

British Smaller Companies VCT plc

Issue of Circular relating to a General Meeting

British Smaller Companies VCT plc (the “Company”) announces that a circular (the “Circular”) regarding dividends paid and share buy-backs made by the Company was issued on 12 December 2013, convening a general meeting to be held on 13 January 2014.

A copy of the Circular has been submitted to the UK Listing Authority, and will be available for inspection at the UK Listing Authority’s Document Viewing Facility, which is situated at:

Financial Conduct Authority
25 The North Colonnade
Canary Wharf
London E14 5HS

A copy of the Circular will shortly be available for inspection at www.hemscott.com/nsm.do.

12 December 2013

For further information, please contact:

David Hall	YFM Equity Partners Limited	Tel: 0113 294 5039
Matthew Thomas	Nplus1 Singer Advisory LLP	Tel: 020 7496 3000

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action to be taken, you should immediately consult your bank manager, stockbroker, solicitor, accountant or other independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your Shares in British Smaller Companies VCT plc (the "Company"), please send this document and accompanying documents, as soon as possible, to the purchaser or transferee or to the stockbroker, independent financial adviser or other person through whom the sale or transfer was effected for delivery to the purchaser or transferee.

British Smaller Companies VCT plc

(Registered in England and Wales with registered number 03134749)

Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company set out on pages 3 to 6 which contains details of the Resolutions to be proposed at the General Meeting.

You will find set out at the end of this document a notice of the General Meeting to be held on 13 January 2014 at 10.30 am to approve the Resolutions. The General Meeting will be held at The Berkeley Room, First Floor, Regus Business Lounge, 17 Bruton Street, London W1.

To be valid, the form of proxy accompanying this document for the meeting should be returned not less than 48 hours before the General Meeting, either by post or by hand to Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham BR3 4TU.

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Part I – Chairman’s Letter

British Smaller Companies VCT plc

Registered Office:
Saint Martins House
210-212 Chapeltown Road
Leeds
West Yorkshire
LS7 4HZ

12 December 2013

Dear Shareholder

Notice of General Meeting

There are certain matters that require to be approved by Shareholders, and the purpose of this Circular is to explain the background to these proposals and the need for a General Meeting (“GM”) which is proposed to be held at The Berkeley Room, First Floor, Regus Business Lounge, 17 Bruton Street, London W1 on 13 January 2014. The formal notice of the GM is set out at the back of this document.

Background to the General Meeting

It has recently come to light that, between 2006 and 2008, in four instances profits and losses on disposals of investments from within the Company’s portfolio had been incorrectly accounted for as unrealised instead of realised. The total amount to be transferred, therefore, from unrealised to realised reserves is £1.578 million. As a result, although this has had no impact on the Company’s net asset value at any time, there has been an incorrect allocation between distributable (i.e. available for the payment of dividends and share buybacks) and undistributable reserves. This has now been corrected by retrospectively reallocating the net losses to realised reserves, thus reducing historically reported distributable reserves. This adjustment has been reflected in the Company’s reserves in the Interim Accounts for the six months to 30 September 2013 issued on 28 November and will be reported in the Company’s audited accounts for the year ending on 31 March 2014. The Company has been advised that there is no need to file revised accounts for prior periods.

Up until 31 March 2011 the Company had sufficient distributable reserves to fund the payment of all its dividends and share buybacks. However, under company law, due to the errors, the Company’s accounts as at 31 March 2011 were the last set of “Relevant Accounts” that could be used to determine its available distributable reserves, that is until the filing of the Company’s Interim Accounts for the period ending 30 September 2013 at Companies House on 3 December 2013. As a result, between 1 April 2011 and 3 December 2013 the Company had distributable reserves of £4.5 million but during this period the Company has made dividend payments and share buybacks totalling £13.6 million, as set out on page 4 below.

Since 1 April 2011 the Company generated further distributable reserves of £27.2 million, which became distributable reserves under company law when the Company’s Interim Accounts to 30 September 2013 were filed on 3 December 2013, which became Relevant Accounts. Following this the Company now has distributable reserves of £18.1 million.

These errors were of a technical accounting classification nature and have no impact on the past or present net asset value of the Company. I would like to reassure Shareholders that clear steps have been taken to ensure that there is no repeat of these errors.

The purpose of the Resolutions proposed at the GM is to rectify and ratify these matters in accordance with company legislation. The costs of this process will not be borne by the Company.

Part I – Chairman’s Letter (cont)

Dividends Paid

The following dividends were made at a time when the Company had insufficient distributable reserves, namely:

- (a) Dividends totalling £7.501 million on 22 August 2011 – Shareholders will recall that this was previously ratified by Shareholders at a general meeting held on 19 July 2013
- (b) An interim dividend of £0.736 million for the six months ended 30 September 2011, paid on 20 January 2012
- (c) A final dividend in respect of the year ended 31 March 2012 of £1.176 million, which was paid on 17 August 2012
- (d) The Company’s interim dividend of £0.783 million for the period ended 30 September 2012, paid on 14 January 2013
- (e) A final dividend for the year ended 31 March 2013 of £2.224 million, paid on 13 August 2013.

Share Buybacks

The following share buybacks were made under the Company’s share buyback policy at a time when the Company had insufficient distributable reserves:

- (a) On 20 September 2011, Shares were bought back of an amount of £0.043 million
- (b) On 19 December 2011, Shares were bought back of an amount of £0.139 million
- (c) On 14 June 2012, Shares were bought back of an amount of £0.256 million
- (d) On 29 June 2012, Shares were bought back of an amount of £0.045 million
- (e) On 17 December 2012, Shares were bought back of an amount of £0.268 million
- (f) On 28 March 2013, Shares were bought back of an amount of £0.136 million
- (g) On 19 June 2013, Shares were bought back of an amount of £0.329 million.

(For the purpose of this Circular, the dividends and share buybacks set out above are referred to as the “**Relevant Dividends**” and the “**Relevant Share Buybacks**”.)

Relevant Accounts

Because of the above errors, the Company has been advised that the accounts which have been relied upon for the purposes of determining whether the Company had adequate distributable reserves at the time of the Relevant Dividends or Relevant Share Buybacks did not constitute “Relevant Accounts” for the purposes of company legislation and, therefore, they cannot be relied upon to support the Relevant Dividends and Relevant Share Buybacks. Accordingly, the Company is proposing to address this by (a) seeking Shareholder approval to ratify the payment of those dividends and relieve the Directors who participated at the relevant Board Meetings at which decisions were taken to pay the Relevant Dividends and implement the Relevant Share Buybacks from any claims the Company may have against them and (b) undertaking a reduction of capital which would involve cancelling the Shares which are the subject of the Relevant Share Buybacks.

Technically, the Company may have a claim under the Companies Act 2006 (“CA 2006”) against present and past Shareholders who were recipients of the Relevant Dividends and participated in the Relevant Share Buybacks, but the Company has been advised that any such claims will only succeed if it can demonstrate that the relevant Shareholders had knowledge of the lack of available reserves, and this is highly unlikely. The Company may also have claims against those Directors who participated in the Board Meetings at which decisions were taken to pay the Relevant Dividends and make the Relevant Share Buybacks.

All Relevant Dividends and Relevant Share Buybacks were declared and made in good faith and on the assumption that the Company had sufficient distributable reserves to make these payments at the time and it is not the Company’s intention to make any such claim against either the Shareholders or Directors.

Capital Reduction

The Company is proposing to effect a capital reduction under the CA 2006 to rectify the Relevant Share Buybacks. This will involve cancelling the Shares that are the subject of the Relevant Share Buybacks and will have the effect of reducing the Company's issued share capital to the level it would have been if the Relevant Share Buybacks had been conducted in accordance with the CA 2006. Application will need to be made to the High Court to approve this capital reduction, and that is the purpose of Resolution 1 set out in the Notice. The capital reduction will become effective upon the grant by the High Court of the relevant Court Order effecting the capital reduction and registration of the same with the Registrar of Companies. It is anticipated that, assuming the relevant Resolutions are passed at the GM, this will take place towards the end of February 2014. Prior to confirming the reduction of capital, the Court will need to be satisfied that the proposal does not adversely affect the interests of the Company's creditors. The Company has been advised that it is likely that the Court will be satisfied in this regard but the Company will give such assurances or undertakings to the Court as may be necessary to obtain the approval of the Court to the proposed reduction of capital. This process will have no adverse impact on Shareholders and is merely a technical reorganisation of the Company's share capital.

Directors and Shareholders' Deed of Release

The entering into of the Directors' Deed of Release in favour of the Directors who authorised payment of the Relevant Dividends and Relevant Share Buybacks, and the Shareholders' Deed of Release in favour of Shareholders who received the Relevant Dividends and Relevant Share Buybacks, requires Shareholder approval under company law. Resolutions 2, 3 and 4 deal with this.

The Resolutions

The Resolutions to be proposed at the GM, as special resolutions (in respect of Resolutions 1 and 2) and ordinary resolutions (in respect of Resolutions 3 and 4), are to:

1. Approve the proposed reduction of capital involving the cancellation of the Shares purportedly bought back by the Company between 20 September 2011 and 19 June 2013, which Relevant Share Buybacks were not carried out in accordance with the requirements of the CA 2006 and are void;
2. Sanction the appropriation of reserves shown in the Interim Accounts of the Company for the period ended 30 September 2013 to the Relevant Dividends and waive any rights of the Company against Shareholders who received the Relevant Dividends or sold Shares the subject of the Relevant Share Buybacks and approve the entering into by the Company of the Shareholders' Deed of Release;
3. Conditional on the passing of Resolution 1, waive any rights of the Company against Directors who approved the Relevant Share Buybacks undertaken between 20 September 2011 and 19 June 2013 and approve the entering into by the Company of the Directors' Deed of Release (insofar as it relates to the waiver of claims arising in respect of the Relevant Share Buybacks); and
4. Conditional on the passing of Resolution 2, waive any rights of the Company against Directors who approved the payment of the Dividends and approve the entering into by the Company of the Directors' Deed of Release (insofar as it relates to the release of claims in respect of the Relevant Dividends).

Action to be Taken

A Form of Proxy in relation to the GM accompanies this document. You are asked to complete, sign and date this Form in accordance with the instructions printed on it and as soon as possible and, in any event, so as to be received by the Company's registrar, Capita Registrars, by no later than 48 hours before the time of the GM. Alternatively, for Shares held through CREST, you may register your proxy appointment and voting instructions through the CREST proxy voting system.

Completion and return of the Form of Proxy will not preclude you from attending the GM and voting in person if you wish to do so.

Part I – Chairman’s Letter (cont)

Quorum and Voting

The quorum for the GM is two Shareholders present in person or by proxy. Resolutions 1 and 2 are proposed as special resolutions which are required to be passed by a majority of not less than 75 per cent of the votes cast, Resolutions 3 and 4 are proposed as ordinary resolutions required to be passed by a majority of not less than 50 per cent of the votes cast.

Tax

The Company has been advised that there is no impact on the Shareholders’ or the Company’s tax position or its status as a Venture Capital Trust.

Recommendation

The Board considers that the approval of Resolutions 1 and 2 are in the best interests of the Shareholders as a whole and unanimously recommends you to vote in favour of Resolutions 1 and 2, as they intend doing in respect of their own beneficial shareholdings in the Company which, at the date of this Circular, total 78,645 Ordinary Shares (representing approximately 0.2% of the issued Ordinary Shares).

The Directors will not be voting on Resolutions 3 and 4 or providing a recommendation as to how Shareholders should vote on Resolutions 3 and 4 in view of their interest in the subject matter of that Resolution. However, the Board unanimously recommends that Shareholders exercise their right to vote on Resolutions 3 and 4.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Helen Sinclair', written in a cursive style.

