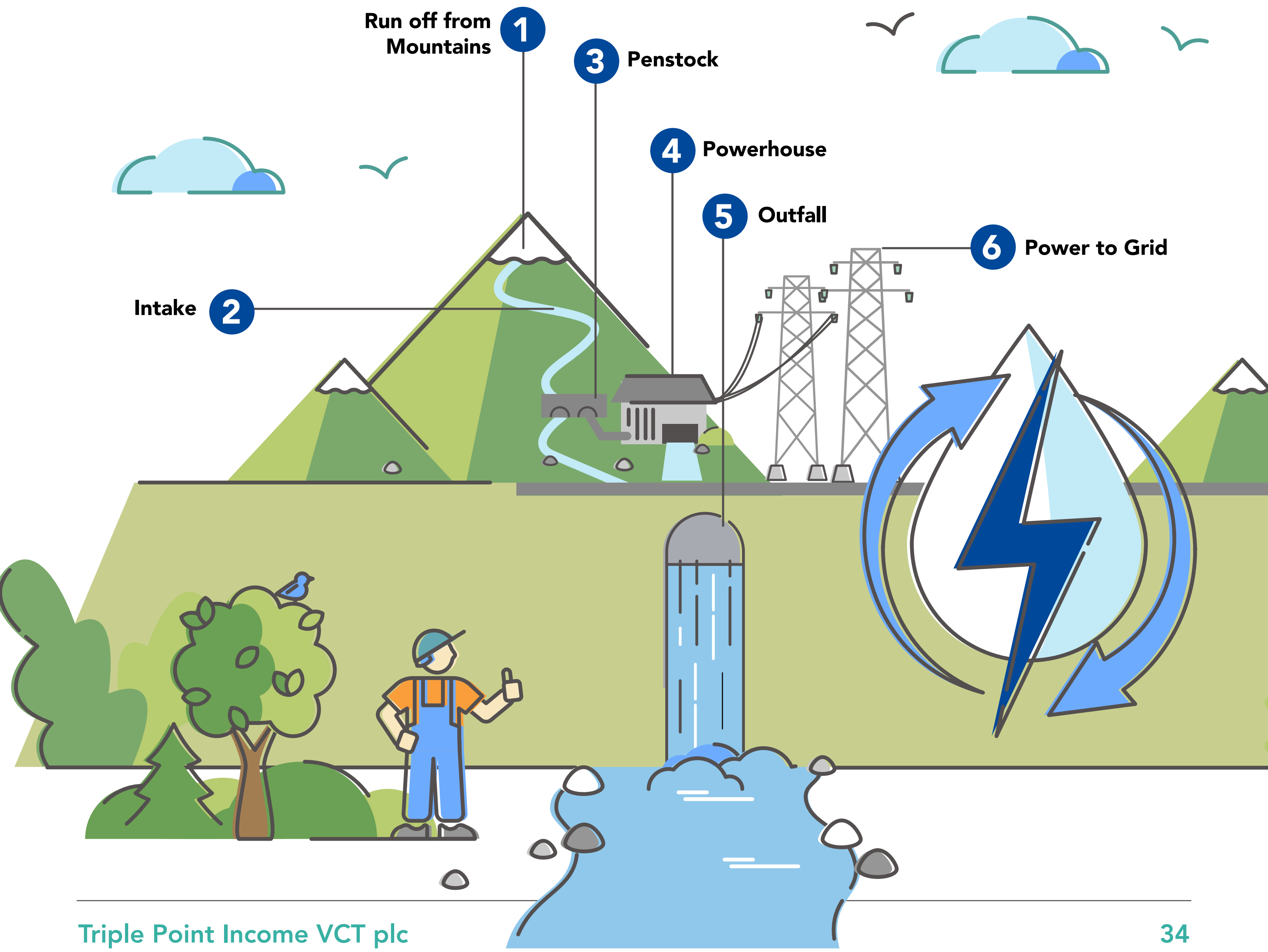
The Company has investments in seven hydroelectric companies which operate ten schemes.

The hydroelectric assets across the Company's Share classes have finite lives and due to the recent changes in VCT legislation, the Company is unable to make new investments into renewables. Consequently, the NAV of the Company's Share Classes, being the present value of all the future cash flows generated by the assets will begin to fall as the remaining FiT periods begin to approach expiry and the operating lives of the assets begin to decrease. However, as the assets continue to operate and generate a track record, and as demand for such FiT bearing assets increase, the discount rates applied to future cash flows which determine the valuation of these assets has the positive effect of improving valuations.

The Board and the Investment Manager have considered the potential returns and risks for Shareholders from remaining invested in, as compared to selling the assets, and a detailed analysis of returns on a sale scenario and a hold to maturity scenario has been run. As such, we think there are compelling reasons to explore potential sale options and to present those to Shareholders for consideration. Further details can be found in the Chair's Statement on page 9.

The ten hydroelectric schemes are "Run of River" plants which capture river flow agreed above a certain level as determined by the Scottish Environment Protection Agency (SEPA). Water flow is generally captured before a descent and flows down the penstock (pipe) to a turbine engine which produces electricity. The water is then returned to the river.

Run of River systems have the advantage of a long operational lifetime, with minimal maintenance. Also, these systems tend to generate the most electricity in the colder months when the demand is greater for electrical heating and extra lighting.

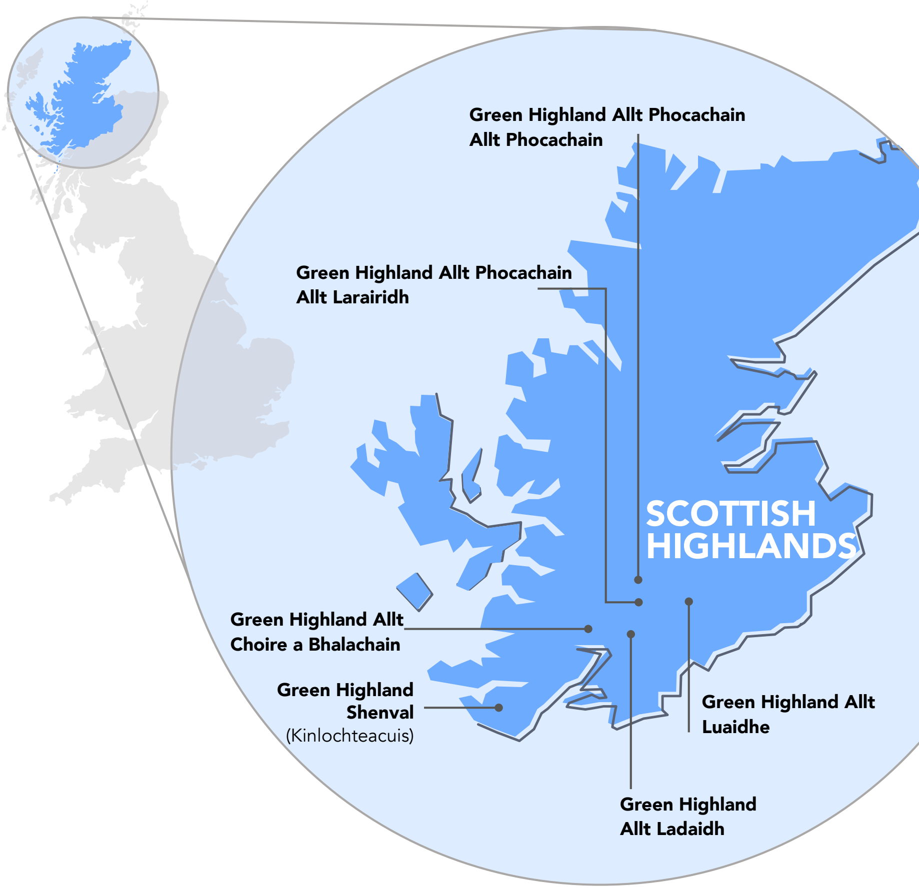


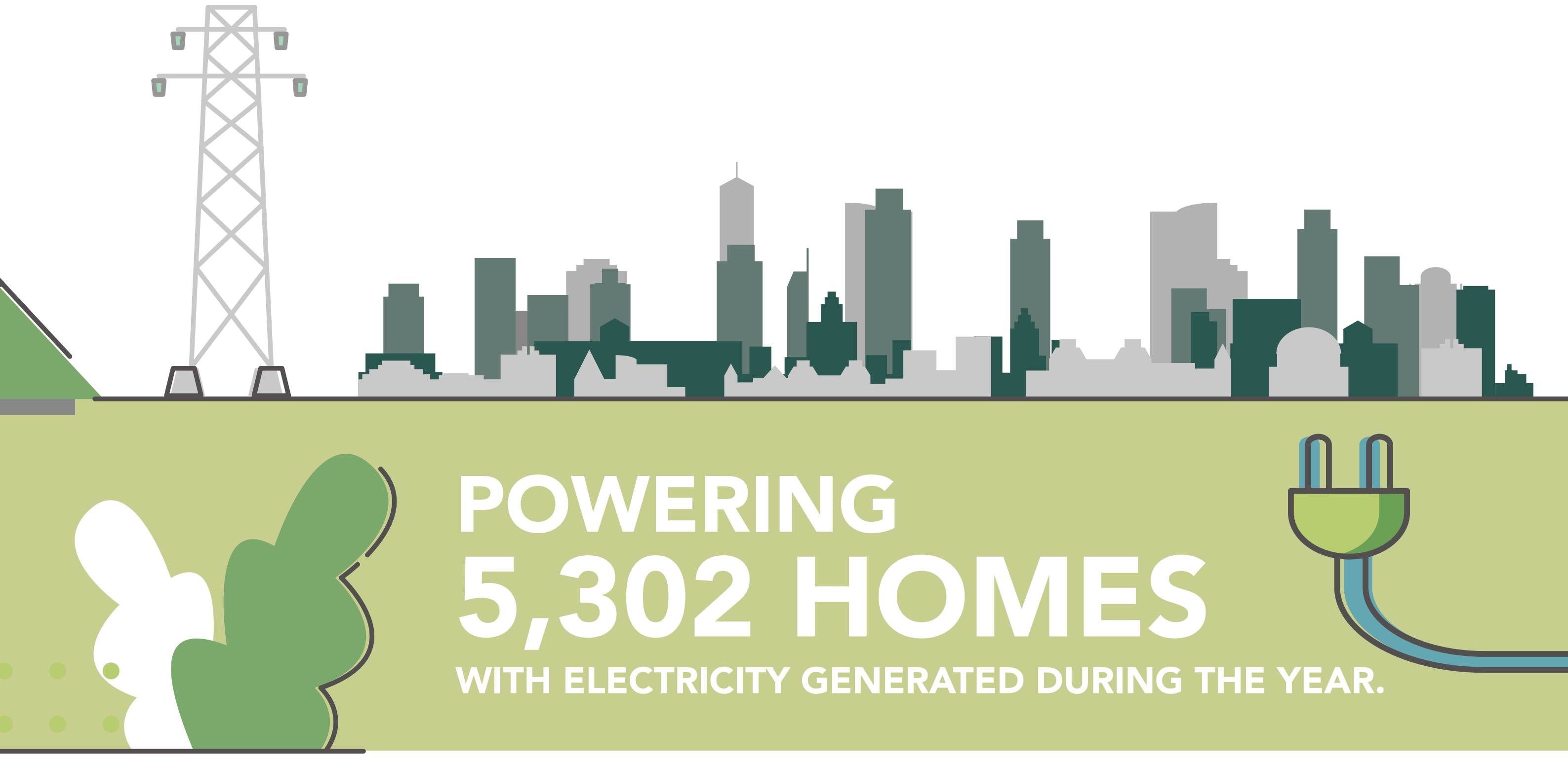
Hydroelectric Power

During the period to 31 March 2021, the hydroelectric companies generated 20,151 MWh of electricity. Based on an average of 3.8 MWh annual use per household, the companies generated enough electricity for 5,302 homes during the period.

The Hydro companies benefit from government backed FiT payments based on output and from the sale of the electricity produced to utilities or other power companies under Power Purchase Agreements (PPAs).

The last 12 months have seen lower than expected rainfall across the Scottish Highlands. Rainfall variability is to be expected over the 40-year period of generation which our investee companies are expected to experience overall, and we continue to be pleased with the efficiency of the Hydro plants owned by them. The Hydroelectric companies remain highly focused on improving efficiencies and maximising output and continue working alongside hydro experts to further enhance performance where possible.



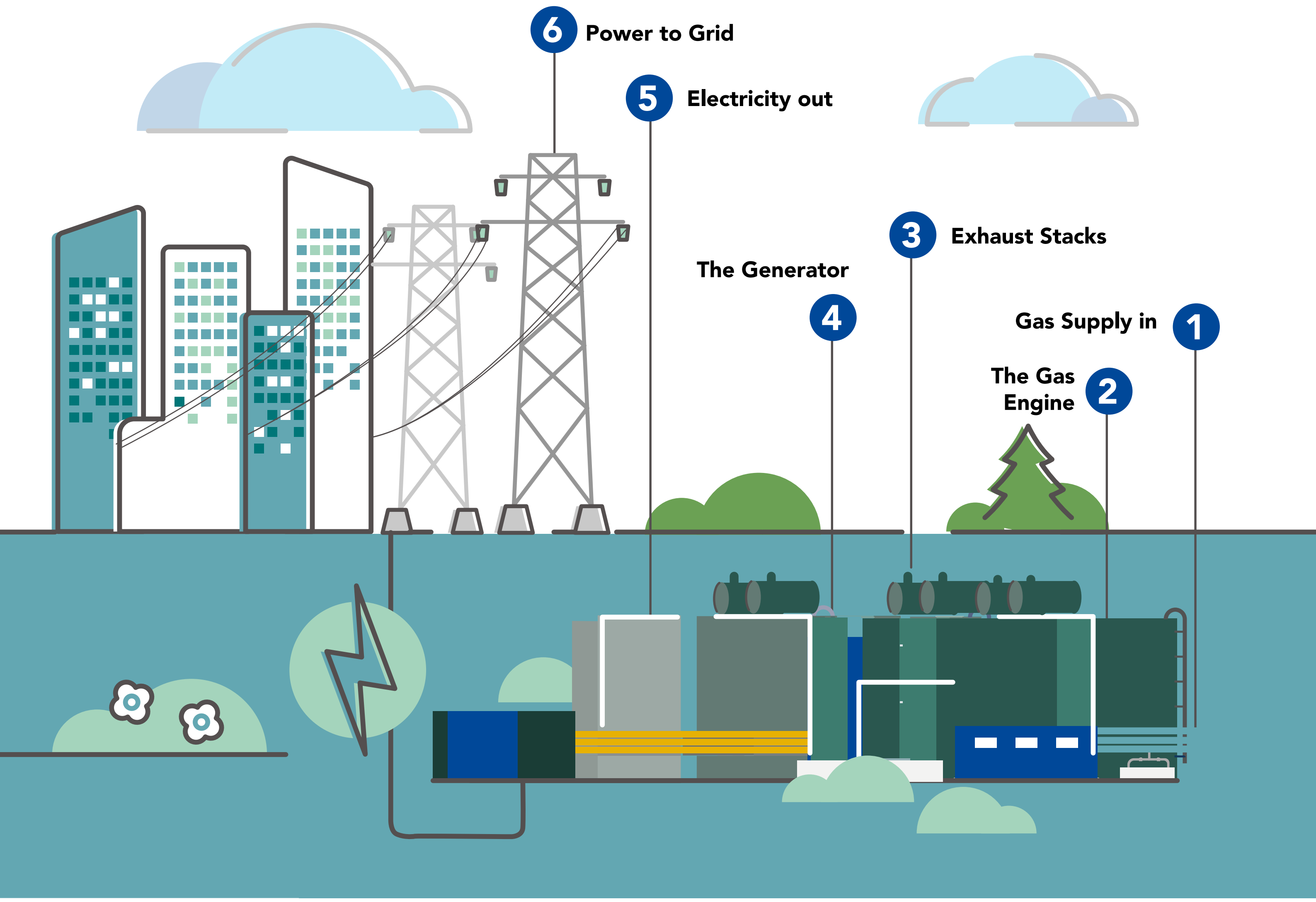


Gas Fired Energy Centre

The Company has an investment which has constructed a gas fired energy centre owned by Green Peak. This provides a reliable and secure energy supply. This gas fired energy centre was commissioned during May 2018 and it consists of containerised gas combustion engines that generate electricity for onward sale, especially at times when there is high demand for power.

In June 2019 the UK Government became the first major economy in the world to pass laws to end its contribution to global warming by 2050. The target will require the UK to bring all greenhouse gas emissions to net zero by 2050, compared with the previous target of at least 80% reduction from 1990 levels.

During the year TPIM began to explore potential sale opportunities for this gas fired energy centre and sought the appointment of an experienced corporate finance adviser on the project. Green Peak was added to a portfolio of eight other similar companies managed by TPIM as the Board wanted to attempt to take advantage of a wider project to sell similar assets managed by TPIM in the expectation that a portfolio premium would be realised for Shareholders. Unfortunately, during this process potential bidders attributed a lower indicative valuation to Green Peak than previously expected. The indication from the valuation process is that headwinds for the energy sector will continue over the next 1-2 years, including potential changes to the taxation of carbon emissions and changes to the calculation of electricity network charges. Alongside the regulatory uncertainty, Green Peak has suffered from availability issues, and the impact of this lower availability has been factored into the valuations.



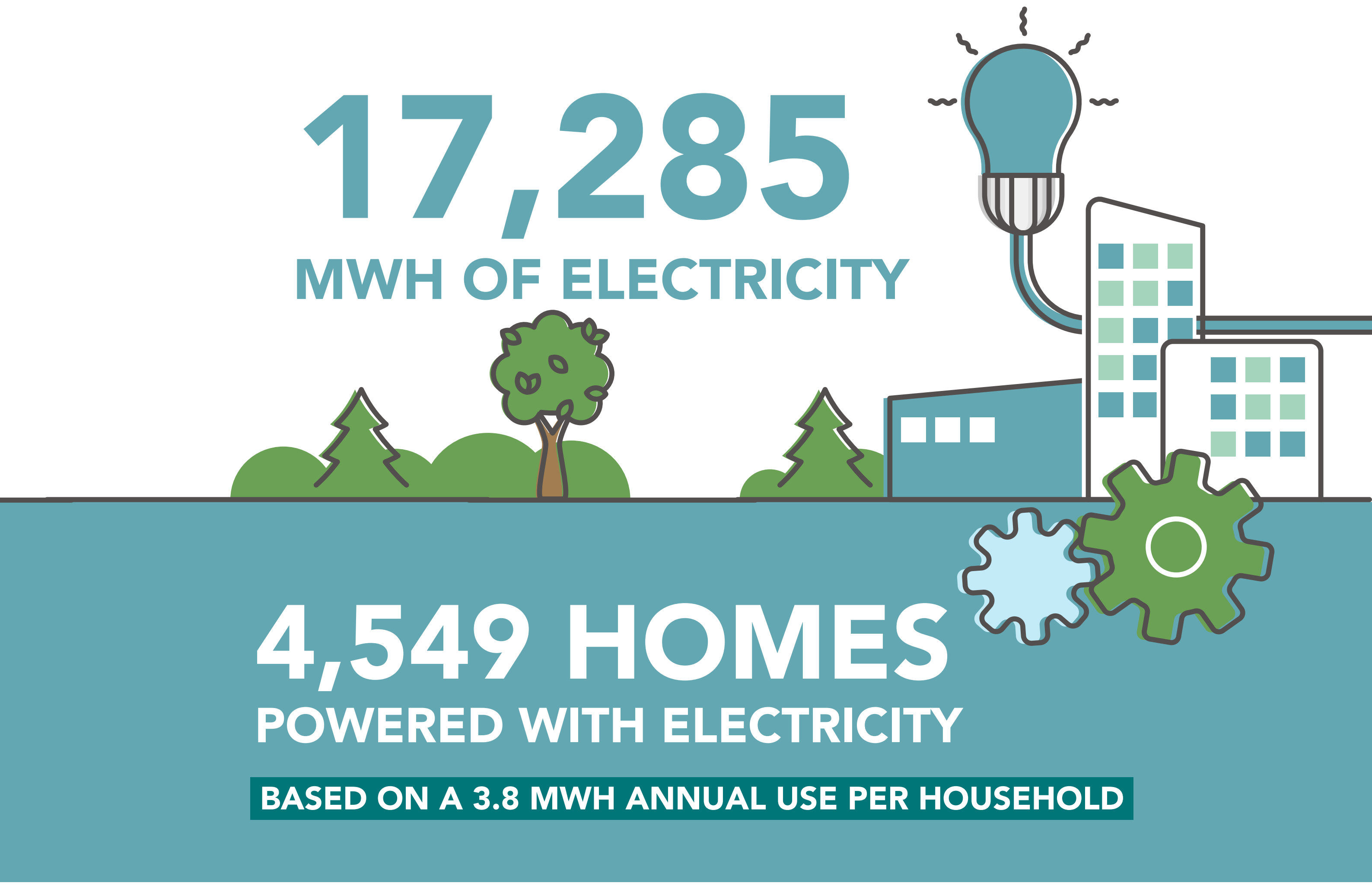
Gas Fired Energy Centre

The revised valuation in our view considers the feedback received from market participants as part of the sales process and a summary of the key reasons for the downward movement in value are set out below:

- The cost of constructing and operating new energy centres.
- Reducing project life expectations following an acceleration of the Government and public consensus on the phasing out of fossil fuel generation and achieving Net Zero.
- Ofgem's review of the embedded benefits regime, future Balancing Market revenues, Brexit uncertainty, assumed terminal values and site-specific factors based on whether the assets are located in a local area where demand is generally higher than supply or vice versa.