Helen Sinclair
Chairman

Part II – Additional Information

1. Responsibility and Registered Office

The Company, and the Directors whose names appear below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Helen Sinclair (Chairman)
Philip Cammerman
Edward Buchan

The registered office of the Company is Saint Martins House, 210-212 Chapeltown Road, Leeds, West Yorkshire LS7 4HZ.

2. Issued Share Capital

As at 11 December 2013 (being the latest practicable date before publication of this Circular) there were 49,885,991 issued Ordinary Shares, each ranking *pari passu*. All of the Ordinary Shares are listed on the Official List of the UK Listing Authority. The Company holds an additional 3,592,658 Shares in the treasury account.

3. Directors' and Other Interests

3.1 The interests of the Directors, or persons connected with such Directors (all of which are beneficial unless otherwise stated), in the issued share capital of the Company as at 11 December 2013 (being the latest practicable date before publication of this Circular) were:

Director	Ordinary Shares
Helen Sinclair	17,004
Philip Cammerman	55,801
Edward Buchan	5,840

3.2 Save as disclosed above, no Director nor (so far as is known to the relevant Director) any person connected with a Director has any interest in the share capital of the Company.

4. Significant Shareholdings

As at 11 December 2013 (being the latest practicable date prior to the publication of this Circular) the Directors were not aware of any holdings of 3 per cent or more of the Company's issued share capital or of any person who, directly or indirectly, jointly or severally, exercises control over the Company.

5. Material Contracts

5.1 The Company has entered into the following contracts under which it has any obligation or entitlement which is material to it as at the date of this Circular:

5.1.1 An administration and investment advisory agreement dated 28 February 1996 between the Company and YFM Private Equity (the "IAA"), as varied by an agreement dated 16 November 2012, under which YFM Private Equity agreed to provide administrative, company secretarial and investment advisory services to the Company in relation to the Company's qualifying portfolio. The IAA took effect on 4 April 1996 for an initial period of 3 years and thereafter is terminable by either party on not less than 12 months' notice or, *inter alia*, on the others' breach or insolvency.

Part II – Additional Information (cont)

Under the IAA, YFM Private Equity is entitled to receive an annual investment advisory fee of 2 per cent of the gross assets of the Company (as determined on 31 March and 30 September each year), payable quarterly in advance on 1 January, 1 April, 1 July and 1 October in each year together with an annual secretarial fee of £35,000 plus an annual adjustment to reflect movements in the Retail Prices Index. YFM Private Equity is also entitled to all arrangement, syndication and monitoring fees payable in respect of unquoted investments. The Company indemnifies YFM Private Equity against all things lawfully and properly done under the IAA.

Pursuant to the deed of variation dated 16 November 2012, YFM Private Equity agrees to indemnify the Company to the extent that its total annual running costs, including the investment advisory fee, exceeds 3.25 per cent (excluding trail commission, VAT and any payment of performance incentive fees) of the gross assets of the Company.

- 5.1.2 An incentive agreement (the **“Incentive Agreement”**) dated 7 July 2009 between the Company, the YFM Private Equity Carried Interest Trust (an employee benefit trust established for the benefit of employees of YFM Private Equity) and YFM Private Equity under which, with effect from 1 April 2009 (**“Effective Date”**) YFM Private Equity is entitled to receive a fee, calculated by reference to each accounting period of the Company, equal to 20 per cent of the amount by which dividends paid to Shareholders exceed 4 pence per Share per accounting period (as increased or decreased, as applicable, in each accounting period by the percentage increase or decrease (if any) in the retail prices index in the previous accounting period) (**“Target Rate”**), once cumulative dividends per Share of 10 pence or more have been paid to Shareholders. The Target Rate is further adjusted by reference to any cumulative shortfall in dividends paid per Share from any previous accounting period after the Effective Date. The payment is also conditional upon the net asset value per Share in the relevant accounting period being not less than 94 pence per Share. A compensatory payment is due if the Incentive Agreement is terminated without cause or if the Company is taken over. The compensatory payment is calculated as a percentage of the fee that would otherwise be payable under the Incentive Agreement by reference to the accounting period following the Incentive Agreement being so terminated. 80 per cent is payable in the first accounting period after such event, 55 per cent in the second, 35 per cent in the third, and nil thereafter. The maximum fee payable in any 12 month period cannot exceed an amount which would represent 25 per cent or more of the net asset value or market capitalisation of the Company at such time.
- 5.1.3 An offer agreement dated 16 November 2012 (the **“2012 Offer Agreement”**) between the Company and British Smaller Companies VCT 2 plc (**“BSC2”**) (1), the Directors (2) and YFM Private Equity (3) under which, as is usual in contracts of this type, YFM Private Equity agreed to indemnify the Company and BSC2 against the costs of the offers launched by the Company and BSC2 on 16 November 2012 (the **“2012 Offers”**) exceeding the Offer Costs Percentage, as defined in the prospectus relating to the 2012 Offers (**“2012 Prospectus”**), and received a percentage of the value of the gross proceeds received from each applicant by the Company and BSC2 under the 2012 Offers that is equal to the Offer Costs Percentage in respect of that applicant’s subscription, less the initial commission paid by the Company and BSC2 to recognised intermediaries in respect of accepted applications as set out in the 2012 Prospectus. Under the 2012 Offer Agreement YFM Private Equity, the Company and BSC2 and the Directors gave certain warranties which were subject to certain limitations. The warranties were in the usual form for a contract of this type.
- 5.1.4 An agreement between the Company and BSC2 and Howard Kennedy dated 18 August 2012 under which Howard Kennedy agreed to act as sponsor to the 2012 Offers. The Company and BSC2 agreed to indemnify Howard Kennedy in respect of losses incurred by Howard Kennedy and which arise, directly or indirectly, from its role as sponsor.
- 5.1.5 Under the terms of a letter from Brewin Dolphin Limited (**“Brewin”**) to the Company dated 25 October 2004, Brewin agreed to act as investment manager to the Company in relation to its portfolio of short-term Government securities and to produce monthly portfolio valuations. In return for such services, Brewin are entitled to receive a management fee based on an ad valorem charge of 0.2 per cent per annum (plus VAT) of funds under management, payable quarterly, subject to a maximum annual fee of £25,000 (plus VAT). This cost is borne by YFM Private Equity.

5.1.6 By a deed of novation dated 9 November 2012 (to the agreement dated 3 September 2004 as novated on 1 April 2009) between the Company and Nplus1 Singer Advisory LLP (“**Singer**”), Singer agreed to act as brokers to the Company, and, inter alia, to act as a market maker in the Shares of the Company and to carry out share purchases on the Company’s behalf. Singer are entitled to receive an annual fee of £10,000, plus VAT if applicable, payable quarterly in arrears on 30 September, 31 December, 31 March and 30 June. Under the terms of the novated agreement the Company indemnifies Singer against losses arising out of Singer’s appointment except where such losses arise from Singer’s breach of agreement, negligence or wilful default.

5.1.7 A deed of release dated 19 July 2013 entered into by the Company and the Directors waiving any rights of the Company against the Directors who approved the payment of the special interim dividend and final dividend paid to Shareholders on 22 August 2011.

5.1.8 A deed of release dated 19 July 2013 entered into by the Company in favour of past and present Shareholders of the Company who received the special interim and final dividends paid to Shareholders on 22 August 2011.

6. Directors’ Service Contracts and Remuneration

None of the Directors has a service contract with the Company and the services of the Directors are provided to the Company pursuant to letters of appointment, under which they are required to devote such time to the affairs of the Company as the Board reasonably requires consistent with their role as a non-executive director.

The Directors are each currently entitled to receive the following annual fees:

Director	£
Helen Sinclair	35,000
Philip Cammerman	20,000
Edward Buchan	20,000
	75,000

7. Significant Changes

Since 30 September 2013 (being the end of the last financial period of the Company for which unaudited interim financial information has been published), there has been no significant change in the financial or trading position of the Company.

8. Documents Available for Inspection

Copies of the following documents will be available for inspection from the date of this Circular until the conclusion of the General Meeting during normal business hours and on any weekday (Saturdays and public holidays excepted) at the registered office of the Company at Saint Martins House, 210-212 Chapeltown Road, Leeds, West Yorkshire LS7 4HZ:

8.1 the audited accounts of the Company for the years ended 31 March 2011, 2012 and 2013;

8.2 the unaudited interim financial statements for the 6 month period to 30 September 2013;

8.3 the Company’s memorandum and articles of association; and

8.4 this Circular.

Date 12 December 2013

Part III – Definitions

“Board” or “Directors”	Helen Sinclair, Philip Cammerman and Edward Buchan;
the “Circular”	this document;
the “Company”	British Smaller Companies VCT plc, registered with the Registrar of Companies of England and Wales with registered number 03134749 and whose registered office is Saint Martins House, 210-212 Chapeltown Road, Leeds, West Yorkshire LS7 4HZ;
“Directors’ Deed of Release”	a deed of release to be entered into by the Company in favour of Directors who approved the payment of the Relevant Dividends and Relevant Share Buybacks;
“General Meeting” or “GM”	the general meeting of the Company to be held on 13 January 2014 (or any adjournment thereof);
“Interim Accounts”	unaudited interim accounts demonstrating sufficient distributable reserves prior to payment of such dividend;
“Listing Rules”	the listing rules of the UKLA;
“Resolutions”	the resolutions to be proposed at the General Meeting;
“Shareholders”	holders of Shares;
“Shareholders’ Deed of Release”	a deed of release to be entered into by the Company in favour of both past and present Shareholders who received the Relevant Dividends and participated in the Relevant Share Buybacks;
“Shares” or “Ordinary Shares”	ordinary shares of 10 pence each in the capital of the Company;
“UKLA” or “UK Listing Authority”	the UK Listing Authority, being the Financial Conduct Authority acting in its capacity as the competent authority for the purpose of Part VI of the Financial Services and Markets Act 2000;
“VCT”	a venture capital trust as defined in section 272 Income Taxes Act 2007; and
“YFM Private Equity”	YFM Private Equity Limited, registered with the Registrar of Companies of England and Wales with registered number 04195617 and whose registered office is Saint Martins House, 210-212 Chapeltown Road, Leeds, West Yorkshire LS7 4HZ.

Part IV – Notice of the General Meeting of British Smaller Companies VCT plc

BRITISH SMALLER COMPANIES VCT PLC

NOTICE IS HEREBY GIVEN that a General Meeting of British Smaller Companies VCT plc (the “Company”) will be held at The Berkeley Room, First Floor, Regus Business Lounge, 17 Bruton Street, London W1 at 10.30 am on 13 January 2014 to consider and, if thought fit, pass the following Resolutions which will be proposed as special resolutions as to Resolutions 1 and 2 and as ordinary resolutions as to Resolutions 3 and 4:

Special Resolutions

- (1) THAT, the share capital of the Company be reduced by cancelling and extinguishing the 1,431,373 issued Ordinary Shares of 10 pence each purportedly repurchased by the Company under Part 18 of the Companies Act 2006 between 20 September 2011 and 19 June 2013 (“the Purported Buybacks”) on the basis that the former holders thereof be released from repaying the sums paid to them by the Company in respect of any such acquisition.
- (2) THAT, the Directors be and are hereby authorised to appropriate distributable reserves of the Company (as shown in the Interim Accounts of the Company for the period ended 30 September 2013) in the aggregate sum of £12.42 million and to apply that sum in releasing the recipients of the dividends paid or purportedly paid to the Shareholders and former Shareholders of the Company on 22 August 2011, 20 January 2012, 17 August 2012, 14 January 2013 and 13 August 2013 (“the Dividends”) and that any and all claims that the Company may have in respect of the payment of the Dividends against those Shareholders who appeared on the register of members on the relevant record dates be released and a deed of release in favour of such Shareholders be entered into by the Company in the form of the deed produced to this Meeting and signed by the Chairman for the purposes of identification.

Ordinary Resolutions

- (3) THAT, conditional on the passing of Resolution 1 set out in the Notice of General Meeting convening this Meeting any and all claims which the Company may have against its Directors arising in relation to the Purported Buybacks be released and that the deed of release in favour of those Directors (insofar as it relates to claims arising in relation to the Purported Buybacks) be entered into by the Company in the form of the deed produced to this Meeting and signed by the Chairman for the purposes of identification.
- (4) THAT, conditional on the passing of Resolution 2 set out in the Notice of General Meeting convening this Meeting, any and all claims which the Company may have against its Directors arising out of the payment of the Relevant Dividends be released and that a deed of release in favour of those Directors (insofar as it relates to claims arising in relation to the Relevant Dividends) be entered into by the Company in the form of the deed produced to this Meeting and signed by the Chairman for the purposes of identification.

For the purposes of this notice, words and expressions defined in the Circular shall have the same meanings in this notice, save where the context requires otherwise.

By order of the Board

KHM Secretarial Services Limited
Secretary

Registered Office:

Saint Martins House, 210-212 Chapeltown Road, Leeds, West Yorkshire LS7 4HZ

Information regarding the General Meeting, including the information required by section 311A of the Act, is available from www.yfmep.com.

12 December 2013

Part IV – Notice of the General Meeting of British Smaller Companies VCT plc (cont)

Notes

- (a) Any member of the Company entitled to attend and vote at the General Meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of that member. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company but must attend the General Meeting in order to represent his appointor. A member entitled to attend and vote at the General Meeting may appoint the Chairman or another person as his proxy although the Chairman will not speak for the member. A member who wishes his proxy to speak for him should appoint his own choice of proxy (not the Chairman) and give instructions directly to that person. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in these Notes. Please read Note (h) below. Under section 319A of the Companies Act 2006, the Company must answer any question a member asks relating to the business being dealt with at the General Meeting unless:
- answering the question would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
- (b) To be valid, a Form of Proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham BR3 4TU not less than 48 hours (excluding weekends and public holidays) before the time appointed for holding the General Meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote.
- (c) In order to revoke a proxy instruction a member will need to inform the Company by sending a signed hard copy notice clearly stating the intention to revoke the proxy appointment to Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Capita Registrars Limited before the General Meeting or the holding of a poll subsequently thereto. If a member attempts to revoke his or her proxy appointment but the revocation is received after the time specified then, subject to Note (d) directly below, the proxy appointment will remain valid.
- (d) Completion and return of a Form of Proxy will not preclude a member of the Company from attending and voting in person. If a member appoints a proxy and that member attends the General Meeting in person, the proxy appointment will automatically be terminated.

- (e) Copies of the Directors' Letters of Appointment, the Register of Directors' interests in the Ordinary Shares of the Company and a copy of the current Articles of Association will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturday and Public Holidays excluded) from the date of this notice until the end of the General Meeting and at the General Meeting venue itself for at least 15 minutes prior to and during the meeting.
- (f) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those holders of the Company's Shares registered on the Register of Members of the Company as at 10.30 am on 10 January 2014 or, in the event that the General Meeting is adjourned, on the Register of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the said General Meeting in respect of such Shares registered in their name at the relevant time. Changes to entries on the Register of Members after 10.30 am on 10 January 2014 or, in the event that the General Meeting is adjourned, on the Register of Members less than 48 hours before the time of any adjourned meeting, shall be disregarded in determining the right of any person to attend and vote at the General Meeting.
- (g) As at 11 December 2013, the Company's issued share capital comprised 49,885,991 Ordinary Shares. The total number of voting rights in the Company as at 11 December 2013 is 49,885,991. The website referred to above will include information on the number of Ordinary Shares and voting rights.
- (h) If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights ("Nominated Person"):
- You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights ("Relevant Member") to be appointed or to have someone else appointed as a proxy for the General Meeting;
 - If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights;
 - Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.
- (i) A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same Share.
- (j) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
- (k) Members may not use any electronic address provided either in this notice of General Meeting, or any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

Part IV – Notice of the General Meeting of British Smaller Companies VCT plc (cont)

- (l) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) not less than 48 hours (excluding weekends and public holidays) before the time of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

British Smaller Companies VCT plc Form of Proxy

For use at the General Meeting of the above named Company
to be held on 13 January 2014 at The Berkeley Room, First Floor, Regus Business Lounge,
17 Bruton Street, London W1 at 10.30 am

I/We* _____
(in BLOCK CAPITALS please)

of _____
being a member of the above named Company, hereby appoint the Chairman of the General Meeting (see note 2)

or _____

or _____

as my/our* proxy to vote for me/us* on my/our* behalf at the General Meeting of the Company to be held as detailed above or at any adjournment thereof.

Number of Ordinary Shares proxy is appointed over _____

Please tick here if you are appointing more than one proxy

I/We* desire to vote on the Resolutions as indicated in the appropriate column below. Please indicate with an "X" how you wish your vote to be cast.

Details of the Resolutions are set out in the Notice of the General Meeting.

	FOR	AGAINST	WITHHELD
SPECIAL RESOLUTION			
1. To approve the reduction of capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To approve the appropriation of reserves and the release of the claims against Shareholders arising from the payment of the Relevant Dividends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ORDINARY RESOLUTION			
3. To approve the release of the Directors in respect of the Relevant Share Buybacks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To approve the release of the Directors in respect of the Relevant Dividends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated this _____ day of _____ 2013/2014*

Signature(s) _____

Notes:

1. The Notice of the General Meeting is set out on pages 11 to 14 of the Circular.
2. Any member of the Company entitled to attend and vote at the General Meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of that member. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company but must attend the General Meeting in order to represent his appointor. A member entitled to attend and vote at the General Meeting may appoint the Chairman or another person as his proxy although the Chairman will not speak for the member. A member who wishes his proxy to speak for him should appoint his own choice of proxy (not the Chairman) and give instructions directly to that person.
3. If you wish to appoint a proxy of your own choice delete the words "the Chairman of the General Meeting" and insert the name and address of the person whom you wish to appoint in the space provided.
4. Any alterations to the Form of Proxy should be initialled.
5. To be valid, a Form of Proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham BR3 4TU not less than 48 hours (excluding weekends and public holidays) before the time appointed for holding the General Meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote.

* Delete as appropriate

6. In order to revoke a proxy instruction a member will need to inform the Company by sending a signed hard copy notice clearly stating the intention to revoke the proxy appointment to Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham BR3 4TU. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Capita Registrars Limited before the General Meeting or the holding of a poll subsequently thereto. If a member attempts to revoke his or her proxy appointment but the revocation is received after the time specified then, subject to Note 9 below, the proxy appointment will remain valid.
7. In the case of a corporation, this form must be executed under its common seal or signed on its behalf by its attorney or a duly authorised officer of the corporation.
8. In the case of joint Shareholders, any one of them may sign. The vote of the person whose name stands first in the register of members will be accepted to the exclusion of the votes of the other joint holders.
9. Completion and return of a Form of Proxy will not preclude a member of the Company from attending and voting in person. If a member appoints a proxy and that member attends the General Meeting in person, the proxy appointment will automatically be terminated.
10. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

British Smaller Companies VCT plc

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Leeds LS7 4HZ

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F: 0113 294 5002
E: leeds@yfmep.com

British Smaller Companies VCT plc

Interim Results and Interim Management Report

For the 6 months ended 30 September 2013

British Smaller Companies VCT plc (“the Company”) today announces its interim results for the six months to 30 September 2013.

Chairman’s Statement

I am pleased to report a strong performance for your Company. The six months to 30 September 2013 has seen an increase in Net Asset Value per ordinary share of 6.9 per cent (6.7 pence) prior to the payment of the 3.5 pence per ordinary share final dividend and 1.0 pence per ordinary share special dividend in August 2013. This growth has been underpinned primarily by a 13.3 per cent increase in portfolio valuations, with strong improvements across both unquoted and quoted investments.

In April 2013, the Company completed a successful joint fundraising with British Smaller Companies VCT2 plc, raising net proceeds of £5.9 million in the six months to June 2013, in total raising £9.8 million since its launch in November 2012. Following a significant increase in investment activity rates, the Board plans to launch a further £20 million joint offer over the coming months.

Financial Results

In the six months to 30 September 2013 the Total Return, calculated by reference to the Net Asset Value per ordinary share and the cumulative dividends paid, increased by 6.7 pence to 187.9 pence per ordinary share.

In the six months to 30 September 2013, after payment of the final dividend of 3.5 pence per ordinary share and the special dividend of 1.0 pence per ordinary share, the increase in Net Asset Value per ordinary share was 2.2 pence, as shown in the table below.

	Pence per ordinary share
31 March 2013	97.0
Net increase in portfolio	7.3
Issue of Shares – net of costs	(0.7)
Buy-back of shares	0.1
Dividends paid	(4.5)
<hr/> 30 September 2013	<hr/> 99.2

Of the final and special dividends paid in August 2013, 18.7 per cent was re-invested under the Company’s dividend re-investment scheme.

Investment Portfolio

The Company currently has an active portfolio of 30 investments, 20 of which are unquoted and the remainder are quoted on AIM, with one trading on ISDX. At 30 September 2013 the investment portfolio had a value of £34.0 million with the unquoted portfolio accounting for £30.1 million (88.5 per cent) and the quoted portfolio accounting for £3.9 million (11.5 per cent).

Over the six month period the net gain on the investment portfolio was £3.66 million, an increase of 13.3 per cent on the opening March 2013 portfolio value of £27.6 million. This is comprised of an increase of £2.78 million from the unquoted investments and a gain of £0.88 million from quoted securities.

Good progress has been made generally across the portfolio in spite of the low growth economic environment. The most significant movements were:

- DisplayPlan Holdings (up £0.89 million) saw a significant reduction in bank debt following strong cash generation;
- Waterfall Services (up £0.61 million) delivered further growth in profits and several new contract wins;
- President Engineering (up £0.57 million) saw significant new orders relating to LNG (Liquid Natural Gas) transportation;
- Seven Technologies (up £0.45 million) completed the strategic acquisition of Datong plc;
- Pressure Technologies (up £0.33 million) reported increased customer acquisition and a return to historic profit levels; and
- GO Outdoors (up £0.39 million) appointed a high calibre new CEO to continue its store rollout strategy.

New Investments

A total of £4.4 million has been invested in the six months to 30 September 2013, with two new investments (totalling £2.7 million) and four follow-on investments (totalling £1.7 million).

The two new investments were:

- In May 2013 the Company invested £0.22 million as part of a £5.0 million AIM placing to support the expansion of AB Dynamics plc, a designer, manufacturer and supplier of advanced testing and measurement products to the global automotive industry. The share price has increased to 188.5 pence per share at the date of this report; and
- In September 2013 the Company invested £2.5 million into the management buy-out of Douglas Gill Marine International Limited, a manufacturer and supplier of branded sailing clothing and accessories.

The two main follow-on investments were:

- In June 2013 a significant follow-on investment of £0.98 million was made into Seven Technologies Holdings Limited, a manufacturer of specialist electronic and communication equipment, as part of the funding package for its £7.0 million acquisition of Datong plc, a manufacturer and international supplier of specialist communications products.
- In July 2013 a further £0.58 million was invested into Bagel Nash Group Limited, to support the expansion of its bakery.

Disposal of Investments

During the six months to 30 September 2013 the Company generated proceeds from disposals, loan repayments and deferred consideration of £1.63 million, which resulted in a gain on disposal of investments of £0.13 million.

The most significant contributor to these proceeds was the repayment of £1.30 million of loans as part of a refinancing package to Seven Technologies Holdings Limited ahead of its purchase of Datong plc. As described earlier £0.98 million of new equity funding was also provided as part of this transaction.

The Company realised £0.30 million from the sale of some AIM investments giving a profit of £0.12 million compared to the carrying value at 31 March 2013 and representing the majority of the overall gain on disposal. Additionally, in the six months to 30 September 2013 the Company sold £0.46 million worth of Government Gilts which resulted in a small profit on cost. The proceeds from these disposals were re-invested back into UK Gilts and are currently held marginally above cost.