In order to corroborate the information received during the bidding process we engaged an independent financial adviser to undertake an independent valuation of Green Peak. The valuation considered the Enterprise Valuation ranges for Green Peak to reflect the fair market value as at the Valuation Date considering observed market comparator benchmarks and asset-specific risks, which have been reflected in the discount rate range. However, it was noted that due to the capacity and nature of the asset relative to market comparators, we would expect the valuation of the asset to sit at the lower end of the enterprise value ranges outlined.

We have used this information to guide our valuation of the company. Disappointingly, as a result of this the valuation has fallen 46% to £1.2 million from £2.37 million. The valuation of this investment is included in the "Other Electric Power" column on page 30. This column also includes the Company's solar assets.



Vertical Growing

Vertical Growing is the practice of producing food in an indoor growing facility where all inputs (water, light, and nutrients) meet the optimum needs of the crop. Growing indoors is not a new concept, as greenhouse-based agriculture has been in existence for some time.

What PFC is aiming to achieve that differs radically from what now exists is to scale up the concept of indoor growing, in which a wide variety of produce is harvested in quantity enough to sustain even the largest of cities without significantly relying on resources beyond the city limits. Currently, in traditional growing, maximising crop production takes place over an annual growth cycle that is wholly dependent upon what happens outside – climate and local weather conditions.

Vertical Growing promises to eliminate external natural processes as confounding elements in the production of food, since crops will be grown indoors under carefully selected and well-monitored conditions, ensuring an optimal growth rate for each type of crop year-round. It is estimated that one acre of vertical farm could be equivalent to as many as ten to twenty traditional soil-based acres, depending upon which crop species is considered. Growing food close to home will lower significantly the amount of fossil fuels needed to deliver it to the consumer and will eliminate forever the need for fossil fuels during the act of farming (i.e. ploughing, applying fertiliser, seeding, weeding, harvesting).

PFC's vertical growing facility is designed to have a sealed environment, meaning that the product is grown under controlled conditions, with positive air pressure to prevent any pests entering the facility. This ensures that insects and other pests cannot attack the crop, removing both the need to use pesticides and to wash the crop before distribution therefore increasing its shelf life. A large variety of produce can be grown using this method including herbs and salad leaves.

Crops are held in vertical racks to optimise use of space.

Vertical Growing

PFC has, like many businesses in the UK been affected by the pandemic. PFC's main customer has reduced its demand for PFC's product during the year in consequence of a reduction in the demand of packaged sandwiches following the UK's shift to employees working from home. As a result of this reduction in demand, PFC has not been able to increase its yields as was intended, resulting in little to no growth during the year.

The capital-intensive nature of the facility has required that PFC take on additional financing at market rates from another TPIM managed business. While cash flow has been of concern during the period, PFC continues to be supported by TPIM and Joint Venture Partners in the vertical growing sector. While we do firmly believe in this opportunity, we must be cognisant that raising additional equity funding in the future will be necessary to continue to support PFC and its future development plans, at present, the business continues to have the backing of both TPIM and the Joint Venture Partners, who are continuing to fund the growth and development of the company.

In recent months there has been a significant increase in activity in the Vertical Growing Sector, with companies operating in the sector raising, and looking to raise large amounts of capital at significant valuations. Despite the short-term liquidity issue that are often typical in a company in a transformative sector, we believe there continues to be value in the company and in its plans for the future.

A controlled environment means that the crops are not exposed to birds and insects removing the need for harmful pesticides and increasing the quality of produce.

Crops are produced in an enclosed environment with carefully controlled conditions which means crops are not subject to seasonal changes in weather and can be produced all year round.

Crematorium Management

The Company has an investment in a business called Furnace Managed Services Limited ("FMS") that provides crematory and mercury abatement services for the crematoria of a London Borough. This investment receives revenues from local authorities and has consistently generated a steady return over the years it has been held. Looking ahead, the Company is expected to continue receiving dividends from FMS.

If you have any questions, please do not hesitate to call us on 020 7201 8990.

Jonathan Parr
Head of Energy

Triple Point Investment Management LLP
21 June 2021

Responsible Investing

PRI Signatory Status

Foundational to the Investment Manager's role of being a sustainable and responsible investor is its status as a PRI signatory which underpins its Environmental, Social and Governance (ESG) commitment across all investment strategies.

In 2019, TPIM became a signatory to the PRI. The Investment Manager believes these principles are helpful in guiding and demonstrating best practice in investor ESG integration. They also help promote a closer alignment between the objectives of institutional investors and those of society at large. The principles are voluntary and intended to be actionable and measurable.

TPIM seeks to promote these principles throughout its business and all investment strategies.

ESG Integration Approach

The Investment Manager aligns international standards and good industry practice, including monitoring industry regulation (such as the UK Bribery Act and UK Companies Act) and investor-led initiatives (such as the PRI), as the foundation of its ESG integration approach. Using these foundational principles, TPIM has developed an in-house approach to drawing out maximum value from ESG integration. It places proportionate expectations on the investment companies into which it invests, according to its sector, size and stage of growth. The careful crafting of its method adds, it believes, a further strength to the investment process.

To ensure the effective and consistent application of this approach, The Investment Manager operates ESG Integration Policies. Each details how ESG considerations are taken in to account throughout investment processes, from the point of origination to exit. The Investment Manager takes a practical, proportionate, and material approach to ESG integration to manage the identification of associated risks and opportunities. There are two pillars of management to the approach:

1. Management (culture, capacity & governance): this refers to the allocation of appropriate resourcing, training and senior support for ESG integration. It demonstrates TPIM's actions have integrity aligned with the strategic position of the Investment Manager.

2. Investment process (process & reporting): this refers to action taken in the investment process to assess and improve ESG factors affecting the target asset, how these might affect investment decisions and, how TPIM captures decisions and changes to ESG factors during asset ownership.

TPIM is committed to evaluating the success of its approaches.

The investment teams report to our ESG Committee on selected ESG KPIs and where possible TPIM measures and reports where it believes that it has influenced better or faster progress towards greater sustainability either as a business, an employer, or an investor.

Investment Portfolio Summary

	31 March 2021				31 March 2020			
	Cost		Valuation		Cost		Valuation	
	£'000	%	£'000	%	£'000	%	£,000	%
Unquoted qualifying holdings	30,936	79.89	40,649	83.75	30,980	73.62	41,144	79.95
Quoted non-qualifying holdings	570	1.47	558	1.15	3,319	7.89	2,927	5.69
Unquoted non-qualifying holdings	6,690	17.28	6,815	14.03	7,082	16.83	6,692	13.00
Financial assets at fair value through profit or loss	38,196	98.64	48,022	98.93	41,381	98.34	50,763	98.64
Cash and cash equivalents	521	1.36	521	1.07	701	1.66	701	1.36
	38,717	100.00	48,543	100.00	42,082	100.00	51,464	100.00

Qualifying Holdings - Unquoted

Digima Limited	1,262	3.26	1,716	3.54	1,262	3.00	1,661	3.23
Digital Screen Solutions Limited	2,020	5.22	2,776	5.72	2,020	4.80	2,586	5.02
Green Energy for Education Limited	475	1.23	1,404	2.89	475	1.13	1,260	2.45
Elementary Energy Limited	2,060	5.32	2,461	5.07	2,060	4.90	2,461	4.78
Green Highland Allt Choire A Bhalachain (225) Limited	3,130	8.08	3,763	7.75	3,130	7.44	3,763	7.31
Green Highland Allt Ladaidh (1148) Limited	3,500	9.04	4,771	9.83	3,500	8.32	4,771	9.27
Green Highland Allt Luaidhe (228) Limited	1,995	5.15	2,425	5.00	1,995	4.74	2,425	4.71
Green Highland Allt Phocachain (1015) Limited	3,931	10.15	4,989	10.28	3,932	9.34	4,989	9.69
Green Highland Shenval Limited	1,120	2.89	739	1.52	1,120	2.66	739	1.44
Achnacarry Hydro Ltd	4,243	10.96	7,797	16.06	4,286	10.18	7,841	15.24
Green Peak Generation Limited	2,200	5.68	1,339	2.76	2,200	5.23	2,366	4.60
Perfectly Fresh Cheshire Limited	5,000	12.91	6,469	13.33	5,000	11.88	6,282	12.21
	30,936	79.89	40,649	83.75	30,980	73.62	41,144	79.95

Non-qualifying Holdings – Quoted

TP Social Housing REIT Plc Equity	570	1.47	558	1.15	3,319	7.89	2,927	5.69
	570	1.47	558	1.15	3,319	7.89	2,927	5.69

Non-qualifying Holdings – Unquoted

Furnace Managed Services Limited	488	1.26	113	0.23	486	1.15	97	0.19
Elementary Energy Ltd	140	0.36	140	0.29	200	0.48	199	0.39
Green Highland Allt Choire A Bhalachain (225) Limited	–	–	–	–	223	0.53	223	0.43
Green Highland Allt Luaidhe (228) Limited	–	–	–	–	109	0.26	110	0.21
Broadpoint 2 Limited	1,334	3.45	1,449	2.98	1,335	3.17	1,334	2.59
Broadpoint 3 Limited	2,010	5.19	2,010	4.14	2,010	4.78	2,010	3.91
Aeris Power Limited	518	1.34	602	1.24	519	1.23	519	1.01
Funding Path Limited	2,200	5.68	2,501	5.15	2,200	5.23	2,200	4.27
	6,690	17.28	6,815	14.03	7,082	16.83	6,692	13.00

Investment Portfolio Summary

SOLAR

HYDROELECTRIC POWER

GAS FIRED ENERGY CENTRE

VERTICAL GROWING

INVESTMENT PROPERTY

CREMATORIUM MANAGEMENT

HYDROELECTRIC POWER

SME FUNDING

OTHER

Financial Assets are measured at fair value through profit or loss. The initial best estimate of fair value of these investments that are either quoted or unquoted on an active market is the transaction price (i.e., cost). The fair value of these investments is subsequently measured by reference to the enterprise value of the investee company, which is best deemed to reflect the fair value. Where the Board considers the investee company's enterprise value should remain unchanged since acquisition, investments continue to be held at cost less any loan repayments received.

10 Largest Investments

Achnacarry Hydro Ltd

Achnacarry Hydro Ltd is operating three separate Run-of-River hydroelectric power plants located adjacent to Loch Arkaig near Fort William. Having reached financial close in August 2014, the Allt Dubh site (722kw) was commissioned in November 2015 with the Loch Blair site (1,250kw) and the Cheanna Mhuir site (500kw) both successfully commissioned in December 2015. The company earns FiT and other revenues from the generation and export of electricity to the National Grid.

Date of first investment	13-Aug-2014
Cost (£)	4,300,000
Valuation (£)	7,797,000
Valuation Method	Discounted Cash Flow
Income recognised by TP Income for the year (£'000)	100
Equity Held by TP Income (%)	40.65
Equity Held by TPIM managed funds (%)	40.65

Summary of Information from Investee Company Financial Statements ending in 2019* (£'000)	
Turnover	1,969
Earnings before interest, tax, amortisation and depreciation (EBITDA)	1,363
Profit before tax	868
Net assets before VCT loans	4,335
Net assets	3,038

*Statutory Accounts for Achnacarry Hydro for September 2020 had yet to be prepared at the Annual Report publishing date.

Perfectly Fresh Cheshire Limited

Perfectly Fresh Cheshire Limited has constructed a pioneering vertical growing facility. This facility is producing premium quality fresh salads and herbs in indoor, laboratory-like conditions.

Date of first investment	27-Nov-2017
Cost (£)	5,000,000
Valuation (£)	6,469,000
Valuation Method	Revenue multiple
Income recognised by TP Income for the year (£'000)	Nil
Equity Held by TP Income (%)	49.97
Equity Held by TPIM managed funds (%)	49.97

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	35
Loss before interest, tax, amortisation and depreciation (EBITDA)	(974)
Loss before tax	(1,355)
Net assets before VCT loans	3,120
Net assets	1,620

10 Largest Investments

Green Highland Allt Phocachain (1015) Limited

Green Highland Allt Phocachain (1015) Limited operates two separate 500 kW Run-of-River hydraulic power plants located in Glen Moriston, from the Scottish Highlands. The company earns FiT from generation and export of electricity to the National Grid.

Date of first investment	13-Nov-2014
Cost (£)	3,932,000
Valuation (£)	4,989,000
Valuation Method	Discounted Cash Flow
Income recognised by TP Income for the year (£'000)	310
Equity Held by TP Income (%)	42.70
Equity Held by TPIM managed funds (%)	100

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	805
Earnings before interest, tax, amortisation and depreciation (EBITDA)	620
Loss before tax	(25)
Net assets before VCT loans	3,798
Net assets	2,361

Green Highland Allt Ladaidh (1148) Limited

Green Highland Allt Ladaidh (1148) Limited operates a 1,350 kW Run-of-River hydroelectric power plant near Loch Garry, Invergarry in the Scottish Highlands. The company earns FiT and other revenues from the generation and export of electricity to the National Grid.

Date of first investment	20-Mar-2015
Cost (£)	3,500,000
Valuation (£)	4,771,000
Valuation Method	Discounted Cash Flow
Income recognised by TP Income for the year (£'000)	294
Equity Held by TP Income (%)	35.17
Equity Held by TPIM managed funds (%)	50.25

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	638
Earnings before interest, tax, amortisation and depreciation (EBITDA)	473
Loss before tax	(110)
Net assets before VCT loans	4,494
Net assets	2,275

10 Largest Investments

Green Highland Allt Choire A Bhalachain (255) Limited

Green Highland Allt Choire a Bhalachain (255) Limited is currently operating a 740 kW Run-of-River hydroelectric power plant located at Tomdoun, Invergarry in the Scottish Highlands. The project started construction in July 2014 and was commissioned on schedule in November 2015. The company earns FiT and other revenues from the generation and export of electricity to the National Grid.

Date of first investment	18-Jul-2014
Cost (£)	3,130,000
Valuation (£)	3,763,000
Valuation Method	Discounted Cash Flow
Income recognised by TP Income for the year (£'000)	239
Equity Held by TP Income (%)	49.90
Equity Held by TPIM managed funds (%)	100

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	419
Earnings before interest, tax, amortisation and depreciation (EBITDA)	308
Loss before tax	(116)
Net assets before VCT loans	1,921
Net assets	973

Digital Screen Solutions Limited

Digital Screen Solutions Limited is a VCT qualifying investment, which owns and operates a portfolio of rooftop solar PV assets.

Date of first investment	12-Feb-2014
Cost (£)	2,020,000
Valuation (£)	2,776,000
Valuation Method	Discounted Cash Flow
Income recognised by TP Income for the year (£'000)	83
Equity Held by TP Income (%)	35.36
Equity Held by TPIM managed funds (%)	98

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	174
Earnings before interest, tax, amortisation and depreciation (EBITDA)	136
Loss before tax	(11)
Net assets before VCT loans	2,178
Net assets	764

10 Largest Investments

Elementary Energy Limited

Elementary Energy Limited is currently operating a 500 kW Run-of-River hydroelectric power plant situated at Abhainn Shalachain river at Fiunary, Morven, Scotland. The plant was commissioned in January 2015 and is operating successfully earning FiT and other revenues from the generation and export of electricity to the National Grid.

Date of first investment	18-Mar-2013
Cost (£)	2,060,000
Valuation (£)	2,461,000
Valuation Method	Discounted Cash Flow
Income recognised by TP Income for the year (£'000)	185
Equity Held by TP Income (%)	49.93
Equity Held by TPIM managed funds (%)	99.22

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	331
Earnings before interest, tax, amortisation and depreciation (EBITDA)	250
Loss before tax	(2)
Net assets before VCT loans	1,850
Net assets	310

Green Highland Allt Luaidhe (228) Limited

Green Highland Allt Luaidhe (228) Limited operates a 500 kW Run-of-River hydroelectric power plant located in Knockie, Whitebridge near Inverness in the Scottish Highlands. The company earns FiT and other revenues from the generation and export of electricity to the National Grid.

Date of first investment	18-Mar-2015
Cost (£)	1,995,000
Valuation (£)	2,425,000
Valuation Method	Discounted Cash Flow
Income recognised by TP Income for the year (£'000)	151
Equity Held by TP Income (%)	35.18
Equity Held by TPIM managed funds (%)	100

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	419
Earnings before interest, tax, amortisation and depreciation (EBITDA)	310
Loss before tax	(74)
Net assets before VCT loans	1,903
Net assets	1,048

10 Largest Investments

Funding Path Limited

Funding Path Limited is a VCT non-qualifying investment, which has invested in an LLP that provides finance to small and medium sized enterprises (SME's).

Date of first investment	02-Apr-2015
Cost (£)	2,200,000
Valuation (£)	2,501,000
Valuation Method	Discounted Cash Flow*
Income recognised by TP Income for the year (£'000)	Nil
Equity Held by TP Income (%)	49
Equity Held by TPIM managed funds (%)	98

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	56
Earnings before interest, tax, amortisation and depreciation (EBITDA)	81
Profit before tax	55
Net assets before VCT loans	2,214
Net assets	14

Broadpoint 3 Limited

Broadpoint 3 Limited owns equity stakes in hydroelectric power companies and one digital deployment company.

Date of first investment	17-Nov-2017
Cost (£)	2,010,000
Valuation (£)	2,010,000
Valuation Method	Discounted Cash flow*
Income recognised by TP Income for the year (£'000)	Nil
Equity Held by TP Income (%)	Nil
Equity Held by TPIM managed funds (%)	Nil

Summary of Information from Investee Company Financial Statements ending in 2020 (£'000)	
Turnover	Not disclosed
Earnings before interest, tax, amortisation and depreciation (EBITDA)	Not disclosed
Profit before tax	Not disclosed
Net assets	Not disclosed

*The Directors consider the fair value to be equivalent to the par value.

The Strategic Report has been approved by the Board and signed on their behalf by the Chair.

D. T. Frank

David Frank
Chair

21 June 2021

GOVERNANCE

Board of Directors

Michael Stanes

Michael Stanes has been an Investment Director at Heartwood Investment Management, a London-based firm providing investment management and wealth structuring services for high net worth individuals, since 2010. He began his career at Warburg Investment Management (which became Mercury Asset Management) where he ran equity portfolios in London and Tokyo. He then moved to the US where he founded a business on behalf of Merrill Lynch offering equity portfolio management to high net worth individuals. In 2002 he joined Goldman Sachs Asset Management in London running global equity portfolios for a range of institutional and individual clients before joining a new fund management partnership as CEO.

David Frank

David Frank is the Chair of the Board. He was a partner in Slaughter and May for 22 years before retiring from the firm in 2008. As well as being the firm's first Practice Partner from 2001 to 2008, his practice involved acting for several venture capital houses, including 3i and Schroder Ventures. He was also involved in several flotations in the venture capital sector, including 3i, Baronsmead and SVG Capital. Since retiring from legal practice, he has established a portfolio of voluntary roles.