Subsequent Events

On 10 October 2013 the Company invested £1.75 million into GTK Holdings Limited, a global provider and manufacturer of electronic solutions.

On 27 October 2013 the Company disposed of 26 per cent of its holding in Hargreaves Services plc for proceeds of £0.18 million (representing 1.6x cost).

Shareholder Relations

Dividends

In August 2013 a final dividend of 3.5 pence per ordinary share in respect of the year to 31 March 2013 was paid to Shareholders as well as a 1.0 pence per ordinary share special dividend following the realisations of Fishawack Limited and Tikit Group plc last financial year.

Your Board intends to maintain an underlying annual dividend of 5.5 pence per ordinary share, increasing this when possible. The Board intends to propose an interim dividend in early 2014 once the matters relating to the Prior Period Adjustment (as set out in Note 1) have been fully resolved.

Fundraising

Over recent months the Board and Fund Manager have seen a sharp increase in investment activity levels. In addition to the £6.15 million invested since 31 March 2013 a further £7.9 million has been committed to deals which have been formally approved. This increase in investment activity and levels is in part due to a gradually improving economic environment and in part a result of changes in EU restrictions affording Venture Capital Trusts the opportunity to invest up to £5 million into qualifying investments. To take advantage of these opportunities the Board has therefore decided to seek an increase to its investment capacity through a joint offer with British Smaller Companies VCT2 plc. A prospectus will be issued in early 2014 to raise up to £20 million across both VCTs.

Dividend Re-investment Scheme (DRIS)

The Company operates a DRIS which gives Shareholders the opportunity to re-invest cash dividends. The DRIS is open to all Shareholders. To date £2.7 million has been re-invested under these arrangements.

Regulation

The results of the recent consultation in respect of Enhanced Share Buy-Backs are expected to be included in the Autumn Statement which is expected to be published on 5 December 2013.

Share Buy-Backs

These are effected in the market through the Company's broker, Nplus1 Singer Advisory LLP. The rate of discount at which ordinary shares will be bought back is targeted to be no more than 10 per cent.

Shareholder Workshop

Following the success of the Company's 18th Shareholder workshop in February 2013, the Company is pleased to announce that its next workshop will be held at The Central Hall, Westminster, London on 12 February 2014.

Related Party Transactions

A detailed listing of the related party transactions can be found in Note 10.

Prior Period Adjustment

It has recently come to light that a number of profits and losses on the disposal of investments in prior years had been incorrectly accounted for as unrealised, leading to a technical breach of company law in relation to the purchase of own shares and the payment of dividends since 1 April 2011. During the period ended 30 September 2013 the Company has reallocated these profits and losses from unrealised to realised reserves by way of a Prior Period Adjustment, full details of which are shown in Note 1. The adjustment had no impact on the Company's Net Asset Value at any time.

The Company has received external legal advice that the matter of the dividend payments can be rectified by the passing of certain special resolutions. The Company has also been advised that the purchase of own shares can be rectified by the passing of certain special resolutions, followed by an application to the Court to approve a reduction in share capital. The Company intends to put the relevant resolutions to Shareholders at a General Meeting to be held in January 2014 and to then apply to the Court to approve the reduction in share capital.

These accounts have been drawn up on the basis that the position is regularised by the proposed resolutions and the application to the Court.

Once the interim accounts to 30 September 2013 are filed at Companies House the Company will have an up-to-date set of relevant accounts which can be used as the basis for paying dividends and purchasing its own shares.

The errors were of a technical accounting classification nature and have no impact on the past or present Net Asset Value of your Company. Your Company will not bear any costs associated with the rectification process.

Outlook

In the last six months we have seen a continuation of difficult market conditions for UK companies. Whilst there appear to be some early signs of recovery the UK economy is not yet out of the woods. However there have been some growing signs of increasing confidence from small and medium sized businesses which does seem to be increasing the demand for capital.

In spite of this many of our portfolio companies have delivered improved results, focusing on proven brands, niche growth sectors or rolling out new technology. We hope to see economic conditions gradually improve but continue to plan for low growth and back business models which will still succeed in this environment. The increasing size and diversification of the portfolio should also help to reduce the volatility of returns.

We have seen a marked increase in new investment enquiries and believe the Company is well-placed to take advantage of these opportunities. The improving economic outlook, hesitant approach from the banks and changes in EU restrictions on qualifying VCT investments are all leading to an increase in the volume and scale of investment opportunities.

We are seeking to raise new funds, both to take advantage of these new investment opportunities and also to continue to support our successful portfolio businesses.

I would like to thank Shareholders for their continued support.

Helen Sinclair
Chairman
28 November 2013

Principal Risks and Uncertainties

Full details of the principal risks and uncertainties facing the Company were set out in the Risk Review on pages 29 and 30 of the financial statements for the year ended 31 March 2013, a copy of which can be found at www.yfmep.com.

The principal risks and uncertainties identified in the 2013 financial statements, and the policies and procedures for minimising these risks, remain unchanged. There has been no change to the principal risks and uncertainties facing the Company since the publication of the financial statements for the year ended 31 March 2013. In summary, the principal risks are:

- Economic;
- Investment and strategic;
- Loss of approval as a Venture Capital Trust;
- Regulatory;
- Reputational;
- Operational;
- Financial; and
- Market/liquidity risk

Directors' Responsibility Statement

The directors of British Smaller Companies VCT plc confirm that, to the best of their knowledge, the condensed set of financial statements in this interim report have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the EU, and give a fair view of the assets, liabilities, financial position and profit or loss of British Smaller Companies VCT plc, and that the interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R.

The directors of British Smaller Companies VCT plc are listed in Note 9.

By order of the Board

Helen Sinclair

Chairman

28 November 2013

Independent review report to the members of British Smaller Companies VCT plc

Introduction

We have reviewed the condensed set of financial statements in the half-yearly financial report of British Smaller Companies VCT plc for the six months ended 30 September 2013 which comprises the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and the related

notes. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company's members, as a body, in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review 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 independent review 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 review work, for this report, or for the conclusion we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in Note 1, the annual financial statements of the company are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

Our responsibility

Our responsibility is to express a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

GRANT THORNTON UK LLP
AUDITOR

SHEFFIELD
28 November 2013

Statement of Comprehensive Income

For the 6 months ended 30 September 2013

	Notes	Unaudited 6 months ended 30 September 2013			Unaudited 6 months ended 30 September 2012		
		Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Gains on disposal of investments		-	126	126	-	190	190
Gains (losses) on investments held at fair value		-	3,489	3,489	-	(1,191)	(1,191)
Income	2	627	-	627	600	-	600
Administrative expenses:							
Fund management fee		(105)	(316)	(421)	(95)	(284)	(379)
Other expenses		(181)	-	(181)	(148)	-	(148)
		(286)	(316)	(602)	(243)	(284)	(527)
Profit (loss) before taxation		341	3,299	3,640	357	(1,285)	(928)
Taxation	3	(38)	38	-	(63)	63	-
Profit (loss) for the period		303	3,337	3,640	294	(1,222)	(928)
Total comprehensive income (loss) for the period		303	3,337	3,640	294	(1,222)	(928)
Basic and diluted earnings (loss) per ordinary share	5	0.61p	6.75p	7.36p	0.75p	(3.11)p	(2.36)p

The Total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The supplementary Revenue and Capital columns are prepared under the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('SORP') 2009 published by the Association of Investment Companies.

The expenses benchmark recommended by the Association of Investment Companies (AIC) is the Ongoing Charges Percentage. The table below shows the Company's percentage in the past six months as well as for comparative periods. An adjusted Ongoing Charges Percentage is also provided to show the impact of performance fees.

In order to provide Shareholders with comparable data to prior periods and to assist understanding of the fund management agreement the Company has chosen to also disclose the Total Expense Ratio% (TER%). This is calculated as the annual ongoing charges (excluding trail commission and irrecoverable VAT) over Total Net Assets as at the relevant period end and is currently capped at 3.25 per cent, whereby excess costs over this value are absorbed by the Fund Manager. The annualised TER% as at 30 September is shown below:

	6 months Sept 2013 (%)	6 months Sept 2012 (%)	12 months March 2013 (%)
Ongoing charges	2.4	2.4	2.6
Adjusted ongoing charges	2.4	2.6	2.7
Total expense ratio (TER)	2.4	2.6	2.5

Balance Sheet

As at 30 September 2013

		Unaudited 6 months ended 30 September 2013 £000	Unaudited 6 months ended 30 September 2012 Restated £000	Audited Year ended 31 March 2013 Restated £000
Notes				
Assets				
Non-current assets				
Investments		33,995	27,660	27,560
Fixed income government securities		2,427	2,495	2,474
Financial assets at fair value through profit or loss	6	36,422	30,155	30,034
Current assets				
Trade and other receivables		329	469	197
Cash on fixed term deposit		2,000	5,125	1,500
Cash and cash equivalents		10,847	1,509	10,669
		13,176	7,103	12,366
Liabilities				
Current liabilities				
Trade and other payables		(91)	(82)	(311)
Net current assets		13,085	7,021	12,055
Net assets		49,507	37,176	42,089
Shareholders' equity				
Share capital		5,348	4,219	4,661
Share premium account		12,879	24,683	7,236
Capital redemption reserve		221	221	221
Treasury share reserve		(3,082)	(2,349)	(2,753)
Capital reserve		1,651	(1,636)	(1,360)
Investment holdings gains (losses) reserve		13,006	7,846	9,259
Special reserve		19,181	2,408	23,462
Retained earnings		303	1,784	1,363
Total Shareholders' equity		49,507	37,176	42,089
Basic and diluted Net Asset Value per ordinary share	7	99.2p	94.2p	97.0p

Signed on behalf of the Board

Helen Sinclair
Chairman
28 November 2013

Statement of Changes in Equity

For the 6 months ended 30 September 2013

	Share capital £000	Share premium account £000	Capital redemption reserve £000	Treasury share reserve £000	Capital reserve £000	Investment holding gains (losses) reserve £000	Special reserve £000	Revenue reserve £000	Total equity £000
At 31 March 2012	4,039	23,176	221	(2,048)	-	7,432	2,408	2,666	37,894
Prior Period Adjustment	-	-	-	-	(1,578)	1,578	-	-	-
Restated at 31 March 2012	4,039	23,176	221	(2,048)	(1,578)	9,010	2,408	2,666	37,894
<i>Revenue return for the period</i>	-	-	-	-	-	-	-	357	357
<i>Taxation</i>	-	-	-	-	63	-	-	(63)	-
<i>Capital expenses</i>	-	-	-	-	(284)	-	-	-	(284)
<i>Investment holding loss on investments held at fair value</i>	-	-	-	-	-	(1,191)	-	-	(1,191)
<i>Realisation of investments in the period</i>	-	-	-	-	190	-	-	-	190
Total comprehensive income for the period	-	-	-	-	(31)	(1,191)	-	294	(928)
<i>Issue of share capital</i>	153	1,375	-	-	-	-	-	-	1,528
<i>Issue of shares - DRIS</i>	27	213	-	-	-	-	-	-	240
<i>Issue costs</i>	-	(81)	-	-	-	-	-	-	(81)
<i>Purchase of own shares</i>	-	-	-	(301)	-	-	-	-	(301)
<i>Dividends</i>	-	-	-	-	-	-	-	(1,176)	(1,176)
Total transactions with Shareholders	180	1,507	-	(301)	-	-	-	(1,176)	210
Realisation of prior year investment holding losses	-	-	-	-	(27)	27	-	-	-
At 30 September 2012	4,219	24,683	221	(2,349)	(1,636)	7,846	2,408	1,784	37,176
<i>Revenue return for the period</i>	-	-	-	-	-	-	-	437	437
<i>Taxation</i>	-	-	-	-	75	-	-	(75)	-
<i>Capital expenses</i>	-	-	-	-	(319)	-	-	-	(319)
<i>Investment holding gain on investments held at fair value</i>	-	-	-	-	-	1,424	-	-	1,424
<i>Gain on disposal of investments in the period</i>	-	-	-	-	509	-	-	-	509
Total comprehensive income for the period	-	-	-	-	265	1,424	-	362	2,051
<i>Issue of share capital</i>	424	3,716	-	-	-	-	-	-	4,140
<i>Issue costs</i>	-	(242)	-	-	-	-	-	-	(242)
<i>Purchase of own shares</i>	-	-	-	(404)	-	-	-	-	(404)
<i>Issue of shares - DRIS</i>	18	143	-	-	-	-	-	-	161
<i>Dividends</i>	-	-	-	-	-	-	-	(783)	(783)
Total transactions with Shareholders	442	3,617	-	(404)	-	-	-	(783)	2,872
Reduction in share premium account	-	(21,064)	-	-	-	-	21,064	-	-
Reduction in share premium account - expenses	-	-	-	-	-	-	(10)	-	(10)
Realisation of prior year investment holding gains	-	-	-	-	11	(11)	-	-	-
At 31 March 2013	4,661	7,236	221	(2,753)	(1,360)	9,259	23,462	1,363	42,089