Simon Acland

Simon Acland has over 30 years' experience in venture capital, primarily at Quester, where he became Managing Director. When Quester was sold in 2007 it had £200 million under management and was one of the leading UK venture capital and VCT investment managers. Simon was a director of over 20 companies in Quester's portfolio, many of which achieved successful exits through flotation or trade sales. Simon is currently a director of several private companies, including the Satellite Applications Catapult, and is a member of the investment committee of the Angel Co-Fund. Simon is a Founder and Director of Green Angel Syndicate, the UK's only business angel group specialising in the fight against climate change and global warming. He also acts as an Adviser to the Triple Point Impact EIS Fund.

Corporate Governance Report

Compliance Statement

The Board of Triple Point Income VCT plc has considered the Principles and Provisions of the Association of Investment Companies Code of Corporate Governance 2019 (AIC Code). The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code (the UK Code), as well as setting out additional Provisions on issues that are of specific relevance to Triple Point Income VCT plc.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, will provide improved reporting to Shareholders.

The Company has complied with the Principles and Provisions of the AIC Code except as set out below:

AIC Code of Corporate Governance	*Explanation*
The appointment of a Senior Independent Director (Provision 14)	As there are only two independent Non-Executive Directors, excluding the Chair, it is not considered appropriate to identify a member of the Board as senior independent Director. Both independent Non-Executive Directors, as appropriate, will act as a sounding board for the Chair, serve as intermediaries between Directors and Shareholders, and evaluate the Chair's performance as part of the Board's annual evaluation.
Chair of the Audit Committee (Provision 29)	The Chair of the Board is the Chair of the Audit Committee. The Board considers this appointment appropriate given the size and complexity of the Company.

The AIC Code is available on the AIC website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

Corporate Governance Report

Board of Directors

The Board comprises three Non-Executive Directors.

The Board's role is to promote the long-term sustainable success of the Company, generating value for its Shareholders and contributing to wider society.

All Directors are considered independent and day-to-day management responsibilities are delegated to the Investment Manager. The Directors have a combination of skills, experience and knowledge which are relevant to the Company. Biographies of each director are presented on page 51 of this report.

The Directors are provided with key operational information on the Company's activities, including regulatory and statutory requirements, by the Investment Manager and Company Secretary.

The Board has direct access to the Company Secretary and may also take independent professional advice at the Company's expense where necessary in the performance of their duties. During the year, the Board was satisfied that all Directors were able to commit sufficient time to discharge their responsibilities effectively having given due consideration to their other significant commitments. The Directors were advised on appointment of the expected time required to fulfil their roles and have confirmed that they remain able to make that commitment. No external appointments accepted during the year were considered to be significant for the relevant Directors, considering the expected time commitment and nature of these roles.

All Directors have sufficient time to meet their Board responsibilities and provide constructive challenge, strategic guidance, offer specialist advice and hold third party service providers to account.

The Chair, David Frank, leads the Board and is responsible for its overall effectiveness in directing the Company. The Chair leads the process in determining its strategy and the achievement of its objectives. The Chair is responsible for setting the Board agenda focusing on strategy, performance, value creation, culture, stakeholders and ensuring that issues relevant to these areas are reserved for Board decision. The Chair facilitates constructive Board relations and the effective contribution of all Directors, encouraging a culture of openness and debate and ensures the Directors receive accurate, timely and clear information. The Chair does not have significant commitments which conflict with his Board responsibilities.

Appointment of New Directors

Any appointment to the Board is subject to a formal, rigorous and transparent procedure and is based on merit and objective criteria which promotes diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

Company's Operations

The Investment Manager has authority over the management of the investment portfolio, the organisation of custodial services, accounting and administrative services. The Investment Manager makes investment recommendations for the Board's approval.

The Board meets regularly in person or via video conference call at least four times a year, and on other occasions as required, to review the investment performance and monitor compliance with the Investment Policy laid down by the Board. There is a schedule of matters reserved for the Board which includes:

- Review investment performance and monitor compliance with the Investment Policy;
- The consideration and approval of future developments or changes to the Investment Policy, including risk and asset allocation;
- Consideration of corporate strategy;
- Approval of any dividend or return of capital to be paid to the Shareholders;
- The appointment, evaluation, removal and remuneration of the Investment Manager and the Company Secretary;
- The performance of the Company, including monitoring the Net Asset Value per share;
- Monitoring shareholder profiles and considering shareholder communications; and
- Approving major investments.

The Company Secretary, Hanway Advisory Limited, is responsible for ensuring that Board procedures are complied with, advising the Board on all governance matters, supporting the Chair and helping the Board and its Committees to function effectively. The Company Secretary will also provide the Board with support in ensuring that it has the policies, processes, information, time and resources it needs in order to function effectively.

The Company's articles of association and the schedule of matters reserved to the Board for decision provide that the appointment and removal of the Company Secretary is a matter for the full Board.

The Board reviews the performance of the Investment Manager annually taking into consideration the contractual arrangements and scrutinises their performance. The Board as a whole carries out this review and due to the size of the Board, does not consider it appropriate to establish a separate Management Engagement Committee.

Re-election of Directors

Directors' retirement and re-election is subject to the Company's articles of association and the AIC Code. The AIC Code requires that all Directors should be subject to an annual re-election. The Directors have therefore agreed to submit themselves for annual re-election at the next AGM.

Corporate Governance Report

Independence of Directors

The Board has a Non-Executive Chair and two other Non-Executive Directors, all of whom were considered independent on their appointment. A majority of the Directors are independent of the Investment Manager.

Simon Acland acts as an Adviser to the Triple Point Impact EIS Service that is an Alternative Investment Fund managed by the Investment Manager. He therefore has a business relationship with the Investment Manager. The Board nonetheless considers Simon Acland to be independent as the Triple Point Impact EIS Service is an area of the Investment Manager's business which is not directly related to that of the Company and as such does not create a conflict between his interests as an Adviser and that of the Company. Furthermore, the Board does not consider that such relationship is material both with regards to remuneration or time and would therefore be unlikely to impair his judgement.

The AIC Code outlines further circumstances that are likely to impair a director's independence including whether a director has served on the board for more than nine years from the date of their first appointment. Two of the three Non-Executive Directors have served on the Board for nine years or more. Length of service is currently one of several indicators the Board considers when assessing independence. The Board is of the view that a term of service in excess of nine years does not in itself compromise independence and notes the positive contribution that their long service offers. In particular that they are better able to serve the needs of the Company and its Shareholders by providing experience across the business/ economic cycle. The nature of the Company's business is such that the Directors' experience and continuity is critical to promote the long-term sustainable success and future viability of the Company. The Board regularly reviews the independence of its Directors and is satisfied that the Board as a whole is independent, including in character and judgement.

Policy on Tenure of the Chair

The Board considers that the length of time each Director, including the Chair, serves on the Board should not be limited and has not set a finite tenure policy. Continuity, self-examination and ability to do the job are the relevant criteria on which the Board assesses a Director's independence. Length of service of current Directors and future succession planning will be reviewed each year as part of the Board evaluation process.

Board Committees

The Board only has one committee which is the Audit Committee. The Directors consider that due to the size of the Board, there being no employees or executive directors, it is not necessary to appoint a separate Remuneration Committee or Nomination Committee. The Remuneration Report is detailed on pages 61 to 65.

Board Meeting Attendance

During the period the following Board meetings were held and the number attended by each Director compared with the maximum possible attendance:

Directors	Board Meetings
David Frank, Chair	8/8
Simon Acland	8/8
Michael Stanes	8/8

The Board holds four meetings during the year on a quarterly basis. These meetings are arranged in advance of the start of the financial year. However, from time to time further ad hoc meetings are scheduled to deal with transactional and specific events for which arrangements are put in place on shorter notice and subject to the availability of those directors available at the time.

Performance Evaluation

The Board, led by the Chair, established a formal process for a formal and rigorous annual evaluation of the performance of the Board, individual Directors and the Audit Committee. The evaluation considered the composition, diversity, investment matters, development and how effectively each member works together to achieve its objectives.

During the period, the Board conducted a performance evaluation by completing a written questionnaire to appraise and gather useful learnings on the functioning of the Board, the Audit Committee and individual Directors.

The Chair, supported by the Company Secretary, acted on the results of the evaluation. The results of the questionnaire demonstrated that there is a consensus that the performance and functioning of the Board remains effective. However, the following areas of improvement were identified with the appropriate action approved by the Board:

- Information flows outside of the Board Meetings should be enhanced. The Board will be provided with monthly updates on ongoing exit processes the Investment Manager.
- Greater focus should be given to considering the overall strategy of the Company. The Board agreed to hold an annual strategy meeting to consider the long-term strategic options for the future of the Company and its share classes.

Corporate Governance Report

Succession Plan

As part of the annual evaluation in 2020, the Directors considered length of service of the Board as a whole and prepared a succession plan that addresses the regular refreshment of the Board membership.

The Board considered that, due to potential asset sales and exit opportunities, that there was a benefit of historical knowledge and continuity of Directors. Subject to the proposed change to the Investment Policy, the Board's succession plan will be updated to align with the long-term strategic direction of the Company cognisant of the need for regular refreshment of the Board.

Corporate Social Responsibility

The Board is committed to integrating social, environmental and governance matters in the Company's business operations, including the Company itself and the companies it invests in. The Board is actively seeking ways to interact with their stakeholders. The Board seeks to avoid investing in companies which do not operate within ethical, environmental and social legislation. Details on the Company's responsible investing can be found on page 41.

Internal Control and Risk Management

The Board has overall responsibility for establishing procedures to manage risk, overseeing the internal control framework, determining the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives, and identifying emerging risks. The purpose of an internal control framework is to ensure that proper accounting records are maintained, the Company's assets are safeguarded, and the financial information used within the business and for publication is accurate and reliable; such a system can only provide reasonable and not absolute assurance against material misstatement or loss. Emerging risks are regularly monitored, and to the extent possible or practicable, mitigating actions are implemented.

The system of risk management and internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives. As part of this process a bi-annual review of the internal control systems is carried out. The review covers all material controls including financial, operational and compliance controls.

The Directors regularly review financial results and investment performance with the Investment Manager.

The Directors have established an ongoing process designed to meet the particular needs of the Company in identifying, evaluating and managing the significant and emerging risks to which it is exposed including, among others, market risk, VCT qualifying investment risk and operational risks which are recorded on a risk register. The controls employed to mitigate these risks are identified and the residual risks are rated taking into account the impact of the mitigating factors. The risk register is reviewed bi-annually. The principal risks, uncertainties and emerging risks identified from the risk register and a description of the Group's risk management procedures can be found on pages 22 to 23.

TPIM is engaged to provide accounting services, and Hanway Advisory Limited is engaged to provide secretarial services and retains physical custody of the documents of title relating to investments.

The Directors regularly review the system of internal controls, both financial and non-financial, operated by the Company and the Investment Manager. These include controls designed to ensure that the Company's assets are safeguarded and that proper accounting records are maintained.

Internal control systems include the production and review of quarterly bank reconciliations and management accounts.

Capital management is monitored and controlled by the Investment Manager. The capital being managed includes equity and fixed interest VCT qualifying investments, cash balances and liquid resources including debtors and creditors. The Investment Manager's procedures are subject to internal compliance checks.

The Company's objectives when managing capital are:

- To safeguard its ability to continue as a going concern, so that it can continue to provide returns to Shareholders and benefits for other stakeholders; and
- To ensure sufficient liquid resources are available to meet the funding requirements of its investments and to fund new investments where identified.

Stakeholder and Shareholder Engagement

Stakeholder and Shareholder engagement is set out in the Section 172(1) statement on pages 26 to 28.

Directors' Share Interests

All of the Directors' share interests were held beneficially and they are actively encouraged to own shares. The Company has not set out any formal requirements or guidelines to Directors concerning their ownership of shares in the Company.

On behalf of the Board

D.T. Frank

David Frank
Chair

21 June 2021

AUDIT COMMITTEE REPORT

Audit Committee Report

The Audit Committee consists of the Chair, David Frank, and the Non-Executive Directors, Simon Acland and Michael Stanes. The Audit Committee deals with matters relating to audit, financial reporting and internal control systems. The Committee meets at least twice a year and as required. The Audit Committee also has direct access to BDO LLP, the Company's auditor.

Audit Committee Role and Responsibilities

In respect of the year ended 31 March 2021, the Audit Committee discharged its responsibilities by:

- Reviewing the external auditor's plan for the audit of the financial statements, including identification of key risks and confirmation of auditor independence;
- Monitoring the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance, and reviewing significant financial reporting judgements contained in them;
- Reviewing the Company's internal financial controls and internal control and risk management systems operated in relation to the Company's business and assessing those controls in minimising the impact of key risks;
- Reviewing the appropriateness of the Company's accounting policies;
- Providing advice on whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy;
- Reviewing the Company's half-yearly results and draft annual financial statements prior to Board approval;
- Making recommendations to the Board regarding the reappointment of the external auditor and approving their remuneration;
- Reviewing and monitoring the external auditor's independence and objectivity;
- Reviewing the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements;
- Reviewing the Company's going concern status; and
- Reviewing the external auditor's findings document.

Financial Reporting

The primary role of the Audit Committee in relation to financial reporting is to review with the Investment Manager and the Auditor the appropriateness of the half year report and Annual Report, concentrating on, amongst other matters:

- Compliance with financial reporting standards and relevant financial and governance reporting requirements;
- Amendments to legislation and corporate governance reporting requirements;
- The impact of any new and proposed amendments to accounting standards which affect the Company;
- Material areas in which significant judgements have been applied;
- Whether the Committee believes that proper and appropriate processes and procedures have been followed in the preparation of the Annual Report; and
- Considering and recommending the contents of the Annual Report for approval.

Significant Matters Considered by the Audit Committee in Relation to Financial Reporting

The Audit Committee is responsible for considering and reporting on any significant issues that arise in relation to the Financial Statements and how they have been addressed.

The following key issues were discussed:

- Compliance with HM Revenue & Customs conditions for maintenance of approved Venture Capital Trust status.
- Valuation and existence of unquoted investments.
- Net Asset Value of C, D and E Share Classes.

Audit Committee Report

External Audit

It is the Audit Committee's responsibility to monitor the performance, objectivity, and independence of the external auditors and this is assessed by the Committee each year. In evaluating BDO's performance the Committee examines the effectiveness of the audit process, independence and objectivity of the auditor, taking into consideration the length of tenure of the external auditors, the non-audit services undertaken during the year and relevant UK professional and regulatory requirements, and the quality of delivery of its services.

BDO LLP attended 1 of the 2 formal Audit Committee meetings held during the year. Matters typically discussed include the Auditor's assessment of the transparency and openness of the Investment Manager, confirmation that there has been no restriction in scope placed on them, the independence of their audit and how they have exercised professional scepticism.

When considering whether to recommend the reappointment of the external auditor, the Audit Committee takes into account their current fee compared to the external audit fees paid by other similar companies. The quality and competence of the external auditor is also taken into consideration. The Audit Committee will then recommend to the Board the appointment of an external auditor which is approved by Shareholders at the AGM.

The FRC's Ethical Standard requires the audit partner to rotate every five years. The first audit engagement for BDO LLP was for the year ended 31 March 2018 and this is the audit partner's 4th year.

The independence and effectiveness of the external audit process is assessed as part of the Board evaluation conducted annually and by the quality and content of the audit plan provided to the Audit Committee by the auditor and the discussions then held on topics raised. The Audit Committee will challenge the auditor at the Audit Committee meeting if appropriate.

The Audit Committee's terms of reference include the following roles and responsibilities:

- Periodically considering the need for an internal audit function;
- Reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional regulatory requirements;
- Monitoring the extent to which the external auditor is engaged to supply non-audit services; and
- Ensuring that the Investment Manager has arrangements in place for the investigation and follow-up of any concerns raised confidentially by staff in relation to propriety of financial reporting or other matters.

The Committee reviews its terms of reference and effectiveness annually and recommends to the Board any changes required as a result of the review. The terms of reference are available on request from the Company Secretary.

The Board considers that the members of the Committee collectively have the skills and experience required to discharge their duties effectively and the Committee as a whole has competence relevant to the sector in which it operates.

The Company does not have an independent internal audit function as it is not deemed appropriate given the size of the Company and the nature of the Company's business. However, the Committee considers annually whether there is a need for such a function and, if there were, would recommend it be established.

Non-Audit Services

The Audit Committee safeguards the objectivity and independence of the auditor by reviewing the nature and extent of non-audit services supplied by the external auditor to the Company.

There were no non-audit services performed during the year.

Independence

The Audit Committee is required to consider the independence of the external auditor. In fulfilling this requirement, the Audit Committee has considered the Audit Strategy report from BDO LLP which describes their arrangements to identify, report and manage any conflict of interest and their independence.

Audit Committee Report

Audit Committee Meeting Attendance

During the period, the following Audit Committee meetings were held, and the number attended by each director compared with the maximum possible attendance:

Directors	Audit Committee Meetings
David Frank, Chair	2/2
Simon Acland	2/2
Michael Stanes	2/2

The Audit Committee relies on the Investment Manager to assess the valuation of unquoted investments and the existence of those investments. The Investment Manager has a director on the board of all the investee companies and meets regularly with the other directors and hence has an oversight of all the investments made. The Audit Committee have reviewed the valuations and discussed them with both the Investment Manager and the external auditor to confirm their assessment of the valuation of the unquoted investments and the existence of those investments.

The Investment Manager has confirmed to the Audit Committee that the conditions for maintaining the Company's status as an approved VCT have been complied with throughout the year. The position has been reviewed by Philip Hare & Associates LLP in its capacity as adviser to the Company on taxation matters.

The Audit Committee has considered the Annual Report for the year ended 31 March 2021 and has reported to the Board that it considers it to be fair, balanced and understandable providing the information necessary for Shareholders to assess the Company's position, performance, business model and strategy.

On behalf of the Board.

D. T. Frank

David Frank
Audit Committee Chair

21 June 2021

DIRECTORS' REMUNERATION REPORT

Directors' Remuneration Report

Statement of the Chair

I am pleased to present the Remuneration Report on behalf of the Board for the year ended 31 March 2021.

This report is submitted in accordance with schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) (amendment) Regulations 2013 and The Companies (Miscellaneous Reporting) Regulations 2018, in respect of the year ended 31 March 2021. This report also meets the Financial Conduct Authority's Listing Rules and describes how the Board has applied the Principles and Provisions relating to Directors' remuneration set out in the AIC Code. The reporting requirements require two sections to be included:

- Directors' Remuneration Policy – This sets out our Remuneration Policy for Directors of the Company that has been in place since 23 July 2020 following approval by shareholders.
- Annual Remuneration Report – This sets out how our Directors were paid for the period ended 31 March 2021. There will be an advisory shareholder vote on this section of the report at our 2021 AGM.

We value engagement with our Shareholders and for the constructive feedback we receive and look forward to your support at the forthcoming AGM.

David Frank
Chair

21 June 2021

Directors' Remuneration Report

Directors' Remuneration Policy

Approval of Remuneration Policy

The Company's Remuneration Policy was last approved on 23 July 2020 at the AGM.

Remuneration Policy Overview

The Board currently comprises three Directors, all of whom are Non-Executive. The Board's policy is that the remuneration of Non-Executive Directors should reflect the experience of the Board as a whole, be fair and be comparable with that of other relevant VCT that are similar in size and have similar investment objectives and structures. Furthermore, the level of remuneration should be sufficient to attract and retain the Directors needed to oversee the Company properly and to reflect the specific circumstances of the Company, the duties and responsibilities of the Directors and the value and amount of time committed to the Company's affairs. The articles of association provide that the Directors shall be paid in aggregate a sum not exceeding £100,000 per annum. None of the Directors are eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits in respect of their services as Non-Executive Directors of the Company. There are no planned changes to the Remuneration Policy last approved by shareholders at the 2020 AGM.