Statement of Changes in Equity

For the 6 months ended 30 September 2013

	Share capital	Share premium account	Capital Redemption reserve	Treasury share reserve	Capital reserve	Investment holding gains (losses) reserve	Special reserve	Revenue reserve	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 31 March 2013	4,661	7,236	221	(2,753)	(1,360)	9,259	23,462	1,363	42,089
<i>Revenue profit for the period</i>	-	-	-	-	-	-	-	341	341
<i>Taxation</i>	-	-	-	-	38	-	-	(38)	-
<i>Capital expenses</i>	-	-	-	-	(316)	-	-	-	(316)
<i>Investment holding gain on investments held at fair value</i>	-	-	-	-	-	3,489	-	-	3,489
<i>Gain on disposal of investments in the period</i>	-	-	-	-	126	-	-	-	126
Total comprehensive income for the period	-	-	-	-	(152)	3,489	-	303	3,640
<i>Issue of ordinary share capital</i>	640	5,558	-	-	-	-	-	-	6,198
<i>Issue of shares – DRIS**</i>	47	370	-	-	-	-	-	-	417
<i>Issue costs of ordinary shares*</i>	-	(285)	-	-	-	-	-	-	(285)
<i>Purchase of own shares</i>	-	-	-	(329)	-	-	-	-	(329)
<i>Dividends</i>	-	-	-	-	-	-	(860)	(1,363)	(2,223)
Total transactions with Shareholders	687	5,643	-	(329)	-	-	(860)	(1,363)	3,778
Realisation of prior year investment holding losses	-	-	-	-	(258)	258	-	-	-
Reallocated prior period losses	-	-	-	-	2,257	-	(2,257)	-	-
Transfer current year losses to Special reserve	-	-	-	-	285	-	(285)	-	-
Transfer current year advice fee to Special reserve	-	-	-	-	316	-	(316)	-	-
Transfer prior year advice fee to Special reserve	-	-	-	-	563	-	(563)	-	-
At 30 September 2013	5,348	12,879	221	(3,082)	1,651	13,006	19,181	303	49,507

* Issue costs include both fundraising costs and expenses incurred from the Company's DRIS**

** DRIS being the dividend re-investment scheme

Statement of Cash Flows

For the 6 months ended 30 September 2013

	Unaudited 6 months ended 30 September 2013	Unaudited 6 months ended 30 September 2012	Audited Year ended 31 March 2013
	£000	£000	£000
Net cash outflow from operating activities	(98)	(1,559)	(1,098)
Cash flows from investing activities			
Cash placed on fixed term deposit	(2,000)	(5,125)	-
Cash from maturing fixed term deposit	1,500	5,000	3,500
Purchase of financial asset investments	(4,854)	(5,938)	(6,097)
Proceeds from sale of financial asset investments	1,997	1,576	3,801
Net cash (used in) from investing activities	(3,357)	(4,487)	1,204
Cash flows from financing activities			
Issue of ordinary shares	6,098	1,523	5,668
Cost of ordinary share issue	(184)	(103)	(349)
Purchase of own ordinary shares	(466)	(301)	(569)
Share premium reduction costs	(9)	-	(1)
Dividends paid (net of dividend re-investment scheme)	(1,806)	(936)	(1,558)
Net cash from financing activities	3,633	183	3,191
Net increase (decrease) in cash and cash equivalents	178	(5,863)	3,297
Cash and cash equivalents at the beginning of the period	10,669	7,372	7,372
Cash and cash equivalents at the end of the period	10,847	1,509	10,669
Reconciliation of loss before taxation to net cash outflow from operating activities			
Profit (loss) before tax	3,640	(928)	1,123
(Increase) decrease in trade and other receivables	(37)	(23)	246
Decrease in trade and other payables	(75)	(1,601)	(1,517)
Profit on disposal of investments in the year	(126)	(190)	(699)
(Profit) loss on investments held at fair value	(3,489)	1,191	(233)
Capitalised interest	(11)	(8)	(18)
Net cash outflow from operating activities	(98)	(1,559)	(1,098)

Notes to the Financial Statements

1. General information, basis of preparation and principal accounting policies

The half year statements are unaudited but have been reviewed by the Company's auditors pursuant to the Auditing Practices Board (APB) guidance on Review of Interim Financial Information. They do not constitute full financial statements as defined in section 435 of the Companies Act 2006. The comparative figures for the year ended 31 March 2013 do not constitute full financial statements and have been extracted from the Company's financial statements for the year ended 31 March 2013 (as explained below). Those accounts were reported upon without qualification by the auditors and have been delivered to the Registrar of Companies.

The accounting policies and methods of computation followed in the half year statements are the same as those adopted in the preparation of the audited financial statements for the year ended 31 March 2013, except as noted below.

The financial statements for the year ended 31 March 2013 were prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. Where guidance set out in the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies in January 2009 ("SORP") is consistent with the requirements of IFRS, the financial statements have been prepared in compliance with the recommendations of the SORP.

Prior Period Adjustment

The Company has recently completed a detailed reconciliation of its Investment Holding Gains and Losses Reserve, an unrealised reserve. This work has uncovered net realised losses of £1.578 million between 2006 and 2008 that should have been classified as realised gains and losses within the Company's Capital Reserve. Whilst not impacting the Company's Net Asset Value during this time, the reclassification of these losses has a material impact on the Company's distributable reserves and, as a result, the Company has decided that this should be corrected by a Prior Period Adjustment ("PPA") and this is reflected in this set of interim accounts.

The nature of these losses has led the Company's professional advisers to conclude that the accounts for the period ended 31 March 2011 were the last ones that can represent the Company's most recent relevant accounts for the purposes of distributions such as dividends and the purchase of own shares.

At 31 March 2011 the Company had total distributable reserves of £4.455 million and since then the Company has paid dividends totalling £12.42 million and repurchased its own shares to a value of £1.216 million. Although the Company's management accounts showed sufficient distributable reserves to make these payments, these reserves will not become available to satisfy any of these payments until the current set of accounts has been filed with the Registrar of Companies. As at 30 September 2013 the Company had distributable reserves of £18.1 million.

The Company has received external legal advice that the matter of the dividend payments can be rectified by the passing of certain special resolutions. The Company has also been advised that the purchase of own shares can be rectified by the passing of certain special resolutions, followed by an application to the Court to approve a reduction in share capital. The Company intends to put the relevant resolutions to Shareholders at a General Meeting to be held in January 2014.

Other standards and interpretations have been issued which will be effective for future accounting periods but have not been adopted early in these financial statements. These include the new standards IFRS9, IFRS10, IFRS11 and IFRS12 in addition to amendments to IFRS7, IAS 27, IAS 28, IAS 36, IAS 32 and IAS 39. A full impact assessment has not yet been completed in order to assess whether these new standards will have a material impact on the financial statements.

Going Concern: The directors have carefully considered the issue of going concern and are satisfied that the Company has sufficient resources to meet its obligations as they fall due for a period of at least twelve months from the date these half year statements were approved. As at 30 September 2013 the Company held cash balances, investments in fixed income securities and fixed term deposits with a combined value of £15,274,000. Cash flow projections show the Company has sufficient funds to meet both its contracted expenditure and its discretionary cash outflows in the form of share buy-backs and the dividend policy. The directors therefore believe that it is appropriate to continue to apply the going concern basis of accounting in preparing these half year statements.

Standards and interpretations which have been issued or revised, for which their issue or revision will be effective for the accounting period ending 31 March 2014, but do not have a significant impact for the Company are IFRS 1, IFRS 7, IFRS 13, IAS 1 and IAS 12.

Capital Reserves

On 13 March 2013, the amount standing to the credit of the share premium account as at 5 May 2011 was cancelled pursuant to an order of court following the passing of a special resolution. The credit arising of £21,063,637 has been transferred to a Special reserve, which shall be applied in any manner in which the Company's profits available for distribution are able to be applied.

The realised losses incurred following the sale of investments in the six months to date and those incurred in the prior 12 months have been transferred to this Special reserve along with some dividends and 75 per cent of the Fund Manager's fee expense incurred in the same period.

2. Income

	Unaudited 6 months ended 30 September 2013 £000	Unaudited 6 months ended 30 September 2012 £000
Income from investments:		
-Dividends from unquoted companies	22	10
-Dividends from quoted companies	128	30
	150	40
-Interest on loans to unquoted companies	381	452
-Fixed interest Government securities	28	29
Income from investments held at fair value through profit or loss	559	521
Interest on deposits	68	79
	627	600

3. Taxation

	Unaudited 6 months ended 30 September 2013			Unaudited 6 months ended 30 September 2012		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Profit (loss) before taxation	341	3,299	3,640	357	(1,285)	(928)
Profit (loss) multiplied by standard small company rate of corporation tax in UK of 20% (2012: 20%)	68	660	728	71	(257)	(186)
Effect of:						
UK dividends received	(30)	-	(30)	(8)	-	(8)
Non taxable (profits) losses on investments	-	(723)	(723)	-	200	200
Excess management expenses	-	25	25	-	(6)	(6)
Tax charge (credit)	38	(38)	-	63	(63)	-

The Company has no provided, or unprovided, deferred tax liability in either period. Deferred tax assets in respect of losses have not been recognised as the Directors currently believe that there will be insufficient taxable profits against which the assets can be recovered.

Due to the Company's status as a Venture Capital Trust, and the continued intention to meet the conditions required to comply with Chapter 3 of Part 6 of the Income Tax Act 2007, the Company has not provided deferred tax on any capital gains or losses arising on the revaluation or realisation of investments.

4. Dividends

Amounts recognised as distributions to equity holders in the period:

	Unaudited 6 months ended 30 September 2013			Unaudited 6 months ended 30 September 2012			Audited Year ended 31 March 2013		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Final paid – 3.5p per ordinary share; (2012: 3.0p per ordinary share)	1,363	366	1,729	1,176	-	1,176	1,176	-	1,176
Interim – 2012: 2.0p per ordinary share	-	-	-	-	-	-	783	-	783
Special dividend - 1.0p per ordinary Share	-	494	494	-	-	-	-	-	-
	1,363	860	2,223	1,176	-	1,176	1,959	-	1,959
Shares issued under the DRIS			(417)			(240)			(401)
Dividend in Statement of Cash Flows			1,806			936			1,558

The difference between the dividend totals shown in the table above and the Statement of Cash Flows relates to the portion of the dividend satisfied by the issue of ordinary shares under the Company's dividend re-investment scheme.