Consideration of Remuneration

The Board does not have a separate Remuneration Committee, as the Company has no employees or executive Directors. The Board has not retained external advisers in relation to remuneration matters but has access to information about directors' fees paid by other companies of a similar size and type. As such, the Board as a whole will consider the remuneration of the Directors, however no Director is involved in determining their own remuneration. The Board will review the remuneration of the Directors in line with the VCT industry on an annual basis, if thought appropriate. Otherwise, only a change in responsibilities is likely to incur a change in remuneration of any one Director or the Remuneration Policy itself.

Directors' Service Contracts

The Directors are engaged under letters of appointment and do not have service contracts with the Company.

Directors' Term of Office

The Directors' letters of appointment provide for an appointment of 12 months', after which three months' written notice must be given by either party. Each Director will be subject to annual re-election by Shareholders at the Company's AGM in each financial year.

Policy on Payment for Loss of Office

A Director who ceases to hold office is not entitled to receive any payment other than accrued fees (if any) for past services.

Consideration of Shareholder Views

The Company is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to directors' remuneration, the Group will seek the reasons for any such vote and will detail any resulting actions in the Directors' Remuneration Report. No views which are relevant to the formulation of the Directors' Remuneration Policy have been expressed to the Company by Shareholders, whether at a general meeting or otherwise.

Future Policy Table

The Directors are entitled only to the fees as set out in the table below. No element of Directors' remuneration is subject to performance factors. There are no other fees payable to the Directors for additional services outside of their contracts.

Component	How it Operates	Maximum Fee	Link to Strategy	Provisions to Recover or Withhold Sums
Annual Fee	Each Director receives a basic fee which is paid on a quarterly basis.	The total aggregate fees that can be paid to the Directors is calculated in accordance with the articles of association.	The level of the annual fee has been set to attract and retain high calibre Directors with the skills and experience necessary for the role. The fee has been benchmarked against companies of a similar size	There are no provisions to recover or withhold sums.
Other Benefits	The Directors shall be entitled to be repaid expenses.	Article 89 of the Company's Articles of Association permits for any director to be repaid reasonable expenses incurred in attending or returning from meetings of the Board, Committees of the Board or Shareholder meetings or otherwise in connection with the performance of their duties as Directors of the Company.	In line with market practice, the Company will reimburse the Directors for expenses to ensure that they are able to carry out their duties effectively.	

Directors' Remuneration Report

Annual Remuneration Report

Directors' Fees

Details of each Director's contract is shown below. The Chair is paid more than the other Directors to reflect the additional responsibilities of the role. The below annual fees for the Directors are fixed.

	Date of Contract	Unexpired Term of Contract	Annual Rate of Directors' Fees £	Policy on Payment For Loss of Office
David Frank, Chair	11-Nov-10	none	24,000	none
Simon Acland	12-Mar-09	none	21,000	none
Michael Stanes	21-Nov-12	none	21,000	none

Single Total Figure (audited information)

The fees paid to Directors in respect of the year ended 31 March 2021 and the prior year are shown below:

	Emoluments for the year ended 31 March 2021	Change from prior year	Emoluments for the year ended 31 March 2020
	£		£
David Frank	24,000	20.00%	20,000
Simon Acland	21,000	20.00%	17,500
Michael Stanes	21,000	20.00%	17,500
	66,000	20.00%	55,000
Employers' NI contributions	1,470	44.69%	1,016
Total Emoluments	67,470	20.45%	56,016

For the period ending 31 March 2020, as part of the performance evaluation undertaken by the Board, the remuneration of the Directors was reviewed, considering the Company and individual performance.

The Board agreed that the fees of the Non-Executive Directors and the Chair should be increased to reflect the time commitment and responsibilities of the role. The fee for the Non-Executive Directors (excluding the chair) was increased from £17,500 to £21,000 and the fee for the Chair was increased from £20,000 to £24,000.

This fee increase took effect from 1 April 2020. The increased remuneration of the Directors reflects the findings of a benchmarking exercise undertaken by the Company Secretary in which the remuneration of directors of comparable VCT of a similar size, objective and structure were evaluated against those of the Company's Directors.

The Company has no executive Directors or employees.

Directors' emoluments compared to payments to Shareholders:

Unaudited	31 March 2021	31 March 2020
	£'000	*£'000*
Total Dividends paid:	3,037	16,376
Directors' emoluments	67	56

Directors' Remuneration Report

Directors' Share Interests (audited information)

At 31 March 2021, the Directors held no shares in the Company (2020: Nil).

At 31 March 2021, Simon Acland's wife held 48,750 D Class Shares (2020: 48,750).

There are no other connected parties to the Directors that held any shares at 31 March 2021. There are no requirements or restrictions on Directors holding shares in the Company.

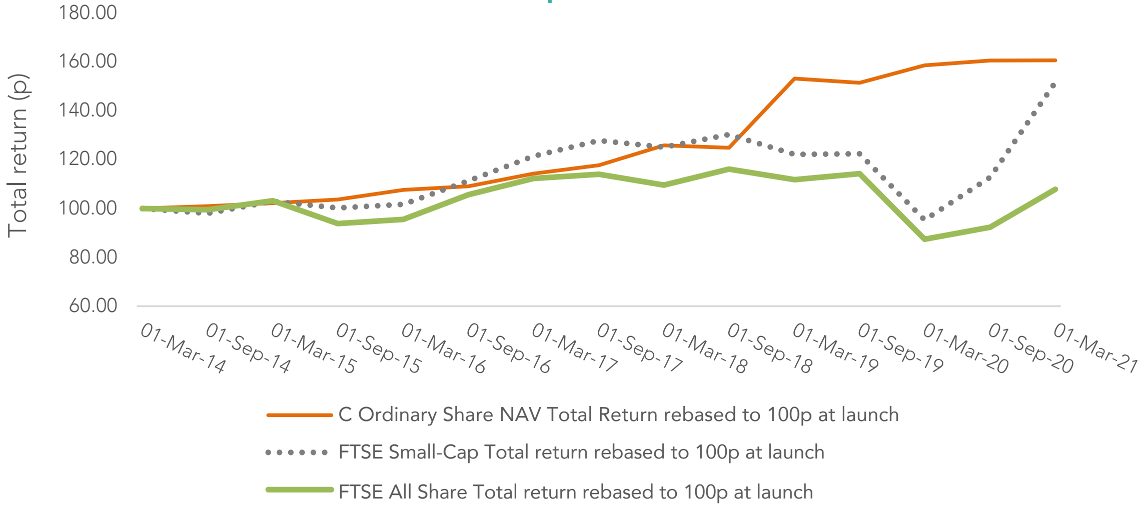
Company Performance

The following performance charts compare the Total Return of the Company's C, D and E Share Classes over the period from admission to 31 March 2021 with the Total Return from notional investments in the FTSE SmallCap Index and FTSE All Share Index over the same period. The indices chosen are considered to be the most appropriate broad equity markets for comparative purposes.

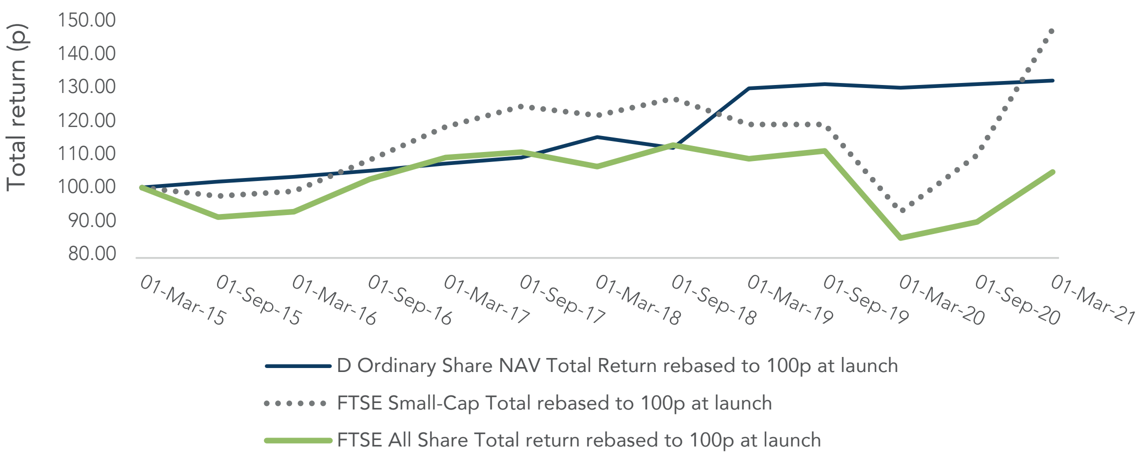
Shareholders should be reminded that shares in VCTs generally continue to trade at a discount to the NAV of the Company.

The Total Return does not include the initial 30% tax relief available to Shareholders.

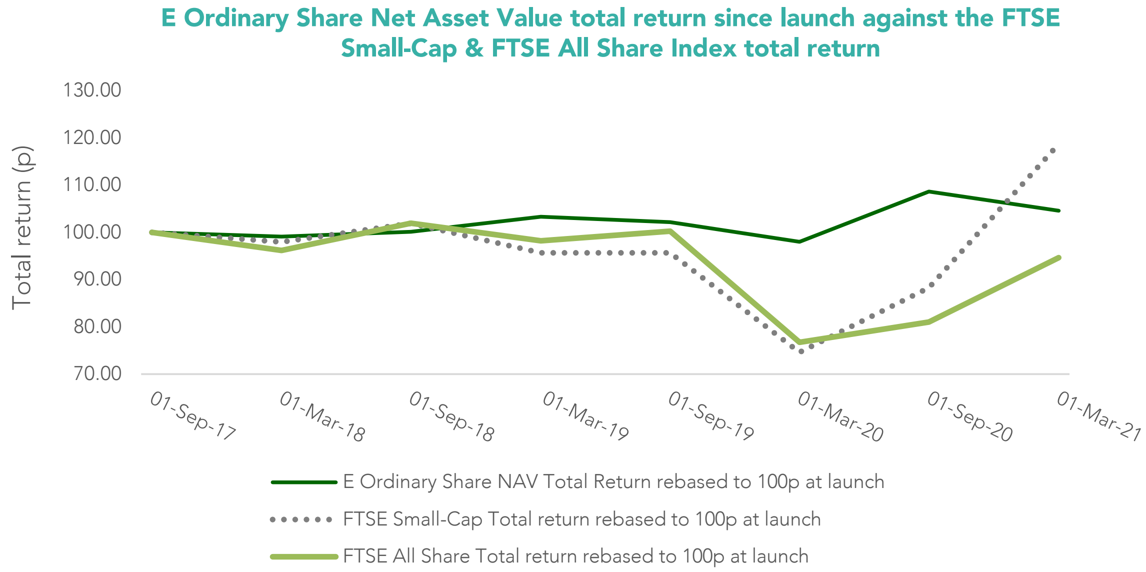
C Ordinary Share Net Asset Value total return since launch against the FTSE Small-Cap Index total return



D Ordinary Share Net Asset Value total return since launch against the FTSE Small-Cap & FTSE All Share Index total return



Directors' Remuneration Report



These charts have been prepared in accordance with Part 3 to Schedule 8 of the Companies Act 2006. The Company measures its performance against its target returns as detailed in the Strategic Report on pages 5 to 49.

The charts do not take in to account the tax benefit of investing in a VCT.

Statement of Voting at the Annual General Meeting

The resolutions to approve the Directors' Remuneration Report and the Directors' Remuneration Policy was passed at the AGM on 23 July 2020 on a show of hands. Details of the proxy votes in respect of the resolutions are as set out below:

	Voting for	Voting Against	Votes Withheld
Remuneration Report	99.72%	0.28%	9,578
Remuneration Policy	97.56%	2.44%	24,277

During the year, the Company did not receive any communications from Shareholders specifically regarding Directors' pay.

On behalf of the Board,

David Frank
Chair

21 June 2021

Directors' Report

The Directors are pleased to present the Directors' Report for the year ended 31 March 2021.

The information that fulfils the requirements of the Corporate Governance Statement in accordance with rule 7.2 of the DTR can be found in this Directors' Report and in the Governance section on pages 52 to 55 all of which is incorporated into this Directors' Report by reference.

Directors

The Directors of the Company during the period were David Frank, Simon Acland and Michael Stanes.

Principal Activity and Status

The principal activity of the Company is that of a VCT and its main activity is investing in companies involved in renewable energy, energy production, innovative vertical growing and SME funding.

The Company has been approved as a VCT by HMRC, in accordance with Section 274 of the Income Tax Act 2007 and, in the opinion of the Directors, has conducted its affairs so as to enable it to continue to obtain such approval. In order to maintain its status under VCT legislation, a VCT must comply on a continuing basis with the provisions of Section 274 and further details can be found on page 68.

The Company is registered in England as a Public Limited Company (Registration number 06421083) and its shares are listed on the main market of the London Stock Exchange.

The Company was not at any time up to the date of this report a close company within the meaning of S439 of the Corporation Tax Act 2010.

Post Balance Sheet Events

Further details of post balance sheet events can be seen in note 23 to the Financial Statements.

Directors' and Officers' Liability Insurance

The Company has, as permitted by Section 233 of the Companies Act 2006, maintained insurance cover on behalf of the Directors and Company Secretary, indemnifying them against certain liabilities which may be incurred by them in relation to their offices with the Company.

Research and Development

No expenditure on research and development was made during the year (2020: Nil).

Management

TPIM acts as Investment Manager to the Company and has done since incorporation. The principal terms of the Company's management agreement with TPIM are set out in note 5 to the Financial Statements.

The Board has evaluated the performance of the Investment Manager based on the returns generated since taking on the management of the Company and a review of the management contract and the services provided in accordance with its terms. As required by the Listing Rules, the Directors confirm that in their opinion the continuing appointment of TPIM as Investment Manager is in the best interests of the Shareholders as a whole. In reaching this conclusion the Directors have taken into account the performance of other VCTs managed by TPIM and the service provided by TPIM to the Company.

Substantial Shareholdings

As at the date of this report no disclosures of major shareholdings had been made to the Company under Disclosure and Transparency rule 5 (Vote Holder and Issuer Notification Rules).

Share Price Discount Policy

The Company has a share buy-back facility, committing to buy back shares at no more than a 10% discount to the prevailing NAV, subject to the Directors' discretion. We will be asking Shareholders at the AGM to extend the facility for the Company to purchase shares in the market for cancellation. Shareholders should note that if they sell their shares within five years of subscription, they forfeit any tax relief obtained. If you are considering selling your shares, please contact TPIM on 020 7201 8989.

Purchase of Own Shares

The Directors may exercise on behalf of the Company its powers to purchase its own shares to the extent permitted by Shareholders and the articles of association.

Streamlined Energy and Carbon Reporting

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emission producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. The Company has outsourced operations to third parties, there are no significant greenhouse gas emissions to report from the operations of the Company. The Group qualifies as a low energy user at under 40,000 kWh and is therefore exempt from disclosures on greenhouse gas emissions and energy consumption.

To note, the Company has invested in renewable energy, through its portfolio of hydroelectric companies. It has also invested in two companies which operate gas fired energy centres. Natural gas neatly bridges the gap between environmentally unfriendly fossil fuels and

Directors' Report

more irregular solar and wind power. Gas fired energy centres play an important role in balancing the UK electricity network, which is growing ever more reliant on renewable energy sources, as the nation shifts towards a low-carbon economy.

The Company also has an investment in a vertical growing business. Vertical growing is beneficial for the environment because it massively reduces the amount of fossil fuels needed for farming equipment which is not required to sow, fertilise, weed or harvest crops. A vertical growing facility offers the opportunity to completely eliminate the need for pesticides as pests cannot enter the controlled environment to cause crop damage and fungal diseases struggle to develop. When it comes to food production, the last-mile delivery is usually the most expensive part of the supply chain and it is not uncommon for crops to be shipped across continents and oceans. Growing food closer to where the consumer lives is a massive vertical growing benefit as it can substantially reduce transportation costs, CO_2 emissions and reduce the need for refrigerated storage.

More information on the Company's hydro portfolio, gas fired energy centres, rooftop solar panels and the vertical growing facility can be found in the Investment Manager's review on pages 30 to 40.

Share Capital

As at 31 March 2021 the Company's issued shares amounted to 55,995,650 consisting of 13,441,438 C Shares of 1p each, 13,604,637 D Shares of 1p each and 28,949,575 E Shares of 1p each.

As at that date none of the issued shares were held by the Company as treasury shares.

There are no restrictions on the transfer of securities in the Company other than the Group's Share Dealing Code and other certain restrictions which may be impaired by law, for example, the Market Abuse Regulations.

The Company is not aware of any agreements between holders of securities that may result in restrictions on transferring securities in the Company. There are no securities of the Company carrying special rights with regards to the control of the Company in issue.

Annual General Meeting

The 2021 AGM will be held on 28 July 2021.

Amendment of Articles of Association

The Company's articles of association may be amended by the members of the Company by special resolution (requiring a majority of at least 75% of the persons voting on the relevant resolution).

Appointment and Replacement of Directors

A person may be appointed as a Director of the Company by the Shareholders in general meeting by ordinary resolution (requiring a simple majority of the persons voting on the relevant resolution) or by the Directors. No person, other than a Director retiring by rotation or otherwise, shall be appointed or re-appointed a Director at any general meeting unless he is recommended by the Directors or, not less than seven nor more than 42 clear days before the date appointed for the meeting, notice is given to the Company of the intention to propose that person for appointment or re-appointment in the form and manner set out in the Company's articles of association.

Each Director who is appointed by the Directors (and who has not been elected as a Director of the Company by the members at a general meeting held in the interval since his appointment as a Director of the Company) is to be subject to election as a Director of the Company by the members at the first AGM of the Company following his or her appointment. Thereafter all Directors are subject to re-election at each AGM of the Company.

A person also ceases to be a Director if he or she resigns in writing, ceases to be a Director by virtue of any provision of the Companies Act, becomes prohibited by law from being a Director, becomes bankrupt or is the subject of a relevant insolvency procedure, or becomes of unsound mind, or if the Board so decides following at least six months' absence without leave or if he or she becomes subject to relevant procedures under the mental health laws, as set out in the Company's articles of association.

Powers of the Directors

Subject to the provisions of the Companies Act 2006, the memorandum and articles of association of the Company and any directions given by Shareholders by special resolution, the articles of association specify that the business of the Company is to be managed by the Directors, who may exercise all the powers of the Company, whether relating to the management of the business or not.

Conflicts of Interest

The Directors review the disclosure of conflicts of interest quarterly, with changes reviewed and noted at the beginning of each Board meeting. A Director who has a potential conflict of interest has the interest authorised and acknowledged by the Board. Procedures to disclose and authorise conflicts have been adhered to throughout the year.

Directors' Report

Directors' Responsibilities

The Directors confirm that:

- So far as each of the Directors is aware there is no relevant audit information of which the Company's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

BDO LLP is the appointed auditor of the Company and offer themselves for reappointment. In accordance with section 489 (4) of the Companies Act 2006 a resolution to reappoint BDO LLP as auditor and to authorise the Directors to fix their remuneration will be proposed at the forthcoming AGM.

Going Concern

After making the necessary enquiries, the Directors confirm that they are satisfied that the Company has adequate resources to continue in business for at least the next 12 months.

The Board receives regular reports from the Investment Manager and the Directors believe that, as no material uncertainties leading to significant doubt about going concern have been identified, it is appropriate to continue to apply the going concern basis in preparing the Financial Statements. Further information on the going concern of the Company can be found in the Strategic report on page 24.

Annual Report

The Board is of the opinion that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the position, performance, strategy and business model of the Company.

The Board recommends that the Annual Report, the Directors' Report and the Independent Auditor's Report for the year ended 31 March 2021 are received and adopted by the Shareholders. A resolution concerning this will be proposed at the forthcoming AGM.

VCT Regulation

The Investment Policy is designed to ensure that the Company continues to qualify and is approved as a VCT by HMRC. In order to maintain its status under VCT legislation, a VCT must comply on a continuing basis with the provisions of section 274 of the Income Tax Act 2007 as follows:

(1) The Company's income must be derived wholly or mainly from shares and securities;

(2) At least 80% of the HMRC value of its investments must have been represented throughout the year by shares or securities that are classified as "qualifying holdings". This increased from 70% from 1 March 2020;

(3) At least 70% by HMRC value of its total qualifying holdings must have been represented throughout the year by holdings of "eligible share". Investments made before 6 April 2018 from funds raised before 6 April 2011 are excluded from this requirement;

(4) At least 30% of funds raised in accounting periods beginning on or after 6 April 2018 must be invested in qualifying holdings by the anniversary of the end of the accounting period in which funds were raised;

(5) At the time of investment, or addition to an investment, the Company's holdings in any one company must not have exceeded 15% by HMRC value of its investments;

(6) The Company must not have retained greater than 15% of its income earned in the year from shares and securities;

(7) The Company's shares, throughout the year, must have been listed on a regulated European market;

(8) An investment in any company must not cause that company to receive more than £5 million in state aid risk finance in the 12 months up to date of the investment, nor more than £12 million in total (the limits are £10 million and £20 million respectively for a "knowledge intensive" company);

(9) The Company must not invest in a company whose trade is more than seven years old (ten years for a "knowledge intensive" company) unless the Company previously received state and risk finance in its first seven years, or the company is entering a new market and a turnover test is satisfied;

(10) The Company's investment in another company must not be used to acquire another business, or shares in another company; and

(11) The Company may only make qualifying investments or certain non-qualifying investments permitted by section 274 of the Income Tax Act 2007.

Directors' Report

Environment

The management and administration of the Company is undertaken by the Investment Manager. TPIM recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by its activities. Initiatives designed to minimise the Company's impact on the environment include recycling and reducing energy consumption.

Anti-Bribery Policy

The Company has a zero-tolerance approach to bribery, and will not tolerate bribery under any circumstances in any transaction the Company is involved in.

TPIM reviews the anti-bribery policies and procedures of all portfolio companies.

Environmental, Social, Employee and Human Rights Issues

As an externally managed investment company with no employees the Company does not maintain specific policies in relation to these matters. Due to the nature of the Company's activities, there being no employees and only three Non-Executive Directors, there are no Human Rights issues to report. Its investment in companies engaged in energy generation from renewable sources means it will contribute to the reduction in carbon emissions.

Diversity

The Company is an externally managed investment company which does not have any employees or office space. As such the Company does not operate a diversity policy with regards to any administrative, management and supervisory functions.

Employees

The Company has no employees and accordingly no requirement to separately report on this area.

The Investment Manager is an equal opportunities employer who respects and seeks to empower each individual and the diverse cultures, perspectives, skills and experiences within its workforce. The Investment Manager places great importance on Company culture and the wellbeing of its employees and considers various initiatives and events to ensure a positive work environment.

Co-Investment

The Company co-invests with other venture capital trusts and funds managed by TPIM.

Matters Covered in the Strategic Report

The information that fulfils the reporting requirements relating to the following matters can be found on the pages identified.

Matter	Page Reference
Future Developments	8 to 13

On behalf of the Board.

David Frank
Chair

21 June 2021

Directors' Responsibility Statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report, the Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that year. In preparing these Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable IFRS have been followed, subject to any material departures disclosed and explained in the Financial Statements; 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 keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements and the Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for preparing the Annual Report in accordance with applicable law and regulations. The Directors consider the Annual Report and the Financial Statements, taken as a whole, provide the information necessary to assess the Company's position, performance, business model and strategy and are fair, balanced and understandable.

The Company's Financial Statements are published on the TPIM website, www.triplepoint.co.uk. The maintenance and integrity of this website is the responsibility of TPIM and not of the Company. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

To the best of our knowledge:

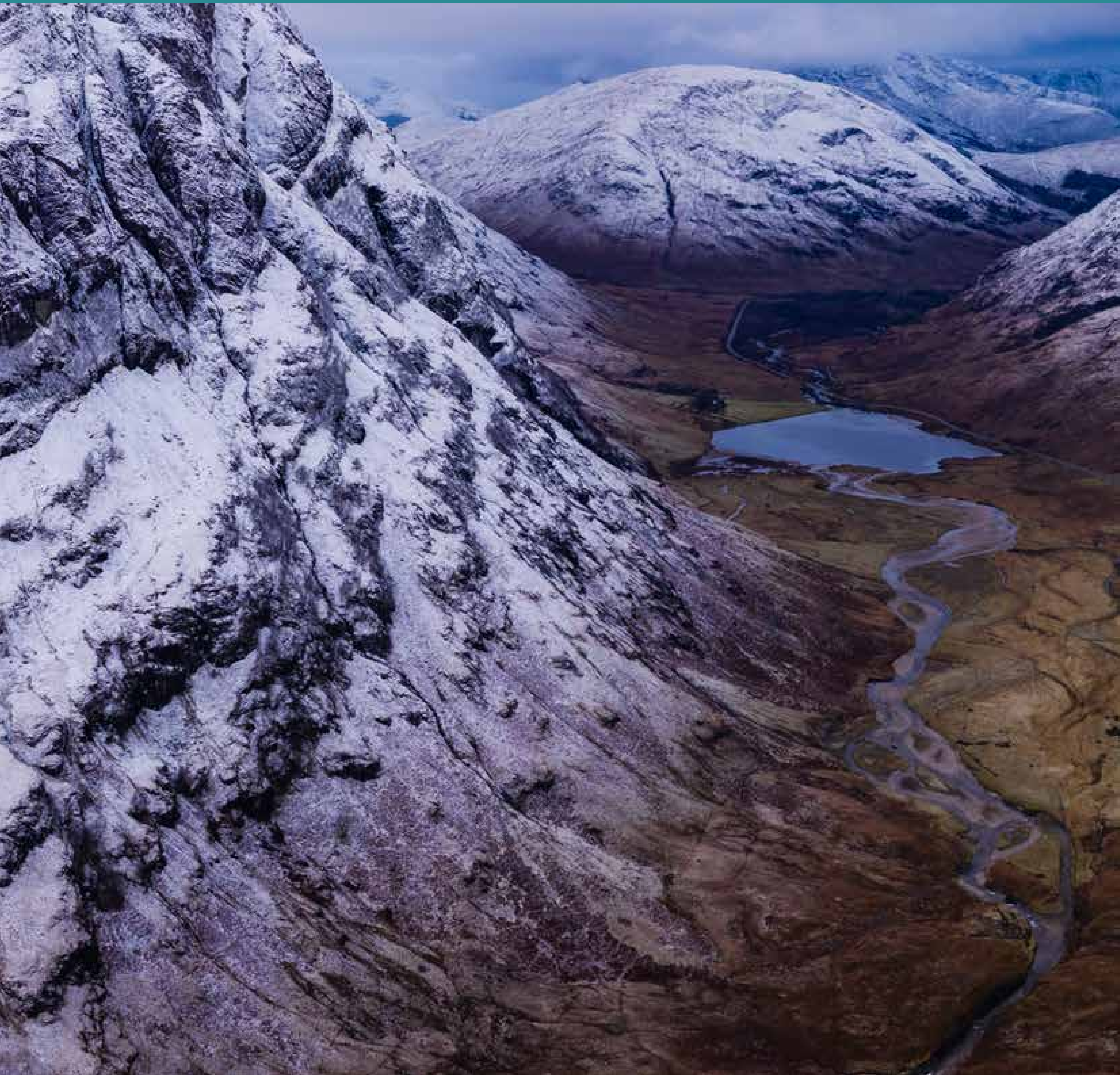
- The Financial Statements, prepared in accordance with IAS in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board.

David Frank
Chair

21 June 2021

INDEPENDENT AUDITOR'S REPORT



Independent auditor's report

to the members of Triple Point Income VCT Plc

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Triple Point Income VCT plc (the 'Company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Shareholders' Equity, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the audit committee, we were re-appointed by the members at the AGM to audit the financial statements for the year ended 31 March 2021 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is four years, covering the years ended 31 March 2018 to 31 March 2021. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included agreeing the inputs and assumptions within the forecast that forms the basis of the Board's assessment of the going concern status of the Company, to supporting documentation and our own understanding of the Company. We have performed stress testing of extreme downside scenarios and cash flow forecasts, as well as conducting a robust review of the Company's liquidity position. We have also obtained the VCT compliance report relating to the period under review and as at year end and reviewed the calculations to ensure that the Company was meeting its requirements to retain VCT status.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

		2021	2020
Key audit matters	Valuation of investments	Yes	Yes
Materiality	*Company financial statements as a whole* £960,000 (2020: £1,015,000) based on 2% (2020: 2%) of the value of the investment portfolio. *Lower testing threshold* Testing for items impacting on the realised return was performed to a threshold of £40,000 (2020: £180,000) based on 10% of revenue return before tax (2020: 10% of revenue return before tax)		

Independent auditor's report

to the members of Triple Point Income VCT Plc

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation of Investments See note 12 and note 19 and accounting policy on page 92.	Investments is a significant balance in the financial statements, with 78% of the underlying investment portfolio is represented by unquoted equity and loan stock. There is a high level of estimation uncertainty involved in determining the unquoted investments valuations. The Investment Manager's fee is based on the value of the net assets of the VCT. The Investment Manager is responsible for preparing the valuation of investments which are reviewed and approved by the Board. Notwithstanding this review, there is a potential risk of misstatement in the investment valuations.	In respect of the investments valued using discounted cash flow models ("DCF") (representing 79% of the portfolio), we performed the following specific procedures: • Reviewed and challenged the significant assumptions applied in the discounted cash flow models and considered whether the overall fair value and the valuation movements in the period were appropriate; • Considered the appropriateness of the key assumptions including discount factors, inflation, asset life, energy yield and power price applied by benchmarking to available industry data and consulting with our internal valuations specialists; • Considered the credentials of experts engaged to perform valuations of the renewable assets in the portfolio and held discussions with management's experts regarding their key assumptions applied; • Used spreadsheet analysis tools to assess the integrity of the models; • Vouched significant inputs to independent evidence and benchmarked to available industry data; • Vouched cash and other net assets to bank statements and investee company management accounts; • Considered the appropriateness of assumptions behind energy output and power price forecasts; • Performed sensitivity analysis by adjusting certain key inputs in order to calculate a reasonable range of possible valuations where appropriate; and • Considered the accuracy of forecasting by comparing previous forecasts to actual results.

Independent auditor's report

to the members of Triple Point Income VCT Plc

Key audit matter		How the scope of our audit addressed the key audit matter
		For those investments valued using a methodology other than a DCF method (representing 10% of the portfolio), we performed the following procedures: • Agreed valuations where relevant to third party data; • Considered whether the valuation methodology was the most appropriate in the circumstances under the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines and IFRS 13; • Re-performed the calculation of the value attributable to the Company; • Verified and benchmarked key inputs and estimates to independent information and our own research; • Reviewed and challenged the inputs to the valuation and assessed the impact of the estimation uncertainty concerning these assumptions; • Sensitised the valuation where appropriate by applying a range of multiples and recalculating the attributable value through the waterfall; • Where appropriate, performed sensitivity analysis on the valuation calculations where there is sufficient evidence to suggest reasonable alternative inputs might exist; and • Considered the economic environment in which the investment operates to identify factors that could impact the investment valuation. For quoted equity investments, representing 1% of the portfolio we have performed the following procedures: • Agreed the closing bid price to independent sources and reviewed post year end trade volumes for indicators of lack of liquidity **Key Observations:** Based on the procedures performed we did not identify any indicators which suggested that the valuation of the investments was materially misstated.

Our application of materiality

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

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	2021	2020
Materiality	£960,000	£1,015,000
Basis for determining materiality	2% value of investment portfolio	2% value of investment portfolio
Rationale for the benchmark applied	• The nature of the investment portfolio and the level of judgement inherent in the valuation	• The nature of the investment portfolio and the level of judgement inherent in the valuation
Performance materiality	£760,000	£720,000
Basis for determining performance materiality	75% of Materiality Risk assessment of control environment and consideration of number of historical errors identified	75% of materiality Risk assessment of control environment and consideration of number of historical errors identified

Lower testing threshold

We also determined that for items impacting realised return, a misstatement of less than materiality for the financial statements as a whole could influence the economic decisions of users. As a result, we determined a lower testing threshold for these items based on 10% of revenue return before tax, this being £40,000.

Reporting Threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £18,000 (2020: £22,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Statement specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability	• The Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 24 to 25; and • The Directors' explanation as to their assessment of the entity's prospects, the period this assessment covers and why they period is appropriate set out on page 25.
Other Code provisions	• Directors' statement on fair, balanced and understandable set out on page 59; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks on page 22; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 55; and • The section describing the work of the audit committee set out on page 57.

Independent auditor's report

to the members of Triple Point Income VCT Plc

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • 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; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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 and the part of the Directors' remuneration report to be audited 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.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, and considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006, the FCA listing and DTR rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, IFRS, and qualification as a VCT under UK tax legislation as any breach of this would lead to the Company losing various deductions and exemptions from corporation tax.

We focused on laws and regulations that could give rise to a material misstatement in the Company financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of board meetings throughout the period;

Independent auditor's report

to the members of Triple Point Income VCT Plc

- obtaining an understanding of the control environment in monitoring compliance with laws and regulations; and
- obtaining the VCT compliance reports during the year and as at year end and reviewing their calculations to check that the Company was meeting its requirements to retain VCT status

We also addressed the risk of management override of internal controls, including targeted testing of journals based on risk based criteria and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

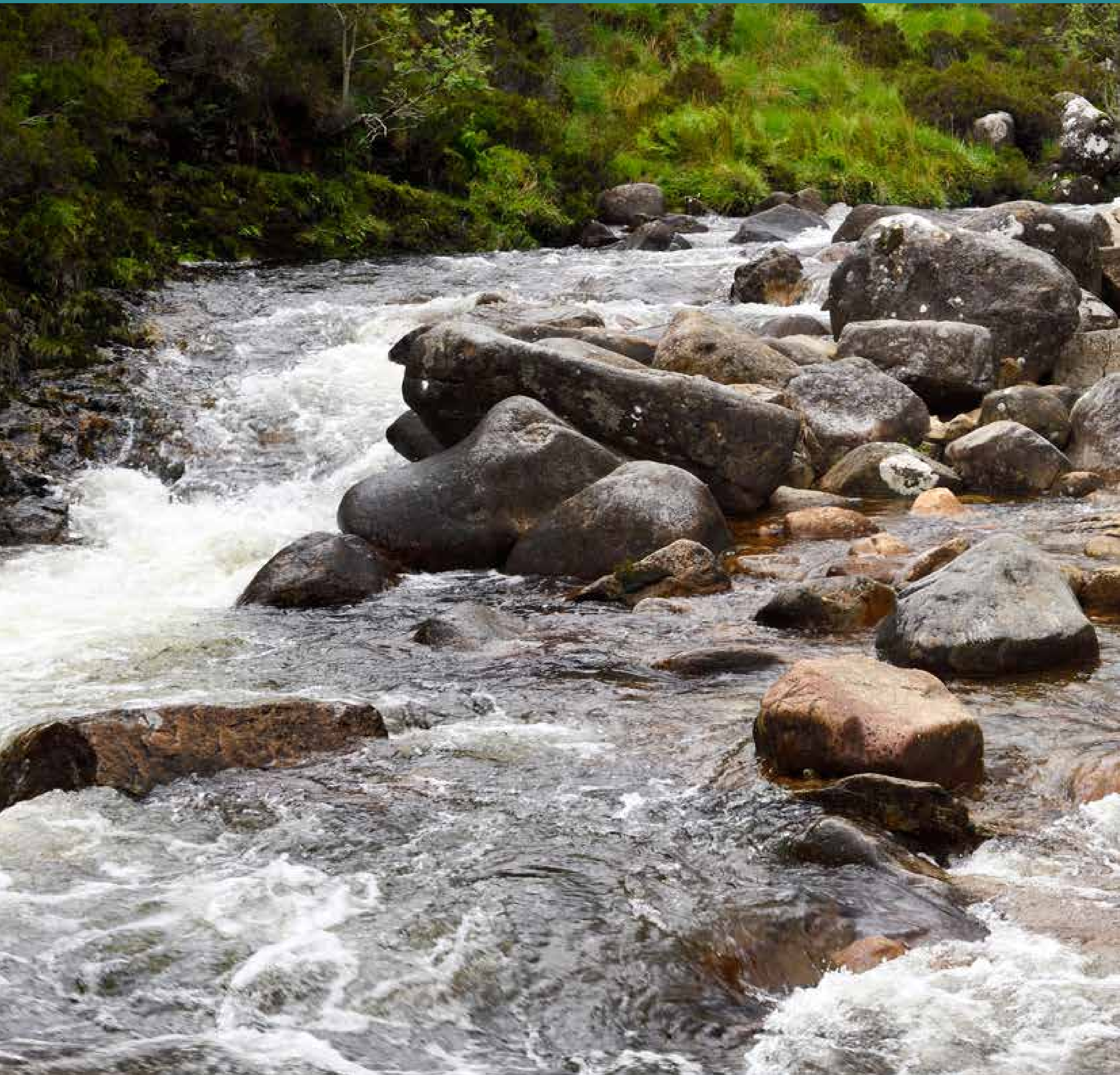
This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other 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.

BDO LLP

Peter Smith
(Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom
21 June 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FINANCIAL STATEMENTS



Statement of Comprehensive Income

		Year ended 31 March 2021			Year ended 31 March 2020		
	Note	Revenue	Capital	Total	Revenue	Capital	Total
Income		£'000	£'000	£'000	£'000	£'000	£'000
Investment income	4	2,274	–	2,274	2,743	–	2,743
Loss arising on the disposal of investments during the year	12	–	(204)	(204)	–	(181)	(181)
(Loss)/gain arising on the revaluation of investments at the year end	12	–	(173)	(173)	–	1,076	1,076
Investment return		**2,274**	**(377)**	**1,897**	**2,743**	**895**	**3,638**
Investment management fees	5	708	236	944	896	297	1,193
Other expenses	6	402	5	407	393	–	393
Finance costs	7	104	–	104	3	–	3
		1,214	241	1,455	1,292	297	1,589
Profit/(loss) before taxation		**1,060**	**(618)**	**442**	**1,451**	**598**	**2,049**
Taxation	10	(125)	46	(79)	(180)	57	(123)
Profit/(loss) after taxation		**935**	**(572)**	**363**	**1,271**	**655**	**1,926**
Other comprehensive income		–	–	–	–	–	–
Total comprehensive income/(loss)		**935**	**(572)**	**363**	**1,271**	**655**	**1,926**
Basic and diluted earnings/(loss) per share (pence)							
C Share	11	2.27p	(0.34p)	1.93p	4.18p	1.11p	5.29p
D Share	11	2.35p	(0.27p)	2.08p	2.61p	(2.49p)	0.12p
E Share	11	1.08p	(1.69p)	(0.61p)	1.21p	2.92p	4.13p
		5.70p	(2.30p)	3.40p	8.00p	1.54p	9.54p

The total column of this statement is the Statement of Comprehensive Income of the Company prepared in accordance with IFRS. The supplementary revenue return and capital columns have been prepared in accordance with the Association of Investment Companies Statement of Recommended Practice (AIC SORP) in so far as it does not conflict with IFRS.

All revenue and capital items in the above statement derive from continuing operations.

This Statement of Comprehensive Income includes all recognised gains and losses. The accompanying notes are an integral part of these statements.

Balance Sheet

	Note	31 March 2021	31 March 2020
		£'000	*£'000*
Non-current assets			
Financial assets at fair value through profit or loss	12	48,022	50,763
Current assets			
Receivables	13	984	785
Cash and cash equivalents	14	521	701
		1,505	1,486
Total Assets		**49,527**	**52,249**
Current liabilities			
Payables and accrued expenses	16	452	430
Current taxation payable		93	112
Short-term debt facility		2,300	2,300
		2,845	2,842
Net Assets		**46,682**	**49,407**
Equity attributable to equity holders of the parent			
Share capital	18	560	561
Share redemption reserve		1	–
Share premium		28,661	28,661
Special distributable reserve		10,555	12,960
Capital reserve		6,891	6,844
Revenue reserve		14	381
Total equity		**46,682**	**49,407**
Shareholders' funds			
C Share	20	83.30p	84.87p
D Share	20	59.59p	62.46p
E Share	20	94.59p	101.69p

The statements were approved by the Directors and authorised for issue on 21 June 2021 and are signed on behalf of the Board by:

D.T. Frank

DAVID FRANK
Chair

21 June 2021

The accompanying notes on pages 91 to 106 are an integral part of this statement.