5. Basic and diluted earnings (loss) per ordinary share

The basic and diluted earnings per ordinary share is based on the profit for the period attributable to equity Shareholders of £3,640,000 (30 September 2012: loss of £928,000) and on 49,425,244 shares (30 September 2012: 39,381,914), being the weighted average number of shares in issue during the period.

The basic and diluted revenue earnings per ordinary share is based on the revenue profit for the period attributable to equity Shareholders of £303,000 (30 September 2012: profit of £294,000) and on 49,425,244 shares (30 September 2012: 39,381,914), being the weighted average number of shares in issue during the period.

The basic and diluted capital loss per ordinary share is based on the capital profit for the period attributable to equity Shareholders of £3,337,000 (30 September 2012: loss of £1,222,000) and on 49,425,224 shares (30 September 2012: 39,381,914), being the weighted average number of shares in issue during the period.

6. Financial assets at fair value through profit and loss

IFRS 13, in respect of financial instruments that are measured in the balance sheet at fair value, requires disclosure of fair value measurements by level within the following fair value measurement hierarchy:

- Level 1: quoted prices in active markets for identical assets or liabilities. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. An active market is defined as a market in which transactions for the asset or liability take 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 and comprise mostly AIM quoted investments (with one investment traded on the ISDX Growth Market) or government and other fixed income securities classified as held at fair value through profit or loss.
- Level 2: the fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available 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. The Company held no such instruments in the current or prior year.
- Level 3: the fair value of financial instruments that are not traded in an active market (for example, investments in unquoted companies) is determined by using valuation techniques such as earnings multiples. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Each investment is reviewed at least quarterly to ensure that it has not ceased to meet the criteria of the level in which it is included at the beginning of each reporting period. There has been one transfer between these classifications in the period (March 2013: none, September 2012: none) following the listing of Cambridge Cognition plc on the Alternative Investment Market. The change in fair value for the current and previous year is recognised through profit or loss.

All items held at fair value through profit or loss were designated as such upon initial recognition and are subject to recurring valuations on at least a quarterly basis.

Valuation of Investments

Initial Measurement: Financial assets are initially measured at fair value. The best estimate of the initial fair value of a financial asset that is either quoted or not quoted in an active market is the transaction price (i.e. cost).

Subsequent Measurement: The International Private Equity and Venture Capital (IPEVC) Valuation Guidelines (“the Guidelines”) identify six of the most widely used valuation methodologies for unquoted investments. The Guidelines advocate that the best valuation methodologies are those that draw on external, objective market based data in order to derive a fair value.

Full details of the methods used by the Company were set out on page 27 of the financial statements for the year ended 31 March 2013, a copy of which can be found at www.yfmep.com. Where investments are in quoted stocks, fair value is set at the market price.

The primary methods used for valuing non-quoted investments, and the key assumptions relating to them are:

Price of recent investment, reviewed for changes in fair value: the cost of the investment, adjusted for background factors specific to the investment, is taken as a reasonable assessment of the fair value for a period of up to one year. During this period performance against budget is monitored for evidence of changes to this initial fair value. Valuations may be re-based following substantial investment by a third party when this offers evidence that there has been a change to fair value.

Earnings multiple: the appropriate sector FTSE® multiples are used as a market-based indication of the enterprise value of an investment company. A discount is applied to the multiple by the Fund Manager based on perceived market interest in that company or sector and on any benefit that may be observed by holding a significant shareholding or superior rights.

Movements in investments at fair value through profit or loss during the six months to 30 September 2013 are summarised as follows:

IFRS 13 measurement classification	Level 3	Level 1		Level 1	
	Unquoted investments £000	Quoted Equity investments £000	Total quoted and unquoted £000	Fixed income securities £000	Total investments £000
Opening cost	15,084	3,366	18,450	2,427	20,877
Opening valuation gain	9,553	(443)	9,110	47	9,157
Opening fair value at 1 April 2013	24,637	2,923	27,560	2,474	30,034
Transfer between Level 1 & Level 3	(192)	192	-	-	-
Additions at cost	4,170	224	4,394	460	4,854
Capitalised interest	11	-	11	-	11
Disposal proceeds	(1,326)	(300)	(1,626)	(459)	(2,085)
Net profit on disposal*	1	120	121	(2)	119
Change in fair value	2,781	754	3,535	(46)	3,489
Closing fair value at 30 September 2013	30,082	3,913	33,995	2,427	36,422
Closing cost	17,622	3,361	20,983	2,436	23,419
Closing valuation gain (loss)	12,460	552	13,012	(9)	13,003
Closing fair value at 30 September 2013	30,082	3,913	33,995	2,427	36,422

During the six months to 30 September 2013 the investment in Cambridge Cognition plc was listed on the Alternative Investment Market (AIM). As such the carrying value of the investment at 1 April 2013 was re-categorised between Level 1 and Level 3, as shown in the table above.

All of the changes in fair value during the year related to assets held at the period end.

*The net profit on disposal in the table above is £119,000 whereas that shown in the Statement of Comprehensive Income is £126,000. The difference comprises deferred proceeds of £7,000 in respect

of assets which have been disposed and are not included within the investment portfolio at the period end.

The movements in Level 1 and Level 3 instruments, as defined earlier in this Note, are summarised below.

	Level 1	2013 Level 3	Total
	£000	£000	£000
Opening fair value at 1 April 2013	5,397	24,637	30,034
Transfer between Level 1 & Level 3	192	(192)	-
Additions at cost	684	4,170	4,854
Capitalised interest	-	11	11
Disposal proceeds	(759)	(1,326)	(2,085)
Net profit on disposal	118	1	119
Change in fair value	708	2,781	3,489
Closing fair value at 30 September 2013	6,340	30,082	36,422

Level 3 valuations include assumptions based on non-observable market data, such as discounts applied either to reflect change in fair value of financial assets held at the price of recent investment, or to adjust earnings multiples.

IFRS 13 requires disclosure, by class of financial instruments, if the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. The portfolio has been reviewed and both downside and upside possible alternative assumptions have been identified and applied to the valuation of each of the unquoted investments. Applying the downside alternatives the value of the unquoted investments would be £3,633,000 (12.1 per cent) lower. Using the upside alternative the value would be increased by £4,104,000 (13.6 per cent).

Of the Company's equity investments, 11.5 per cent are quoted on AIM (31 March 2013: 17 per cent). A five per cent increase in stock prices as at 30 September 2013 would have increased the net assets attributable to the Company's Shareholders and the total profit for the year by £196,000 (31 March 2013: £146,000). An equal change in the opposite direction would have decreased the net assets attributable to the Company's Shareholders and the total profit for the period by an equal amount.

Of the Company's equity investments, 88.5 per cent are in unquoted companies held at fair value (March 2013: 83 per cent). The valuation methodology for these investments includes the application of externally produced FTSE® multiples. Therefore the value of the unquoted element of the portfolio is also indirectly affected by price movements on the listed market. Those using an earnings multiple methodology include judgements regarding the level of discount applied to that multiple. A 10 per cent decrease in the discount applied would have increased the net assets attributable to the Company's Shareholders and the total profit for the year by £2,847,000 (6.8 per cent of net assets). A change in the opposite direction would have decreased net assets attributable to the Company's Shareholders and the total profit for the period by the same amount.

The total of fair value adjustments below cost made against unquoted investments at 30 September 2013 amounted to £1,213,000 (31 March 2013: £1,655,000).

There have been no individual fair value adjustments downwards during the period that exceeded five per cent of the total assets of the Company (31 March 2013: none).

Fixed income securities comprise UK Government stocks and are classified as financial assets at fair value through profit or loss. Their use is as temporary holdings until capital investment opportunities arise.

The following disposals took place during the period (all companies are unquoted except where otherwise stated).

	Net proceeds from sale £'000	Cost £000	Opening carrying value as at 1 April 2013 £000	Profit (loss) on disposal £000
Seven Technologies Holdings Limited	1,302	1,302	1,302	-
Bluebell Telecom Group Limited	24	16	23	1
Straight plc*	31	116	27	4
Pressure Technologies plc*	269	140	153	116
	1,626	1,574	1,505	121
<i>Deferred Proceeds</i>				
Primal Pictures Limited – cash receipt	7	-	4	3
Primal Pictures Limited - revaluation	-	-	-	4
Total proceeds from quoted and unquoted investments	1,633	1,574	1,509	128
Fixed income securities	459	451	461	(2)
Total	2,092	2,025	1,970	126

*Designates AIM quoted investments

7. Net Asset Value per ordinary share and changes in ordinary share capital

The Net Asset Value per ordinary share is calculated on attributable assets of £49,507,000 and 49,885,991 shares in issue at 30 September 2013 (30 September 2012: assets of £37,176,000 and 39,473,151 shares, 31 March 2013: assets of £42,089,000 and 43,390,772 shares).

On 5 April 2013 the Company issued 5,659,711 new ordinary shares with a further 714,323 issued on 30 April 2013, relating to the joint offer for subscription with British Smaller Companies VCT2 plc launched on 19 November 2012. In total this offer raised net proceeds of £9.75 million.

The Company also made an allotment of 26,109 ordinary shares on 9 May 2013 in response to an application by an individual Shareholder that was received by the Company after the close of the offer on 30 April 2013, the allotment being outside the offer.

On 13 August 2013 the Company allotted 472,076 new ordinary shares in respect of its dividend re-investment scheme at a price of 90.44p per ordinary share (30 September 2012: 261,760 new ordinary shares at a price of 91.77p per ordinary share).

The Company also repurchased 377,000 (30 September 2012: 354,107) of its own shares in the period at a cost of £0.3 million (six months to 30 September 2012: 354,107 shares at a cost of £0.3 million) and these shares are held in treasury. The total of 3,592,658 treasury shares has been excluded in calculating the number of ordinary shares in issue at 30 September 2013 (30 September 2012: 2,714,592 treasury shares). The Company has no securities that would have a dilutive effect and hence basic and diluted Net Asset Value per ordinary share is the same.

8. Total Return

Total Return per ordinary share is calculated on cumulative dividends paid of 88.7 pence per ordinary share (30 September 2012: 82.2 pence per ordinary share and 31 March 2013: 84.2 pence per ordinary share) plus the Net Asset Value at those dates as calculated per Note 7.

9. Directors

The directors of the Company are: Mrs H Sinclair (non-executive Chairman), Mr CWER Buchan (non-executive director) and Mr PS Cammerman (non-executive director).

10. Related parties

YFM Private Equity Limited ("the Fund Manager") provides fund management, secretarial and administrative services to the Company. Under the management agreement, the Fund Manager receives a fee of two per cent of gross assets less current liabilities, calculated at half-yearly intervals as at 31 March and 30 September. Under the same agreement the Fund Manager also provides administrative and secretarial services to the Company for a fee of £35,000 per annum as adjusted for changes in the Retail Price Index. During the period the Company has incurred management fees of £420,889 and secretarial fees of £28,851 payable to the Fund Manager.

Under the terms of the joint offer with British Smaller Companies VCT2 plc launched on 16 November 2012 (which closed on 30 April 2013), the Fund Manager was entitled to 5.5 per cent of gross subscriptions (before any early investment incentive and re-investment of intermediary commission) for all applications received on or before 28 December 2012. After this date the Fund Manager was entitled to 5.5 per cent of gross subscriptions from execution brokers and 3.5 per cent of gross subscriptions for applications received directly from applicants or through intermediaries offering financial advice. This amounted to £511,939 in total, of which £285,129 was received in the six months to 30 June 2013.

The Fund Manager met all costs and expenses arising from these offers out of these fees, including any early investment incentive and any payment or re-investment of initial intermediary commissions (excluding permissible trail commission, which will continue to be met by the Company).

11. Other information

Copies of the interim report can be obtained from the Company's registered office: Saint Martin's House, 210-212 Chapeltown Road, Leeds, LS7 4HZ or from the Fund Manager's website: www.yfmep.com

For further information, please contact:

David Hall

YFM Equity Partners Limited

Tel: 0113 294 5039

Matthew Thomas

Nplus 1 Singer Advisory LLP

Tel: 0207 496 3000

British Smaller Companies VCT plc (“the Company”)

YFM Private Equity Limited (“YFM”) - Management Arrangements – Change of Ownership

YFM has been the Manager of the Company since inception.