Statement of Changes in Shareholders' Equity

	Issued Capital	Share Redemption Reserve	Share Premium	Special Distributable Reserve	Capital Reserve	Revenue Reserve	Total
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Year ended 31 March 2021							
Opening balance	561	–	28,661	12,960	6,844	381	49,407
Purchase of own shares	(1)	1	–	–	–	(51)	(51)
Dividends paid	–	–	–	(2,405)	–	(632)	(3,037)
Transfer from revenue to unrealised	–	–	–	–	619	(619)	–
Transactions with owners	(1)	1	–	(2,405)	619	(1,302)	(3,088)
(Loss)/profit for the year	–	–	–	–	(572)	935	363
Other comprehensive income	–	–	–	–	–	–	–
(Loss)/profit and total comprehensive income for the year	–	–	–	–	(572)	935	363
Balance at 31 March 2021	**560**	**1**	**28,661**	**10,555**	**6,891**	**14**	**46,682**
Capital reserve consists of:							
Investment holding gains					9,825		
Other realised losses					(2,934)		
					6,891		
Year ended 31 March 2020							
Opening balance	561	–	28,661	26,887	6,189	1,557	63,855
Dividend paid	–	–	–	(13,927)	–	(2,447)	(16,374)
Transactions with owners	–	–	–	(13,927)	–	(2,447)	(16,374)
Profit for the year	–	–	–	–	655	1,271	1,926
Other comprehensive income	–	–	–	–	–	–	–
Profit and total comprehensive income for the year	–	–	–	–	655	1,271	1,926
Balance at 31 March 2020	**561**	**–**	**28,661**	**12,960**	**6,844**	**381**	**49,407**
Capital reserve consists of:							
Investment holding gains					9,379		
Other realised losses					(2,535)		
					6,844		

The capital reserve represents the proportion of Investment Management fees charged against capital and realised/unrealised gains or losses on the disposal/revaluation of investments. The unrealised element of the capital reserve is not distributable. The special distributable reserve was created on court cancellation of the share premium account. The revenue, special distributable and realised capital reserves are distributable by way of dividend.

At 31 March 2021 the total reserves available for distribution are £7,635,000 (2020: £10,806,000) This consists of the distributable revenue reserve net of the realised capital loss and the special distributable reserve.

Statement of Cash Flows

	Year ended 31 March 2021	Year ended 31 March 2020
	£'000	*£'000*
Cash flows from operating activities		
Profit before taxation	442	2,049
Adjustments for:		
Add back financing costs	104	3
Movement in accrued income recognised as an unrealised gain	(619)	–
Loss arising on the disposal of investments during the period	204	181
Loss/(gain) arising on the revaluation of investments at the period end	173	(1,076)
Cashflow generated by operations	304	1,157
(Increase)/decrease in receivables	(198)	465
Increase in payables	22	103
Cash flows generated from operating activities	128	1,725
Tax paid	(98)	(204)
Net cash flows generated from operating activities	30	1,521
Cash flow from investing activities		
Proceeds of sale of financial assets at fair value through profit or loss	2,982	7,069
Net cash flows from investing activities	2,982	7,069
Cash flows from financing activities		
Repayment of capital	(51)	–
Dividends paid	(3,037)	(16,374)
Financing costs	(104)	(3)
Proceeds from short-term debt	–	2,300
Net cash flows from financing activities	(3,192)	(14,077)
Net decrease in cash and cash equivalents	(180)	(5,487)
Reconciliation of net cash flow to movements in cash and cash equivalents		
Opening cash and cash equivalents	701	6,188
Net decrease in cash and cash equivalents	(180)	(5,487)
Closing cash and cash equivalents	521	701

The accompanying notes are an integral part of these statements.

UNAUDITED NON-STATUTORY ANALYSIS

Unaudited Non-Statutory Analysis of

The C Ordinary Share Fund

Statement of Comprehensive Income

	Year ended 31 March 2021			Year ended 31 March 2020		
	Revenue	*Capital*	*Total*	*Revenue*	*Capital*	*Total*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Investment income	602	–	602	988	–	988
Unrealised gain on investments	–	–	–	–	218	218
Investment return	**602**	**–**	**602**	**988**	**218**	**1,206**
Investment management fees	(217)	(56)	(273)	(316)	(86)	(402)
Other expenses	(62)	–	(62)	(58)	–	(58)
Profit/(loss) before taxation	**323**	**(56)**	**267**	**614**	**132**	**746**
Taxation	(20)	11	(9)	(53)	17	(36)
Profit/(loss) after taxation	**303**	**(45)**	**258**	**561**	**149**	**710**
Profit and total comprehensive income/(loss) for the period	303	(45)	258	561	149	710
Basic and diluted earnings/(loss) per share	**2.27p**	**(0.34p)**	**1.93p**	**4.18p**	**1.11p**	**5.29p**

Balance Sheet

	Year ended 31 March 2021	Year ended 31 March 2020
	£'000	*£'000*
Non-current assets		
Financial assets at fair value through profit or loss	11,244	11,502
Current assets		
Receivables	252	66
Cash and cash equivalents	120	193
	372	259
Current liabilities		
Payables	(113)	(17)
Corporation tax	(9)	(38)
Short-term debt facility	(300)	(300)
Net assets	11,194	11,406
Equity attributable to equity holders	11,194	11,406
Net asset value per share	83.30p	84.87p

Statement of Changes in Shareholders' Equity

	Year ended 31 March 2021	Year ended 31 March 2020
	£'000	*£'000*
Opening Shareholders' funds	11,406	18,088
Profit for the period	258	710
Dividends paid	(470)	(7,392)
Closing Shareholders' funds	11,194	11,406

Unaudited Non-Statutory Analysis of
The C Ordinary Share Fund

Investment Portfolio

	31 March 2021				31 March 2020			
	Cost		Valuation		Cost		Valuation	
	£'000	*%*	*£'000*	*%*	*£'000*	*%*	*£'000*	*%*
Unquoted qualifying holdings	7,384	98.40	11,244	98.95	7,417	94.69	11,279	96.44
Unquoted non-qualifying holdings	–	–	–	–	223	2.85	223	1.91
Financial assets at fair value through profit or loss	7,384	98.40	11,244	98.95	7,640	97.54	11,502	98.35
Cash and cash equivalents	120	1.60	120	1.05	193	2.46	193	1.65
	7,504	100.00	11,364	100.00	7,833	100.00	11,695	100.00
Qualifying Holdings								
Unquoted								
Hydroelectric Power								
Green Highland Allt Choire A Bhalachain (225) Limited	2,466	32.86	2,965	26.09	2,466	31.48	2,965	25.35
Green Highland Allt Phocachain (1015) Limited	1,576	21.00	2,136	18.80	1,576	20.12	2,136	18.26
Achnacarry Hydro Ltd	3,342	44.54	6,143	54.06	3,375	43.09	6,178	52.83
	7,384	98.40	11,244	98.95	7,417	94.69	11,279	96.44
Non-Qualifying Holdings								
Unquoted								
Hydroelectric Power								
Green Highland Allt Choire A Bhalachain (225) Limited	–	–	–	–	223	2.85	223	1.91
	–	–	–	–	223	2.85	223	1.91

Unaudited Non-Statutory Analysis of

The D Ordinary Share Fund

Statement of Comprehensive Income

	Year ended 31 March 2021			Year ended 31 March 2020		
	Revenue	*Capital*	*Total*	*Revenue*	*Capital*	*Total*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Investment income	676	–	676	780	–	780
Unrealised gain on investments	–	–	–	–	(277)	(277)
Investment return	**676**	**–**	**676**	**780**	**(277)**	**503**
Investment management fees	(236)	(46)	(282)	(286)	(79)	(365)
Other expenses	(45)	–	(45)	(52)	–	(52)
Profit/(loss) before taxation	**395**	**(46)**	**349**	**442**	**(356)**	**86**
Taxation	(75)	9	(66)	(83)	15	(68)
Profit/(loss) after taxation	**320**	**(37)**	**283**	**359**	**(341)**	**18**
Profit and total comprehensive income for the period	320	(37)	283	359	(341)	18
Basic and diluted earnings/(loss) per share	**2.35p**	**(0.27p)**	**2.08p**	**2.61p**	**(2.49p)**	**0.12p**

Balance Sheet

	Year ended 31 March 2021	Year ended 31 March 2020
	£'000	*£'000*
Non-current assets		
Financial assets at fair value through profit or loss	10,036	10,146
Current assets		
Receivables	206	378
Cash and cash equivalents	17	173
	223	551
Current liabilities		
Payables	(86)	(69)
Corporation tax	(67)	(69)
Short-term debt facility	(2,000)	(2,000)
Net assets	8,106	8,559
Equity attributable to equity holders	8,106	8,559
Net asset value per share	59.59p	62.46p

Statement of Changes in Shareholders' Equity

	Year ended 31 March 2021	Year ended 31 March 2020
	£'000	*£'000*
Opening shareholders' funds	8,559	16,077
Purchase of own shares	(51)	–
Profit for the period	283	18
Dividends paid	(685)	(7,536)
Closing Shareholders' funds	8,106	8,559

Unaudited Non-Statutory Analysis of
The D Ordinary Share Fund

Investment Portfolio

	31 March 2021				31 March 2020			
	Cost		Valuation		Cost		Valuation	
	£'000	%	£'000	%	£'000	%	£'000	%
Unquoted qualifying holdings	8,247	99.80	10,036	99.83	8,248	96.69	10,036	97.25
Unquoted non-qualifying holdings	–	–	–	–	109	1.28	110	1.07
Financial assets at fair value through profit or loss	8,247	99.80	10,036	99.83	8,357	97.97	10,146	98.32
Cash and cash equivalents	17	0.20	17	0.17	173	2.03	173	1.68
	8,264	100.00	10,053	100.00	8,530	100.00	10,319	100.00
Qualifying Holdings								
Unquoted								
Hydroelectric Power								
Elementary Energy Limited	337	4.08	380	3.78	337	3.95	380	3.68
Green Highland Allt Ladaidh (1148) Limited	3,374	40.83	4,622	45.98	3,374	39.55	4,622	44.79
Green Highland Allt Luaidhe (228) Limited	1,918	23.21	2,341	23.29	1,918	22.49	2,341	22.69
Green Highland Allt Phocachain (1015) Limited	1,857	22.47	2,191	21.79	1,858	21.78	2,191	21.23
Green Highland Shenval Limited	761	9.21	502	4.99	761	8.92	502	4.86
	8,247	99.80	10,036	99.83	8,248	96.69	10,036	97.25
Non-Qualifying Holdings								
Unquoted								
Hydroelectric Power								
Green Highland Allt Luaidhe (228) Limited	–	–	–	–	109	1.28	110	1.07
	–	–	–	–	109	1.28	110	1.07

Unaudited Non-Statutory Analysis of

The E Ordinary Share Fund

Statement of Comprehensive Income

	Year ended 31 March 2021			Year ended 31 March 2020		
	Revenue	*Capital*	*Total*	*Revenue*	*Capital*	*Total*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Investment income	996	–	996	975	–	975
Realised loss on investments	–	(204)	(204)	–	(181)	(181)
Unrealised loss on investments	–	(173)	(173)	–	1,135	1,135
Investment return	**996**	**(377)**	**619**	**975**	**954**	**1,929**
Investment management fees	(502)	(139)	(641)	(485)	(132)	(617)
Other expenses	(152)	–	(152)	(95)	–	(95)
Profit/(loss) before taxation	**342**	**(516)**	**(174)**	**395**	**822**	**1,217**
Taxation	(30)	26	(4)	(44)	25	(19)
Profit/(loss) after taxation	**312**	**(490)**	**(178)**	**351**	**847**	**1,198**
Profit/(loss) and total comprehensive income for the period	312	(490)	(178)	351	847	1,198
Basic and diluted earnings/(loss) per share	**1.08p**	**(1.69p)**	**(0.61p)**	**1.21p**	**2.92p**	**4.13p**

Balance Sheet

	Year ended 31 March 2021	Year ended 31 March 2020
	£'000	*£'000*
Non-current assets		
Financial assets at fair value through profit or loss	26,742	29,115
Current assets		
Receivables	526	341
Cash and cash equivalents	384	335
	910	676
Current liabilities		
Payables	(253)	(344)
Corporation tax	(17)	(5)
Net assets	27,382	29,442
Equity attributable to equity holders	27,382	29,442
Net asset value per share	94.59p	101.69p

Statement of Changes in Shareholders' Equity

	Year ended 31 March 2021	Year ended 31 March 2020
	£'000	*£'000*
Opening shareholders' funds	29,442	29,691
(Loss)/profit for the period	(178)	1,198
Dividends paid	(1,882)	(1,447)
Closing Shareholders' funds	27,382	29,442

Unaudited Non-Statutory Analysis of
The E Ordinary Share Fund

Investment Portfolio

	31 March 2021				31 March 2020			
	Cost		Valuation		Cost		Valuation	
	£'000	%	£'000	%	£'000	%	£'000	%
Unquoted qualifying holdings	15,305	66.70	19,369	71.41	15,315	59.55	19,829	67.34
Quoted non-qualifying holdings	570	2.48	558	2.06	3,319	12.90	2,927	9.94
Unquoted non-qualifying holdings	6,690	29.16	6,815	25.13	6,750	26.25	6,359	21.60
Financial assets at fair value through profit or loss	22,565	98.34	26,742	98.60	25,384	98.70	29,115	98.88
Cash and cash equivalents	384	1.66	384	1.40	335	1.30	335	1.12
	22,949	100.00	27,126	100.00	25,719	100.00	29,450	100.00
Qualifying Holdings								
Unquoted								
Solar								
Digima Limited	1,262	5.50	1,716	6.33	1,262	4.91	1,661	5.64
Digital Screen Solutions Limited	2,020	8.80	2,776	10.23	2,020	7.85	2,586	8.78
Green Energy for Education Limited	475	2.07	1,404	5.18	475	1.85	1,260	4.28
Hydroelectric Power								
Elementary Energy Limited	1,723	7.51	2,081	7.67	1,723	6.70	2,081	7.07
Green Highland Shenval Limited	359	1.56	237	0.87	359	1.40	237	0.80
Green Highland Allt Choire A Bhalachain (255) Limited	664	2.89	798	2.94	664	2.58	798	2.71
Green Highland Allt Ladaidh (1148) Limited	126	0.55	149	0.55	126	0.49	149	0.51
Green Highland Allt Luaidhe (228) Limited	77	0.34	84	0.31	77	0.30	84	0.29
Green Highland Allt Phocachain (1015) Limited	498	2.17	662	2.44	498	1.94	662	2.25
Achnacarry Hydro Ltd	901	3.93	1,654	6.10	911	3.54	1,663	5.65
Gas Fired Energy Centre								
Green Peak Generation Limited	2,200	9.59	1,339	4.94	2,200	8.55	2,366	8.03
Vertical Growing								
Perfectly Fresh Cheshire Limited	5,000	21.79	6,469	23.85	5,000	19.44	6,282	21.33
	15,305	66.70	19,369	71.41	15,315	59.55	19,829	67.34
Non-Qualifying Holdings								
Quoted								
Investment Property								
Triple Point Social Housing REIT plc Equity	570	2.48	558	2.06	3,319	12.90	2,927	9.94
	570	2.48	558	2.06	3,319	12.90	2,927	9.94
Unquoted								
Crematorium Management								
Furnace Managed Services Limited	488	2.13	113	0.42	486	1.89	97	0.33
Hydroelectric Power								
Elementary Energy Limited	140	0.61	140	0.52	200	0.78	199	0.68
SME Funding								
Hydroelectric Power:								
Broadpoint 2 Limited	1,334	5.81	1,449	5.34	1,335	5.19	1,334	4.53
Other:								
Funding Path Limited	2,200	9.59	2,501	9.22	2,200	8.55	2,200	7.47
Aeris Power Limited	518	2.26	602	2.22	519	2.02	519	1.76
Broadpoint 3 Limited	2,010	8.76	2,010	7.41	2,010	7.82	2,010	6.83
	6,690	29.16	6,815	25.13	6,750	26.25	6,359	21.60

NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements

1. Corporate Information

The Financial Statements of the Company for the year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Directors on 21 June 2021.

The Company was admitted for listing on the London Stock Exchange on 6 February 2008.

The Company is incorporated and domiciled in the United Kingdom and registered in England and Wales. The address of its registered office, which is also its principal place of business, is 1 King William Street, London EC4N 7AF.

The Company is required to nominate a functional currency, being the currency in which the Company predominantly operates. The functional and reporting currency is sterling, reflecting the primary economic environment in which the Company operates.

The principal activity of the Company is investment. The Company's investment strategy is to offer combined exposure to cash or cash-based funds and venture capital investments focused on companies with contractual revenues from financially secure counterparties.

2. Basis of Preparation and Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with IAS in conformity with the requirements of the Companies Act 2006.

After making the necessary enquiries, the Directors confirm that they are satisfied that the Company has adequate resources to continue to meet its day-to-day commitments for at least 12 months from the date of approval of the financial statements. During the previous year the Company entered into a 364-day loan facility of £2.7 million from TPLP, a separate fund which is managed by the Investment Manager. £2.3 million was drawn during the previous year and has remained in place during the current year. No capital payments have been made on this loan.

The current key loan terms were a length of 364 days and an interest rate of 4.5%. The loan was due for repayment on 17 March 2021. This loan has been extended by the lender for a further 364 days. At the reporting date, the Company does not have sufficient liquid resources to enable repayment of the outstanding loan balance. While the board are confident the lender will continue to extend the current loan term, to mitigate this risk the Company entered into a separate facility agreement with an alternative lender. The facility has the same key terms and included a two-year availability period, at the year end, the Board has sought a 12 month extension to the alternative facility agreement. This alternative facility agreement now remains in place until 11 June 2023.

This enables the Company to draw on this facility should the existing loan not be extended by the existing lender.

The Board receives regular reports from the Investment Manager and the Directors believe that, as no material uncertainties leading to significant doubt about going concern have been identified, it is appropriate to continue to apply the going concern basis in preparing the Financial Statements. The impact of COVID-19 has been considered and more detail on these considerations can be found under the Principal Risks Uncertainties and Emerging Risks section on pages 22 to 23. This is also discussed in the Chair's Statement on pages 8 to 13, the Going Concern statement on page 24.

The Financial Statements of the Company for the year to 31 March 2021 have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 adopted for use in the European Union and comply with the Statement of Recommended Practice: "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (SORP) issued by the Association of Investment Companies (AIC) in October 2019.

The Financial Statements are prepared on a historical cost basis except that investments are shown at fair value through profit or loss ("FVTPL").

The preparation of Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these judgements.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities relate to:

- The valuation of unlisted financial investments held at fair value through profit or loss, which are valued on the basis noted below (under the heading Non-Current Asset Investments) and in note 12; and
- The recognition or otherwise of accrued income on loan notes and similar instruments granted to investee companies, which are assessed in conjunction with the overall valuation of unlisted financial investments as noted above.

The key judgements made by Directors are in the valuation of non-current assets and the assessment of realised losses. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period or in the period of revision and future periods if the revision affects both current and future periods. The carrying value of investments is disclosed in note 12.

Useful lives of the Company's Hydro and Gas Fired Energy Centre portfolio are based on the Investment Manager's estimates of the period over which the assets will generate revenue which are periodically reviewed for continued appropriateness.

Climate Change may have an impact on the estimated useful life of these assets. As discussed in the Strategic Report the increasing emergence of battery technologies and the UK Government's desire to phase out fossil fuels has affected the forecast useful life of the Gas Fired Energy Centre company. The actual useful lives may be a shorter or longer period depending on the actual operating conditions experienced by the asset. The valuations of the Company's renewable assets currently incorporate the expected impact of climate change through the use of power prices.

Notes to the Financial Statements

The Directors do not believe that there are any further key judgements made in applying accounting policies or estimates in respect of the Financial Statements.

These accounting policies have been applied consistently in preparing these Financial Statements.

New and amended standards and interpretations applied

There were no new standards or interpretations effective for the first time for periods beginning on or after 1 April 2020 that had a significant effect on the Group's or Company's financial statements. Furthermore, none of the amendments to standards that are effective from that date had a significant effect on the financial statements.