On 30 September 2013 YFM was acquired by YFM Equity Partners LLP, a partnership set up by the YFM management team to acquire YFM from its ultimate parent company, Greater London Enterprise Limited. YFM Equity Partners LLP is a fully independent, owner managed business that will carry on YFM’s 30-year tradition of investing in established fast growing businesses.

The Company will continue its strategy of investing in predominantly unquoted businesses providing development capital and capital to fund change of ownership situations. A good example is the recent investment the Company made to fund the management buy-out of technical sailing brand Gill Marine.

For further information, please contact:

Investment Adviser to the Companies

YFM Private Equity Limited

David Hall

Telephone: 0113 294 5039

**British Smaller Companies VCT plc and British Smaller Companies VCT2 plc
(together “the Companies”)**

Statement re: proposed Joint Fundraising

The Companies today announce that they are planning to raise up to £20 million in aggregate by way of a joint prospectus offer of new ordinary shares for subscription (“the Offer”) in order to increase their investment capacity. The proceeds will be allocated between the Companies in accordance with the terms set out in the prospectus.

Applications will be considered on a first come first served basis subject to the directors’ discretion. Investors will be permitted to make applications for new shares in either or both of the 2013/14 and 2014/15 tax years and to invest in either or both of the two Companies. It is anticipated that the Offer will remain open until 5 April 2014 in respect of the 2013/14 tax year and until late April 2014 in respect of the 2014/15 tax year, unless fully subscribed at an earlier date and subject to the directors’ right to close the Offer at any time.

The full terms of the offer will be set out in a detailed prospectus to be approved by the UK Listing authority and is expected to be issued in December 2013. The Offer will be subject to the approval of the shareholders of each of the Companies who will receive a circular explaining the details of the Offer in due course.

For further information please contact:

David Hall	YFM Private Equity Limited	Tel: 0161 832 7603
Matthew Thomas	N+1 Singer	Tel: 020 7496 3000

British Smaller Companies VCT plc (“the Company”)

Director’s Purchase of Shares

As required by Disclosure and Transparency Rule 3.1.4R(1).

The Company was informed today that on 12 September 2013 Mr Philip Cammerman, a director of the Company, purchased 11,187 ordinary shares of 10 pence each in the capital of the Company (“Ordinary Shares”) at a purchase price of 88.50 pence per Ordinary Share on the London Stock Exchange. The Ordinary Shares acquired represent 0.02 per cent. of the Company’s issued share capital. Following this purchase, Mr Cammerman has a holding of 55,801 Ordinary Shares representing 0.11 per cent. of the Company’s issued share capital.

12 September 2013

For further information, please contact:

David Hall

YFM Private Equity Limited

Tel: 0113 294 5055

Matthew Thomas

Nplus1 Singer Advisory LLP

Tel: 0203 7496 3000

British Smaller Companies VCT plc

Payment of Dividends and Allotment of Shares

British Smaller Companies VCT plc (“the Company”) announces that on 13 August 2013 it paid gross dividends totalling 4.5 pence per ordinary share to shareholders on the register of members of the Company as at the record date of 12 July 2013. This total comprises a final dividend of 3.5 pence per ordinary share in respect of the year ended 31 March 2013 (“Final Dividend”) and a special dividend of 1.0 pence per ordinary share (“Special Dividend”).

The Company further announces that on 13 August 2013 it allotted 472,076 ordinary shares of 10 pence each pursuant to its dividend reinvestment scheme (“Dividend Reinvestment Scheme”) at a price of 90.44 pence per share to shareholders of the Company who elected to receive shares instead of the Final and Special Dividends. Of the aggregate Final and Special Dividends paid by the Company, 19 per cent was as a result reinvested in shares in the Company via the Dividend Reinvestment Scheme.

As part of this allotment, Edward Buchan, a non-executive director of the Company, was allotted 277 ordinary shares of 10 pence each in the Company. This takes his total shareholding to 5,840 ordinary shares in the Company representing 0.012% of the issued ordinary shares of the Company.

Application is now being made for the ordinary shares which were allotted on 13 August 2013 to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange’s main market for listed securities, and dealings are expected to commence on or around 21 August 2013.

Following such allotment the Company’s issued share capital consists of 49,885,991 ordinary shares with voting rights (“Voting Capital”) and 3,592,658 shares held in Treasury.

The above statement of Voting Capital may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FSA’s Disclosure and Transparency Rules.

For further information, please contact:

David Hall	YFM Private Equity Limited	Tel: 0113 294 5039
Matthew Thomas	Nplus1 Singer Advisory LLP	Tel: 020 7496 3000

BRITISH SMALLER COMPANIES VCT PLC

RESULT OF ANNUAL GENERAL MEETING

British Smaller Companies VCT plc ("the Company") announces that at the Annual General Meeting of the Company held on 19 July 2013 all the resolutions proposed at the meeting ("AGM Resolutions") were duly passed.

The full text of the AGM Resolutions was included in the notice of the Annual General Meeting contained within the Company's Annual Report for the year ended 31 March 2013, a copy of which is available on the website of the Company's Fund Manager at www.yfmep.com. Details of the proxy votes lodged in advance of the Annual General Meeting are also available on the Fund Manager's website.

RESULT OF GENERAL MEETING

The Company also announces that at the general meeting of the Company which was also held on 19 July 2013 ("General Meeting") immediately following the Annual General Meeting, all the resolutions proposed at the meeting ("GM Resolutions") were duly passed.

The full text of the GM Resolutions was included in the notice of General Meeting contained within the circular accompanying the Company's Annual Report for the year ended 31 March 2013 ("the Circular"). A copy of the Circular is available on the website of the Company's Fund Manager at www.yfmep.com. Details of the proxy votes lodged in advance of the General Meeting are also available on the Fund Manager's website.

In accordance with the Company's obligations under Listing Rule 9.6.2, copies of the AGM and GM Resolutions passed have been submitted to the National Storage Mechanism and will shortly be available for viewing at www.hemscott.com/nsm.do.

19 July 2013

For further information, please contact:

David Hall
Matthew Thomas

YFM Private Equity
Nplus1 Singer Advisory LLP

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Tel: 0207 496 3000

BRITISH SMALLER COMPANIES VCT PLC

Annual General Meeting on 19 July 2013

Note of Proxies Received

The Company announces that all the resolutions put to the shareholders of the Company ('Resolutions') at its Annual General Meeting held on 19 July 2013 were duly passed.

The full text of the Resolutions were contained in the notice of the Annual General Meeting dated 11 June 2013, a copy of which is also available on this website (please see pages 66 and 67 of the Company's annual report and accounts for the year ended 31 March 2012).

ORDINARY RESOLUTIONS000

Resolution 1 – To receive the Annual Report and Accounts

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,750,074 in favour, none against, 87,736 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and none withheld.

Resolution 2 – To approve a final dividend of 3.5p per Ordinary Share

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,719,062 in favour, 31,012 against, 87,736 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and none withheld.

Resolution 3 – To approve the Directors' Remuneration Report

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,333,618 in favour, 76,477 against, 114,496 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and 313,219 withheld.

Resolution 4 – To re-elect as a Director Ms H Sinclair

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,666,650 in favour, 56,374 against, 114,786 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and none withheld.

Resolution 5 – To re-elect as a Director Mr C W E R Buchan

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,593,846 in favour, 129,178 against, 114,786 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and none withheld.

Resolution 6 – To re-elect as a Director Mr P S Cammerman

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,659,638 in favour, 63,386 against, 114,786 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and none withheld.

Resolution 7 – To appoint Grant Thornton UK LLP as auditors

In order to comply with the UK Code of Corporate Governance, for your information, the proxy votes received on this resolution were 4,841,719: 4,677,588 in favour, 32,453 against, 114,786 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and 12,983 withheld.

Resolution 8 – To grant the Directors the authority to allot shares (other than pursuant to the dividend reinvestment scheme)

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,674,213 in favour, 75,861 against, 87,736 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and none withheld.

Resolution 9 – To authorise the Company to communicate with members by electronic means

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,450,772 in favour, 113,973 against, 97,465 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and 85,600 withheld.

Resolution 10 – To continue the dividend reinvestment scheme for a further period

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,680,282 in favour, 28,175 against, 87,736 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and 41,617 withheld.

Resolution 11 – To grant the Directors the authority to allot shares pursuant to the dividend reinvestment scheme

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,680,282 in favour, 28,175 against, 87,736 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and 41,617 withheld.

SPECIAL RESOLUTIONS

Resolution 12 – To authorise the Directors to waive pre-emption rights in relation to the allotment of shares (other than pursuant to the dividend reinvestment scheme)

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,513,459 in favour, 190,811 against, 108,110 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and 25,430 withheld.

Resolution 13 – To authorise the Directors to waive pre-emption rights in relation to the allotment of shares pursuant to the dividend reinvestment scheme for a further period

In order to comply with the UK Code of Corporate Governance, for your information, the total proxy votes received on this resolution were 4,841,719: 4,606,185 in favour, 103,481 against, 108,110 at the Chairman's discretion, 3,909 at the discretion of a third party proxy, and 20,034 withheld.

Note: The 'Vote Withheld' option is provided to enable shareholders to abstain on any particular resolution. However, it should be noted that a 'Vote Withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

BRITISH SMALLER COMPANIES VCT PLC (“the Company”)

General Meeting held on 19 July 2013

Note of Proxies Received

The full text of the Resolutions were contained in the notice of the general meeting dated 18 June 2013, which is available for on-line viewing by the public either at www.hemscott.com/nsm.do, a copy of which is also available at www.yfmep.com.

SPECIAL RESOLUTION

Resolution 1: the rectification and ratification of the payment of the special interim dividend and the final dividend for the year ended 31 March 2011, which was made by the Company on 22 August 2011, in breach of the Companies Act 2006, and the approval of the release of the Shareholders from any claims arising out of the receipt of such dividends

8,904,503 proxy votes were received on this resolution: 8,618,040 in favour, 33,012 against, 253,451 discretion (of which 249,951 are at the Chairman’s discretion) and no votes withheld.

ORDINARY RESOLUTION

Resolution 2: the approval of the release of the Directors from any claims arising out of the payment of the special interim dividend and the final dividend for the year ended 31 March 2011, which was made by the Company on 22 August 2011, in breach of the Companies Act 2006

8,904,503 proxy votes were received on this resolution: 8,241,899 in favour, 285,028 against, 275,024 discretion (of which 271,524 are at the Chairman’s discretion) and 102,552 votes withheld.

Note: The ‘Vote Withheld’ option is provided to enable shareholders to abstain on any particular resolution. However, it should be noted that a ‘Vote Withheld’ is not a vote in law and is not counted in the calculation of the proportion of the votes ‘For’ and ‘Against’ a resolution.