New and amended standards and interpretations not applied

"Interest Rate Benchmark Reform — Phase 2" was issued and will become effective for accounting periods beginning on or after 1 January 2021. The amendments require additional disclosures that address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. They also provide relief to the Group in respect of certain loans whose contractual terms are affected by interest benchmark reform.

Other accounting standards and interpretations have been published and will be mandatory for the Company's accounting periods beginning on or after 1 January 2021 or later periods. The impact of these standards is not expected to be material to the reported results and financial position of the Company.

Presentation of Statement of Comprehensive Income

In order better to reflect the activities of a VCT, and in accordance with the guidance issued by the Association of Investment Companies, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Income Statement.

Non-Current Asset Investments

The Company invests in financial assets with a view to profiting from their Total Return through income and capital growth. These investments are managed, and their performance is evaluated on a fair value basis in accordance with the Investment Policy detailed in the Strategic Report on pages 8 to 49 and information about the portfolio is provided internally on that basis to the Company's Board of Directors. Accordingly, upon initial recognition the investments are classified by the Company as "at fair value through profit or loss" in accordance with IFRS 9.

They are included initially at fair value, which is taken to be their cost (excluding expenses incidental to the acquisition which are written off in the Statement of Comprehensive Income and allocated to "capital" at the time of acquisition). Subsequently the investments are valued at "fair value" which is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date.

- Unlisted investments are fair valued by the Directors in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Fair value is established by using measurements of value such as price of recent transactions, discounted cash flows, cost, and initial cost of investment; and
- Listed investments are fair valued at bid price on the relevant date.

The Board believes that those investments valued based on the transaction price are done so because the transaction price is still representative of fair value.

Where securities are classified upon initial recognition at fair value through profit or loss, gains and losses arising from changes in fair value are included in the Statement of Comprehensive Income for the year as capital items in accordance with the AIC SORP 2019. The profit or loss on disposal is calculated net of transaction costs of disposal.

Investments are recognised as financial assets on legal completion of the investment contract and are de-recognised on legal completion of the sale of an investment.

The Company has taken the exemption permitted by IAS 28 "Investments in Associates and Joint Ventures" and IFRS11 "Joint Arrangements" for entities similar to investment entities and measures its investments in associates and joint ventures at fair value. The Directors consider an associate to be an entity over which the Group has significant influence, through an ownership of between 20% and 50%. The Company's Subsidiary, associates and joint ventures are disclosed in note 15.

Income

Investment income includes interest earned on bank balances and investment loans and includes income tax withheld at source. Dividend income is shown net of any related tax credit and is brought into account on the ex-dividend date.

Property income includes tax which is withheld at source.

Fixed returns on investment loans and debt are recognised on a time apportionment basis so as to reflect the effective yield, provided there is no reasonable doubt that payment will be received in due course.

Expenses

All expenses are accounted for on the accruals basis. Expenses are charged to revenue with the exception of the investment management fee which has been charged 75% to the revenue account and 25% to the capital account to reflect, in the Directors' opinion, the expected long term split of returns in the form of income and capital gains respectively from the investment portfolio.

The Company's general expenses are split between the Share Classes using the Net Asset Value of each Share Class divided by the total Net Asset Value of the Company.

Finance costs

Borrowing costs are recognised in the Statement of Comprehensive Income in the period to which they relate on an accruals basis.

Taxation

Corporation tax payable is applied to profits chargeable to corporation tax, if any, at the current rate in accordance with IAS 12 "Income Taxes". The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue on the "marginal" basis as recommended by the AIC SORP 2019.

Notes to the Financial Statements

In accordance with IAS 12, deferred tax is recognised using the balance sheet method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. The Directors have considered the requirements of IAS 12 and do not believe that any provision should be made.

Financial Instruments

The Company's principal financial assets are its investments and the accounting policies in relation to those assets are set out above. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered.

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument.

Financial assets and financial liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. At 31 March 2021 and 31 March 2020, the carrying amounts of cash and cash equivalents, receivables, payables, accrued expenses and short-term borrowings reflected in the financial statements are reasonable estimates of fair value in view of the nature of these instruments or the relatively short period of time between the original instruments and their expected realisation.

Financial Assets

The classification of financial assets at initial recognition depends on the purpose for which the financial asset was acquired and its characteristics. All financial assets are initially recognised at fair value. All purchases of financial assets are recorded at the date on which the Company became party to the contractual requirements of the financial asset.

The Company's financial assets principally comprise of investments held at fair value through profit or loss and financial assets held at amortised cost.

Investments are designated upon initial recognition as held at fair value through profit or loss. Gains or losses resulting from the movement in fair value are recognised in the Statement of Comprehensive Income at each valuation date.

The Company's loan and equity investments are held at fair value through profit or loss. Gains or losses resulting from the movement in fair value are recognised in the Company's Statement of Comprehensive Income at each valuation date.

Financial assets are recognised/derecognised at the date of the purchase/disposal. Investments are initially recognised at cost, being the fair value of consideration given. Transaction costs are recognised in the Consolidated Statement of Comprehensive Income as incurred.

Fair value is defined as the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is calculated on an unlevered, discounted cash flow basis in accordance with IFRS 13 and IFRS 9.

Derecognition of financial assets (in whole or in part) takes effect:

- When the Group has transferred substantially all the risks and rewards of ownership; or
- When it has neither transferred or retained substantially all the risks and rewards and when it no longer has control over the assets or a portion of the asset; or
- When the contractual right to receive cash flow has expired.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual agreements entered into and are recorded on the date on which the Company becomes party to the contractual requirements of the financial liability.

All loans and borrowings are initially recognised at cost, being fair value of the consideration received, less issue costs where applicable. After initial recognition, all interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Although not appropriate for this reporting date, loan balances at the year-end would not usually be discounted to reflect amortised cost, as the amounts would not usually be materially different from the outstanding balances.

The Company's other financial liabilities measured at amortised cost include trade and other payables which are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the Consolidated Statement of Comprehensive Income.

Performance fees due to the Investment Manager

TPIM provides investment management and administration services to the Company under an Investment Management Agreement effective 6 February 2008 and deeds of variation to that agreement effective 21 November 2012, 28 October 2014, 7 October 2016 and 27 April 2020. The agreement allows for performance fees to be payable to the manager upon successful realisation of the hurdle applicable to each class of shares. More information is disclosed in note 5 to the financial statements.

Performance fees will begin to be accrued following distributions from the Company to investors exceeding 100 pence per share in each share class. For the avoidance of any doubt, this does not include the initial tax relief available to investors and relates solely to distributions from the Company to investors.

During the year performance fees of £4,991 were accrued in the financial statements. This performance fee was the result of a share buyback by the Company, which, when including dividends paid resulted in the return of 122.23 pence per share to the investor.

Issued Share Capital

C Shares, D Shares and E Shares are classified as equity because they do not contain an obligation to transfer cash or another financial asset. Issue costs associated with the allotment of shares have been deducted from the share premium account in accordance with IAS 32.

Notes to the Financial Statements

Cash and Cash Equivalents
Cash and cash equivalents representing cash available at less than 3 months' notice are classified as Financial Assets at amortised cost under IFRS 9.

Reserves
The revenue reserve (retained earnings) and capital reserve reflect the guidance in the AIC SORP 2019. The capital reserve represents the proportion of Investment Management fees charged against capital and realised/unrealised gains or losses on the disposal/revaluation of investments.

The unrealised capital reserve, share redemption reserve and share premium reserve are not distributable. The special distributable reserve was created on court cancellation of the share premium account.

The revenue, special distributable and realised capital reserves are distributable by way of dividend.

Consolidated Financial Statements
The Directors have concluded that the Company has control over one company in which it has invested, as prescribed by IFRS 10 "Consolidated Financial Statements". The Company continues to satisfy the criteria to be regarded as an investment entity as defined in IFRS 10.

Subsidiaries are therefore measured at fair value through profit or loss, in accordance with IFRS 13 "Fair Value measurement" and IFRS 9 "Financial Instruments".

Dividends
Dividends payable are recognised as distributions in the financial statements when the Company's obligation to make payment has been established.

3. Segmental Reporting

The Directors are of the opinion that the Company only has a single operating segment of business, being investment activity.

All revenues and assets are generated and held in the UK.

4. Investment Income

	C Shares	D Shares	E Shares	Total
	£'000	*£'000*	*£'000*	*£'000*
Year ended 31 March 2021				
Loan stock interest	382	676	860	1,918
Dividends receivable	220	–	99	319
Other Investment Income	–	–	22	22
Property Income	–	–	15	15
	602	676	996	2,274

	C Shares	D Shares	E Shares	Total
	£'000	*£'000*	*£'000*	*£'000*
Year ended 31 March 2020				
Loan stock interest	655	771	637	2,063
Dividends receivable	331	–	40	371
Interest receivable on bank balances	2	9	35	46
Other Investment Income	–	–	63	63
Property Income	–	–	200	200
	988	780	975	2,743

Disclosure by share class is unaudited

Notes to the Financial Statements

5. Investment Management Fees

TPIM provides investment management and administration services to the Company under an Investment Management Agreement effective 6 February 2008 and deeds of variation to that agreement effective 21 November 2012, 28 October 2014, 7 October 2016 and 27 April 2020.

C Shares: The agreement provides for an administration and investment management fee of 2% per annum of net assets payable quarterly in arrear for an appointment of at least six years from the admission of those shares. Subject to distributions to the C Shareholders exceeding the C Share hurdle of 100 pence per share, the Investment Manager will be entitled to a performance incentive fee of 20% of any upside above 100 pence per share. This does not include the initial tax relief available to investors.

D Shares: The agreement provides for an administration and investment management fee of 2% per annum of net assets payable quarterly in arrear for an appointment of at least six years from the admission of those shares. Subject to distributions to the D Shareholders exceeding the D Share hurdle of 100 pence per share, the Investment Manager will be entitled to a performance incentive fee of 20% of any upside above 100 pence per share. This does not include the initial tax relief available to investors.

E Shares: The agreement provides for an administration and investment management fee of 2% per annum of net assets payable quarterly in arrear for an appointment of at least six years from the admission of those shares. Subject to distributions to the E Shareholders exceeding the E Share hurdle of 100 pence per share, the Investment Manager will be entitled to a performance incentive fee of 20% of any upside above 100 pence per share. This does not include the initial tax relief available to investors.

To date there have been no performance fees paid by the Company, but during the period the Company accrued £4,991 of performance fees to be paid to the Investment Manager on a successful full exit for the D Share Class. The Performance fee was accrued as a result of a buyback of 96,999 D Ordinary Shares, which returned a total of 122.23 pence per share to the investor.

An administration fee equal to 0.25% per annum of the Company's net assets is payable quarterly in arrears.

Fees paid to the Investment Manager for administrative and other services during the year were £143,000 (2020: £188,000).

	C Shares	D Shares	E Shares	Total
	£'000	*£'000*	*£'000*	*£'000*
Year ended 31 March 2021				
Investment Management Fees	225	163	556	944
	225	163	556	944
Year ended 31 March 2020				
Investment Management Fees	347	317	529	1,193
	347	317	529	1,193

Disclosure by share class is unaudited

Notes to the Financial Statements

6. Operating Expenses

All expenses are accounted for on an accruals basis.

Expenses are charged wholly to revenue, apart from management fees which are charged 25% to capital and 75% to revenue, any performance fees incurred are charged wholly to capital. Transaction costs incurred when selling assets are written off to the Income Statement in the period that they occur.

	Year ended 31 March 2021			Year ended 31 March 2020		
	Revenue	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
TPIM: Accrued performance fee	–	5	5	–	–	–
Financial and regulation costs	59	–	59	48	–	48
General administration	182	–	182	222	–	222
Fees payable to the Company's auditor for audit services	39	–	39	32	–	32
Company secretarial services	18	–	18	9	–	9
Other professional fees	38	–	38	27	–	27
Directors fees	66	–	66	55	–	55
	402	5	407	393	–	393

The Ongoing Charges Ratio for the Company for the year to 31 March 2021 was 2.88 % (2020: 2.70%). The calculation excludes the performance fees due to the Manager. Total annual running costs are capped at 3.5% of the Company's net assets.

The Company's annual running costs will continue to be capped at 3.5% of NAV (excluding any performance fees payable to Triple Point).

Any excess will be met by the Investment Manager by way of a reduction in future management fees.

VAT has been removed from the Audit fees and allocated to General Administration expenses.

7. Finance Costs

During the year the Company re-entered into a loan facility with TPLP. On 20 March 2020 £2.3 million was drawn on the facility. The loan attracts interest at a rate of 4.5%. During the year, interest of £103,500 (2020: £3,119) was charged and paid by the Company.

8. Legal and Professional Fees

Legal and professional fees include remuneration paid to the Company's auditor, BDO LLP as shown in the following table:

	C Shares	D Shares	E Shares	Total
	£'000	*£'000*	*£'000*	*£'000*
Year ended 31 March 2021				
Fees payable to the Company's auditor:				
– for the audit of the financial statements	9	7	23	39
	9	7	23	39
Year ended 31 March 2020				
Fees payable to the Company's auditor:				
– for the audit of the financial statements	9	8	15	32
	9	8	15	32

VAT has been removed from the Audit fees and allocated to General Administration expenses.

Disclosure by share class is unaudited

Notes to the Financial Statements

9. Directors' Remuneration

	C Shares	D Shares	E Shares	Total
	£'000	*£'000*	*£'000*	*£'000*
Year ended 31 March 2021				
David Frank	6	4	14	24
Simon Acland	5	4	12	21
Michael Stanes	5	3	13	21
	16	11	39	66
Year ended 31 March 2020				
David Frank	5	5	10	20
Simon Acland	5	5	8	18
Michael Stanes	5	4	8	17
	15	14	26	55

The only remuneration received by the Directors was their Directors' fees. The Company has no employees other than the Non-Executive Directors. The average number of Non-Executive Directors in the year was three. Full disclosure of Directors' remuneration is included in the Directors' Remuneration Report.

Disclosure by share class is unaudited

10. Taxation

	C Shares	D Shares	E Shares	Total
	£'000	*£'000*	*£'000*	*£'000*
Year ended 31 March 2021				
Profit on ordinary activities before tax	267	349	(174)	442
Corporation tax @ 19%	51	66	(33)	84
Effect of:				
Capital (gains) not taxable	–	–	72	72
Income received not taxable	(42)	–	(19)	(61)
Prior year adjustment	–	–	(16)	(16)
Tax charge	9	66	4	79
Year ended 31 March 2020				
Profit/(loss) on ordinary activities before tax	746	86	1,217	2,049
Corporation tax @ 19%	142	15	231	388
Effect of:				
Capital (gains) not taxable	(41)	53	(181)	(169)
Income received not taxable	(63)	–	(8)	(71)
Unrelieved tax losses arising in the year	(2)	–	–	(2)
Prior year adjustment	–	–	(23)	(23)
Tax charge	36	68	19	123

Capital gains and losses are exempt from corporation tax due to the Company's status as a VCT.

Disclosure by share class is unaudited

Notes to the Financial Statements

11. Earnings/(loss) per Share

Earnings per C Share are 1.93p (2020: 5.29p) based on the profit after tax of £258,000 (2020: £710,000) and on the weighted average number of shares in issue during the period of 13,441,438 (2020: 13,441,438).

Earnings per D Share are 2.08p (2020: 0.12p) based on the profit after tax of £283,000 (2020: £16,000) and on the weighted average number of shares in issue during the period of 13,636,793 (2020: 13,701,636).

Loss/earnings per E Share are 0.61p (2020: 4.13p) based on the Loss/profit after tax of £178,000 (2020: £1,197,000) and on the weighted average number of shares in issue during the period of 28,949,575 (2020: 28,949,575).

There are no potentially dilutive capital instruments in issue and, therefore, no diluted return per share figures are included in these Financial Statements.

12. Financial Assets at Fair Value through Profit or Loss

Investments

Fair Value Hierarchy:

Level 1: quoted prices on active markets for identical assets or liabilities. The fair value of financial instruments traded on active markets is based on quoted market prices at the balance sheet date. A market is regarded as active where the market in which transactions for the asset or liability takes place with sufficient frequency and volume to provide pricing information on an ongoing basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

Level 2: the fair value of financial instruments that are not traded on active markets is determined by using valuation techniques. These valuation techniques maximise the use of observable inputs including market data where it is available either directly or indirectly and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: the fair value of financial instruments that are not traded on an active market (for example, investments in unquoted companies) is determined by using valuation techniques such as discounted cash flows. If one or more of the significant inputs is based on unobservable inputs including market data, the instrument is included in Level 3.

There have been no transfers between these classifications in the period. Any change in fair value is recognised through the Statement of Comprehensive Income.

The portfolio of the Company is classified as Level 3, with the exception of the investment in Triple Point Social Housing REIT plc which is classified as Level 1. Further details of the types of investments are provided in the Investment Manager's Review on pages 30 to 40.

The Company's Investment Manager performs valuations of financial items for financial reporting purposes, including Level 3 fair values. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

Level 3 valuations include assumptions based on non-observable data with the majority of investments being valued on discounted cash flows or price of recent transactions.

Unconsolidated subsidiaries consist of Aeris Power Limited, included in investments as per the company's accounting policy. The Company has a loan investment totalling £157,500 in this company. The loan has an interest rate of 11.66%.

Notes to the Financial Statements

Valuation techniques and unobservable inputs:

Sector	Valuation Techniques	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement *Estimated fair value would increase/(decrease) if:*
Hydroelectric Power	• Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	• Discount rate 6.75% (2020: 6.75%) • Inflation rate: OBR 5-year forecast, 2.75% long term (2020: OBR 5-year forecast, 2.75% long term).	• The discount rate was lower/(higher). • The inflation rate was higher/(lower).
Gas Fired Energy Centre	• Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	• Discount rate 14.9% (2020: 10%) • Inflation rate: OBR 5-year forecast, 2.75% long term (2020: Inflation rate: OBR 5-year forecast, 2.75% long term).	• The discount rate was lower/(higher). • The inflation rate was higher/(lower).
Solar	• Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	• Discount rate 6.00% (2020: 6.75%) • Inflation rate: OBR 5-year forecast, 2.75% long term (2020: Inflation rate: OBR 5-year forecast, 2.75% long term).	• The discount rate was lower/(higher). • The inflation rate was higher/(lower).

The Company's Vertical Growing investment in PFC has been valued on using a revenue multiple approach. Valuation data on the sector is difficult to source as this is a new and developing industry, the Company has used data available to it and knowledge of comparable transactions in the sector and the Board believes the valuation methodology to be reasonable.

The Board considers the discount rates used reflect the current levels of risk and life expectancy of the investments and to be in line with Market expectations. However, consideration has been given as to whether the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. Each unquoted portfolio company has been reviewed in order to identify the sensitivity of the valuation methodology to using alternative assumptions. On this basis, where discount rates have been applied to the unquoted investments, alternative discount rates have been considered, an upside case and a downside case. For the upside case, the assumptions were flexed 1% and for the downside scenarios the assumptions were flexed by 1%. No sensitivity has been performed on other key assumptions such as asset life and P50 because the Directors believe the asset life assumptions and discount rate applied interact appropriately with one another to give an appropriate valuation.

The two alternative scenarios for each investment have been modelled with the resulting movements as follows:

- Applying the downside alternative to the hydro portfolio, the aggregate change in value of the unquoted investments would be a reduction in the value of the portfolio of £588,000 or 2.17%. Using the upside alternative, the aggregate value of the hydro portfolio would be an increase of £841,000 or 3.1%.
- For the upside case relating to the Company's investment in Green Peak, the assumptions were flexed 2% and for the downside scenarios the assumptions were flexed by 1% representing the conservative discount rates applied. Using the upside alternative, the aggregate value of the investments would be an increase of £249,000 or 19%. Applying the downside alternative, the aggregate change in value of the unquoted investments would be a reduction in the value of the portfolio of £103,000 or 8%.
- For the upside case relating to the Company's solar assets, the assumptions were flexed 1% for both the upside and downside cases. Using the upside alternative, the aggregate value of the investments would increase by £337,000 or 6%. Using the downside alternative, the aggregate value of the investments would fall £305,000 or 5%.
- Due to the nature and structure of the investment in Perfectly Fresh Cheshire Limited, there has been no sensitivity performed on any inputs into the valuation. There are limited data points to reference in the vertical growing sector making alternative inputs difficult to apply. The potential future returns on the investment are calculated in accordance with agreements between the Company and PFC.

Notes to the Financial Statements

It is considered that, due to the prudent selection of discount rates by the Board, the sensitivity discussed above provides the most meaningful potential impact of the possible changes across the portfolio.

Movements in investments held at fair value through the profit or loss during the year to 31 March 2021 were as follows:

	Level 1 Quoted Investments			
	C Shares	D Shares	E Shares	Total
	£'000	£'000	£'000	£'000
Opening cost	–	–	3,319	3,319
Opening investment holding gains	–	–	(392)	(392)
Opening fair value	–	–	2,927	2,927
Disposal proceeds	–	–	(2,546)	(2,546)
Realised loss	–	–	(204)	(204)
Investment holding losses	–	–	381	381
Closing fair value at 31 March 2021	–	–	558	558
Closing cost	–	–	570	570
Closing investment holding gains	–	–	(12)	(12)

	Level 3 Unquoted Investments			
	C Shares	D Shares	E Shares	Total
	£'000	£'000	£'000	£'000
Opening cost	7,640	8,357	22,065	38,062
Opening investment holding gains	3,862	1,789	4,122	9,773
Opening fair value	11,502	10,146	26,187	47,835
Transfers from revenue reserve to unrealised	–	–	619	619
Disposal proceeds	(257)	(110)	(69)	(436)
Investment holding losses	–	–	(554)	(554)
Closing fair value at 31 March 2021	11,245	10,036	26,183	47,464
Closing cost	7,384	8,247	21,995	37,626
Closing investment holding gains	3,861	1,789	4,188	9,838

Year ended 31 March 2020

	Level 1 Quoted Investments			
	C Shares	D Shares	E Shares	Total
	£'000	£'000	£'000	£'000
Opening cost	–	–	6,001	6,001
Opening investment holding losses	–	–	(100)	(100)
Opening fair value	–	–	5,901	5,901
Disposal proceeds	–	–	(2,500)	(2,500)
Realised loss	–	–	(181)	(181)
Investment holding losses	–	–	(293)	(293)
Closing fair value at 31 March 2020	–	–	2,927	2,927
Closing cost	–	–	3,319	3,319
Closing investment holding gains	–	–	(392)	(392)

Notes to the Financial Statements

Year ended 31 March 2020

	Level 3 Unquoted Investments			
	C Shares	**D Shares**	**E Shares**	**Total**
	£'000	*£'000*	*£'000*	*£'000*
Opening cost	12,755	12,626	16,883	42,264
Opening investment holding gains	4,659	2,109	2,003	8,771
Opening fair value	17,414	14,735	18,886	51,035
Transfers between share classes	(5,901)	(1,531)	7,432	–
Disposal proceeds	(229)	(2,781)	(1,559)	(4,569)
Investment holding gains	218	(277)	1,428	1,369
Closing fair value at 31 March 2020	11,502	10,146	26,187	47,835
Closing cost	7,640	8,357	22,065	38,062
Closing investment holding gains	3,862	1,789	4,122	9,773

All investments are designated at fair value through profit or loss at the time of acquisition and all capital gains or losses arising on investments are so designated. Given the nature of the Company's venture capital investments, the changes in fair values of such investments recognised in these Financial Statements are not considered to be readily convertible to cash in full at the balance sheet date and accordingly any gains or losses on these items are treated as unrealised.

Further details of the types of investments are provided in the Investment Manager's review and investment portfolio on pages 30 to 40 and 42 to 43, and details of entities over which the VCT has significant influence are included in note 15.

Disclosure by share class is unaudited

13. Receivables

	C Shares	**D Shares**	**E Shares**	**Total**
	£'000	*£'000*	*£'000*	*£'000*
31 March 2021				
Other debtors	247	202	467	916
Prepayments and accrued income	5	4	59	68
	252	206	526	984
31 March 2020				
Other debtors	63	376	301	740
Prepayments and accrued income	3	2	40	45
	66	378	341	785

Other debtors relate to interest receivable on investment loans.

14. Cash and Cash Equivalents

Cash and cash equivalents comprise deposits with The Royal Bank of Scotland plc ("RBS") and Cater Allen Private Bank.

Notes to the Financial Statements

15. Unconsolidated, subsidiaries, associates and joint ventures

The following table shows subsidiaries, associates and joint ventures of the Company which have been recognised at fair value as permitted by IAS 28 "Investments in Associates and Joint Ventures".

As the Company is regarded as an Investment Entity as referred to in note 2, the Company's only subsidiary Aeris Power Limited has not been consolidated in the preparation of the financial statements.

The principal undertakings in which the Company's interest at the year-end is 20% or more are as follows:

Name	Registered address	Holding
Aeris Power Limited	30 Camp Road, Farnborough, Hampshire, GU14 6EW	100.00%
Broadpoint 2 Limited	1 King William Street, London, EC4N 7AF	49.00%
Digima Limited	30 Camp Road, Farnborough, Hampshire, GU14 6EW	30.87%
Digital Screen Solutions Limited	30 Camp Road, Farnborough, Hampshire, GU14 6EW	35.36%
Elementary Energy Limited	1 King William Street, London, EC4N 7AF	49.93%
Funding Path Limited	1 King William Street, London, EC4N 7AF	49.00%
Furnace Managed Services Limited	30 Buckland Gardens, Ryde, Isle of Wight, PO33 3AG	40.05%
Green Energy for Education Limited	1 King William Street, London, EC4N 7AF	50.00%
Green Highland Allt Choire A Bhalachain Limited	Q Court, 3 Quality Street, Edinburgh, EH4 5BP	49.90%
Green Highland Allt Ladaidh (1148) Limited	Q Court, 3 Quality Street, Edinburgh, EH4 5BP	35.17%
Green Highland Allt Luaidhe (228) Limited	Q Court, 3 Quality Street, Edinburgh, EH4 5BP	35.18%
Green Highland Allt Phochachain (1015) Limited	Q Court, 3 Quality Street, Edinburgh, EH4 5BP	42.70%
Achnacarry Hydro Ltd	Inveralmond Road, Inveralmond Industrial Estate, Perth, PH1 3TW	40.65%
Green Highland Shenval Limited	Q Court, 3 Quality Street, Edinburgh, EH4 5BP	28.16%
Green Peak Generation Limited	Q Court, 3 Quality Street, Edinburgh, EH4 5BP	48.26%
Perfectly Fresh Cheshire Limited	1 King William Street, London, EC4N 7AF	49.97%

- All investments are held in the UK.
- The investments are a combination of debt and equity.
- Equity holding is equal to the voting rights.

16. Payables and Accrued Expenses

	C Shares	D Shares	E Shares	Total
	£'000	*£'000*	*£'000*	*£'000*
31 March 2021				
Payables	99	71	218	388
Other taxes and Social Security	2	1	4	7
Accrued expenses	12	9	31	57
	113	81	253	452
31 March 2020				
Payables	3	56	320	379
Other taxes and Social Security	3	2	3	8
Accrued expenses	11	11	21	43
	17	69	344	430

Disclosure by share class is unaudited

Notes to the Financial Statements

17. Borrowings

In line with the Company's initial mandate for the C and D Share Classes the Company has re-entered into a short-term loan facility of £2.3 million which has a repayment term of 364 days. The loan is secured against the Company's investment in the Hydro companies. The loan attracts interest at a rate of 4.5% per annum. There is also an undrawn facility in place, which expires on 11 June 2023 of £2.7m.

During the year, interest of £103,500 (2020: £3,119) was charged and paid by the Company.

There are no loan covenants applicable to the above described loan.

18. Share Capital

	31 March 2021	31 March 2020
C Shares of £0.01 each		
Issued & Fully Paid		
Number of shares	13,441,438	13,441,438
Par Value £'000	135	135
D Shares of £0.01 each		
Issued & Fully Paid		
Number of shares	13,604,637	13,701,636
Par Value £'000	136	137
E Shares of £0.01 each		
Issued & Fully Paid		
Number of shares	28,949,575	28,949,575
Par Value £'000	290	290
Total Shares of £0.01 each		
Issued & Fully Paid		
Number of shares	55,995,650	56,092,649
Par Value £'000	560	562

The rights attached to each class of share are disclosed in the Directors' Report on pages 66 to 69.

19. Financial Instruments and Risk Management

The Company's financial instruments comprise VCT qualifying investments and non-qualifying investments, cash balances and liquid resources including debtors and creditors. The Company holds financial assets in accordance with its Investment Policy detailed in the Strategic Report on pages 15 and 16.

The following table discloses the financial assets and liabilities of the Company in the categories defined by IFRS 9, "Financial Instruments".

Fixed Asset Investments (see note 12) are valued at fair value. Unquoted investments are carried at fair value as determined by the Directors in accordance with current venture capital industry guidelines. The fair value of all other financial assets and liabilities is represented by their carrying value on the balance sheet.

The Directors believe that where an investee company's enterprise value, which is equivalent to fair value, remains unchanged since acquisition that investment should continue to be held at cost less any loan repayments received. Where they consider the investee company's enterprise value has changed since acquisition, that should be reflected by the investment being held at a value measured using a discounted cash flow model or a recent transaction price.

In carrying out its investment activities, the Company is exposed to various types of risk associated with the financial instruments and markets in which it invests. The Company's approach to managing its risks is set out below together with a description of the nature of the financial instruments held at the balance sheet date.

Notes to the Financial Statements

	Total value	Financial assets held at amortised cost	Financial liabilities held at amortised cost	Designated at fair value through profit or loss
31 March 2021				
Assets:				
Financial assets at fair value through profit or loss	48,022	–	–	48,022
Receivables	916	–	–	916
Cash and cash equivalents	521	521	–	–
	49,459	521	–	48,938
Liabilities:				
Other payables	388	–	388	–
Loan facility	2,300	–	2,300	–
Accrued expenses	57	–	57	–
	2,745	–	2,745	–
31 March 2020				
Assets:				
Financial assets at fair value through profit or loss	50,763	–	–	50,763
Receivables	740	–	–	740
Cash and cash equivalents	701	701	–	–
	52,204	701	–	51,503
Liabilities:				
Other payables	379	–	379	–
Loan facility	2,300		2,300	
Accrued expenses	43	–	43	–
	2,722	–	2,722	–

Market Risk

The Company's VCT qualifying investments are held in small and medium-sized unquoted investments which, by their nature, entail a higher level of risk and lower liquidity than investments in large quoted companies. The Directors and Investment Manager aim to limit the risk attached to the portfolio as a whole by careful selection and timely realisation of investments, by carrying out rigorous due diligence procedures and by maintaining a spread of holdings in terms of industry sector and geographical location.

Sensitivity analysis surrounding inputs such as inflation and discount rates is included in note 12.

The Board reviews the investment portfolio with the Investment Manager on a regular basis. Details of the Company's investment portfolio at the balance sheet date are set out on page 43.

Interest Rate Risk

Some of the Company's financial assets are interest bearing, of which some are at fixed rates and some at variable rates. As a result, the Company is exposed to interest rate risk arising from fluctuations in the prevailing levels of market interest rates.

Investments made into qualifying holdings are part equity and part loan. The loan element of investments totals £11,365,000 (2020: £11,519,000) and is subject to fixed interest rates of between 21.6% and 29.5% for between 5 to 20 years and, as a result, there is no cash flow interest rate risk. As the loans are held in conjunction with equity and are valued in combination as part of the enterprise value, fair value risk is considered part of market risk.

The Company also has non-qualifying loan investments of £5,842,000 (2020: £6,232,000) which carry interest rates between 7.75% and 13.5% for between 5 to 15 years.

The amounts held in variable rate investments at the balance sheet date are as follows:

	31 March 2021	31 March 2020
	£'000	*£'000*
Cash on deposit	521	701
	521	701

An increase in interest rates of 1% per annum would not have a material effect either on the revenue for the year or the net asset value at 31 March 2021. The Board believes that in the current economic climate a movement of 1% is a reasonable illustration.

The Company currently has a loan facility in place with TPLP, the loan attracts interest at a fixed rate of 4.5%. The length of this agreement is 364 days, therefore there is a risk that the facility may be renewed at a higher interest rate, should interest rates increase in the wider market. The Board are of the opinion that this risk is low.

Notes to the Financial Statements

Credit Risk

Credit risk is the risk that a counterparty will fail to discharge an obligation or commitment that it has entered into with the Company. The Investment Manager and the Board carry out a regular review of counterparty risk. The carrying value of the financial assets represent the maximum credit risk exposure at the balance sheet date.

	31 March 2021	31 March 2020
	£'000	*£'000*
Qualifying Investment loans	11,365	11,519
Non-Qualifying Investment loans	5,842	6,232
Cash on deposit	521	701
Receivables	916	740
	18,644	19,192

The Company's loan to Broadpoint 3 Limited of £2.01 million was due for repayment on 31 March 2020. After discussions between the Board of the Company and that of Broadpoint 3 Limited, it was agreed to extend the due date on a rolling basis to be repayable on demand. Any impact of this extension has been considered in deriving the fair value of the instrument.

No other issues have been identified which would be cause for concern with regards the quality of credit for any other investee company.

The Company's bank accounts are maintained with RBS and Cater Allen Private Bank. Should the credit quality or financial position of RBS or Cater Allen deteriorate significantly, the Investment Manager will move the cash holdings to another bank.

Credit risk arising on unquoted loan stock held within unlisted investments is considered to be part of Market risk as disclosed above.

Liquidity Risk

The Company's financial assets include investments in unquoted equity securities which are not traded on a recognised stock exchange and which are illiquid. As a result, the Company may not be able to realise some of its investments in these instruments quickly at an amount close to their fair value in order to meet its liquidity requirements.

Further information surrounding going concern and liquidity can be found in note 2 to the financial statements on page 24.

The Company's liquidity risk is managed on a continuing basis by the Investment Manager in accordance with policies and procedures laid down by the Board. The Company's overall liquidity risks are monitored by the Board on a quarterly basis. During the year, the Company entered into a loan facility with TPLP, the loan facility is secured against the portfolio of hydroelectric investments. While the loan facility falls due within 12 months, the Board and the Investment Manager continue to maintain an open dialogue with the lender and believe the loan facility will be extended if the requirement is needed.

To mitigate the risk further, the Company has in place an additional facility agreement with TPLL which is in place until 11 June 2023. This would allow funds to be drawn against this facility, should the loan from TPLP not be extended.

The Company's ongoing cash flows are sufficient to meet the ongoing liquidity needs and therefore the Board believe liquidity risk is minimal. The cash position at the reporting date reflects the timing of dividends paid to investors on 25 March 2020.

The Board maintains a liquidity management policy where cash and future cash flows from operating activities will be sufficient to pay expenses. At 31 March 2021 cash amounted to £521,000 (2020: £701,000).

Foreign Currency Risk

The Company does not have exposure to material foreign currency risks.

20. Net Asset Value per Share

The Net Asset Value per C Share is 83.30p (2020: 84.87p) and is based on Net Assets of £11,196,000 (2020: £11,406,000) divided by the 13,441,438 (2020: 13,441,438) C Shares in issue.

The Net Asset Value per D Share is 59.59p (2020: 62.46p) and is based on Net Assets of £8,106,000 (2020: £8,559,000) divided by the 13,604,637 (2020: 13,701,636) D Shares in issue.

The Net Asset Value per E Share is 94.59 (2020: 101.69p) and is based on Net Assets of £27,382,000 (2020: £29,442,000) divided by the 28,949,575 (2020: 28,949,575) E Shares in issue.

21. Relationship with Investment Manager

During the period, TPIM received £943,367 which has been expensed (2020: £1,193,478) for providing management and administrative services to the Company. At 31 March 2021, £382,129 was owing to TPIM (2020: £396,339).

During the year, the Company bought back and cancelled 96,999 D Ordinary Shares at a price of 52.23 pence per share. As a result of this buy back, and the return of 125.73 pence per share to this Shareholder, in line with the Investment Management Agreement between the Company and the Manager, a performance fee of £4,992 has been accrued during the year. This will not become payable to TPIM until a full exit has taken place for the D Shares.

During the year, the Company re-entered into a facility agreement with another entity managed by the Investment Manager, TPLP. The facility, secured over the hydroelectric portfolio, is for £2.7 million at a fixed rate of 4.5% per annum. To date, the Company has drawn £2.3 million against the facility.

The facility was put in place to aid in the refinancing of the hydro investments and enable the Company to pay dividends to Shareholders in line with the original mandate of the Company.

Interest of £103,500 (2020: £3,119) was charged on amounts drawn during the period.

22. Related Party Transactions

The Directors' Remuneration Report on pages 61 to 65 discloses the Directors' remuneration and shareholdings.

There were no other related party transactions during the period.

Notes to the Financial Statements

23. Post Balance Sheet Events

Following the reporting date the existing facility agreement with TPLL Leasing Limited was extended for a further 12 months at no additional cost. The facility agreement will now expire on 11 June 2023.

24. Dividends

C Shares:
During the year, the Company paid dividends to C Class Shareholders of £470,450 equal to 3.5p per share. The Board has resolved to pay an interim dividend of £235,235 equal to 1.75p per share on 30 July 2021 to C Shareholders on the register on 16 July 2021.

D Shares:
During the year, the Company paid a dividend to D Class Shareholders of £685,082 equal to 5.00p per share. The Board has resolved to pay an interim dividend of £239,225 equal to 1.75p per share on 30 July 2021 to D Shareholders on the register on 16 July 2021.

E Shares:
During the year the Company paid a dividend to E Class Shareholders of £1,881,722, equal to 6.5p per share. The Board has resolved to pay an interim dividend of £1,013,235 equal to 3.50p per share on 30 July 2021 to E Shareholders on the register on 16 July 2021.

Shareholder Information

Details of Advisers

Company Secretary and Registered Office

Hanway Advisory Limited
1 King William Street
London
EC4N 7AF

Registered Number

06421083

FCA Registration Number

659457

Investment Manager

Triple Point Investment Management LLP
1 King William Street
London
EC4N 7AF

Tel: 020 7201 8989

Independent Auditor

BDO LLP
55 Baker Street
London
W1U 7EU

Solicitors

Howard Kennedy LLP
No. 1 London Bridge
London
SE1 9BG

Registrars

Computershare Investor Services plc
The Pavilions
Bridgwater Road
Bristol
BS99 6ZY

VCT Taxation Advisers

Philip Hare & Associates LLP
First floor
4-6 Staple Inn
Holborn
London
WC1V 7QH

Bankers

The Royal Bank of Scotland plc
54 Lime Street
London
EC3M 7NQ

Financial Calendar

Key events	**Dates**
Record Date for C, D and E Share Class Dividend	16 July 2021
Payment of C, D and E Share Class Dividend	30 July 2021
Annual General Meeting	28 July 2021
Financial Half Year End	31 August 2021
Announcement of Half-yearly Results	15 November 2021
Financial Year End	31 March 2022

Forward Looking Statements

The Front Section of this report (including but not limited to the Chairman's Statement, Strategic Report, Investment Manager's Review and Directors' Report) has been prepared to provide additional information to Shareholders to assess the Company's strategies and the potential for those strategies to succeed. These should not be relied on by any other party or for any other purpose.

The Review Section may include statements that are, or may be deemed to be, "forward looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology.

These forward looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors and the Investment Manager concerning, amongst other things, the investment objectives and Investment Policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and distribution policy of the Company and the markets in which it invests.

By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performance. The Company's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward looking statements contained in this document.

Subject to their legal and regulatory obligations, the Directors and the Investment Manager expressly disclaim any obligations to update or revise any forward looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

In addition, the Review Section may include target figures for future financial periods. Any such figures are targets only and are not forecasts. This Annual Report has been prepared for the Company as a whole and therefore gives greater emphasis to those matters which are significant in respect of Triple Point Income VCT plc.

TriplePoint

Triple Point Income VCT plc
1 King William Street
London EC4N 7AF
United Kingdom
(Registered Office)

Company number: 06421083

+44 (0)20 7201 8990
contact@triplepoint.co.uk
www.triplepoint.co.uk

Investment
with **purpose**
for **profit**
by **people**
From Triple Point