British Smaller Companies VCT plc

Annual General Meeting

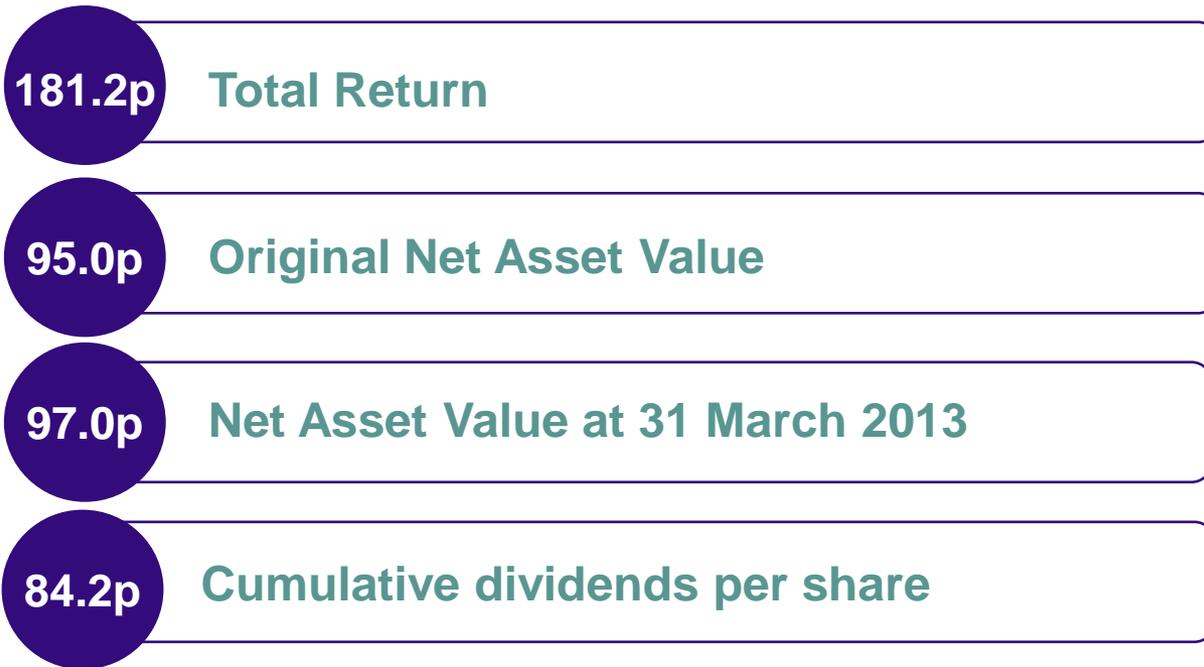
19 July 2013

Helen Sinclair - Chair
British Smaller Companies VCT Plc

David Hall – Managing Director
YFM Private Equity Limited



Financial Highlights



3 Months ending 30 June 2013

£1.6m

Increase in Portfolio Value

2.7p

Increase in Net Asset Value

99.7p

Net Asset Value at 30 June 2013

183.9p

Increased Total Return

84.2p

Cumulative dividends per share

Profits & Distributions

- Profit/loss is movement in value from one year to next
- Profits comprise realised and unrealised gains
- Can distribute only when turned into cash and when filed Accounts
- Dividends only shown in Accounts when paid
- Must distribute 85% of income
- 6 months to meet tax conditions

Profits & Distributions

Life of Company:

Total Return	183.90
Opening NAV (net of costs)	95.00
Current NAV (30.6.13)	99.70
Dividends	84.20

Last 3 years:

	Total	Mar-13	Mar-12	Mar-11
Profits	37.08	2.78	2.92	31.38
Dividends	34.25	5.00	23.00	6.25

Accounting and Cash Profits

	£000	
Increase in value GoOutdoors	8,686	Uplift in value – no cash
Other gains	<u>1,687</u>	
Profit 31.3.11	<u>10,373</u>	
Realised profit on part sale of GoOutdoors 31.3.2012	6,490	Realised cash profit
Profit from GoOutdoors shown in 2012 Accounts	-	

Current Activity

- High level of investment enquiry
- Broad sector spread
- 44 under active review - £42 million

			Healthcare	Retail & Brands	IT	Manufacturing	Business Services
Most Advanced	No	£000					
Completed/ approved	5	4,325	0	3084	984	0	257
Being proposed	4	5,000	0	0	1,500	2,300	1,200
Offer in negotiation	5	9,100	1,500	0	0	2,500	5,100
	14	18,425	1,500	3,084	2,484	4,800	6,557
			8.1%	16.7%	13.5%	26.1%	35.6%

Resolutions

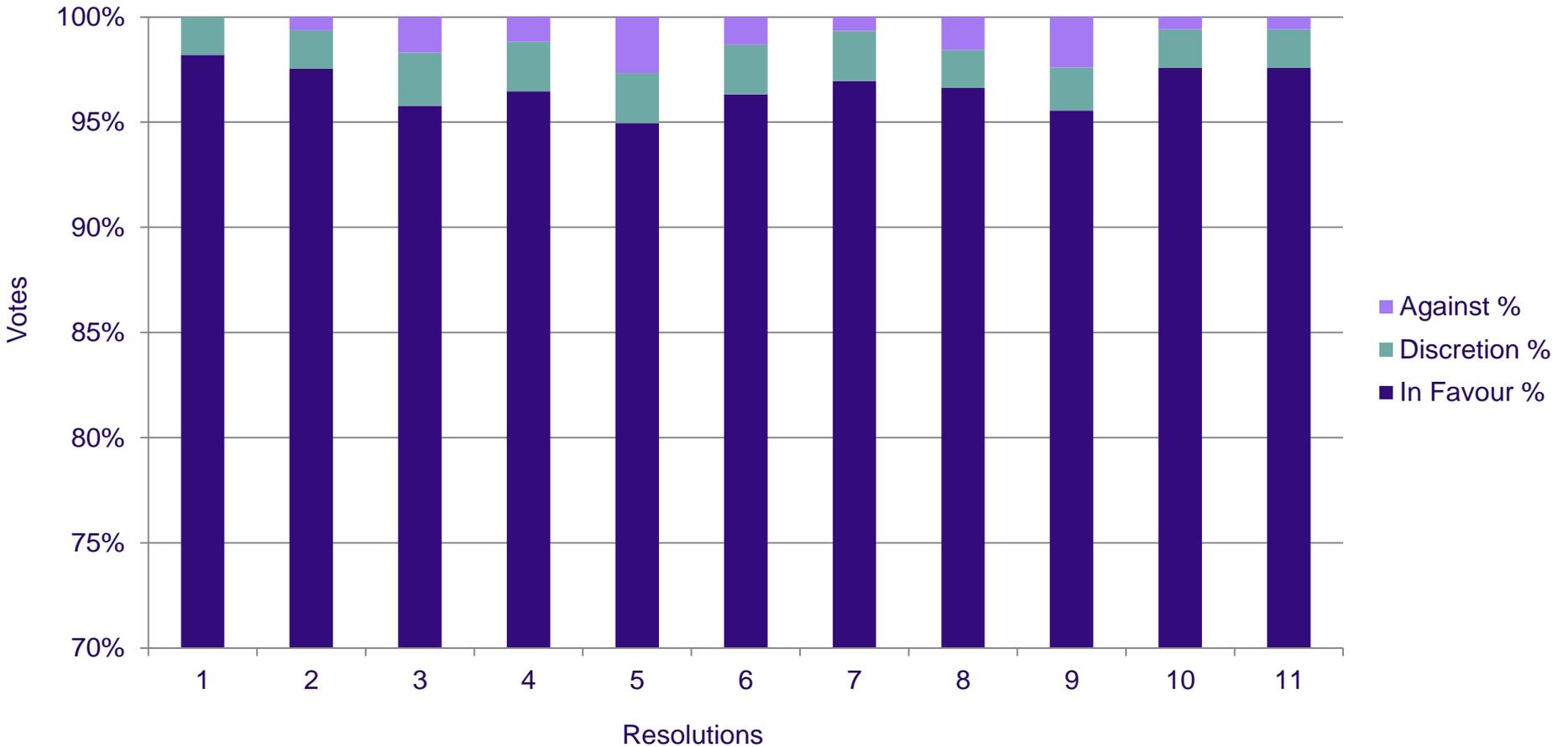
ORDINARY RESOLUTIONS

1. To receive the Annual Report and Accounts
2. To approve a final dividend of 3.5 pence per ordinary share
3. To approve the Directors' Remuneration Report
4. To re-elect Ms H Sinclair as a director
5. To re-elect Mr C W E R Buchan as a director
6. To re-elect Mr P S Cammerman as a director
7. To re-appoint Grant Thornton UK LLP as auditor
8. To grant authority to allot shares (other than pursuant to the dividend re-investment scheme)
9. To authorise the Company to communicate with members by electronic means
10. To continue the dividend re-investment scheme for a further period
11. To grant authority to allot shares pursuant to the dividend re-investment scheme for a further period

SPECIAL RESOLUTIONS

12. To authorise the directors to waive pre-emption rights in relation to the allotment of shares (other than pursuant to the dividend re-investment scheme)
13. To authorise the directors to waive pre-emption rights in relation to the allotment of shares pursuant to the dividend re-investment scheme for a further period

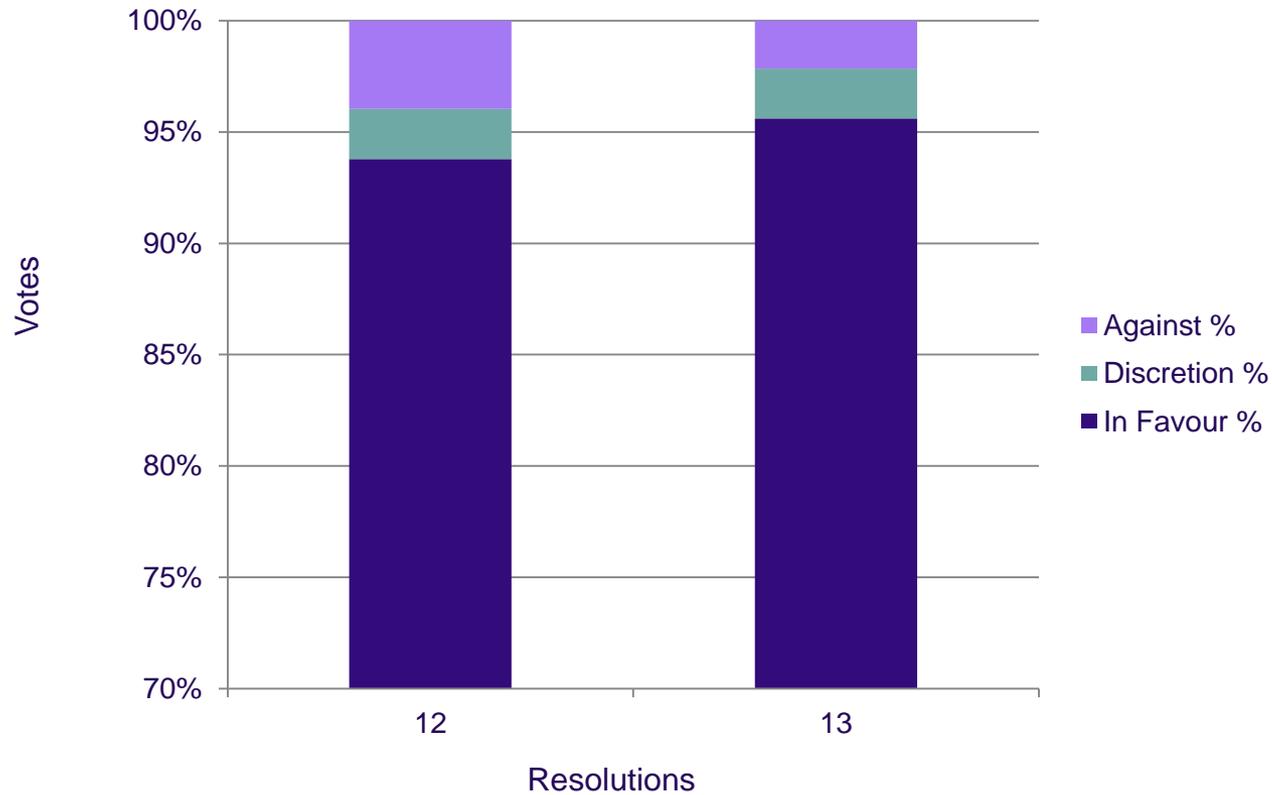
Ordinary Resolutions



Ordinary Resolutions

	In Favour			Discretion			Against			Withheld	
	Votes	%	Items	Votes	%	Items	Votes	%	Items	Votes	Items
1	4,750,074	98.19	294	87,736	1.81	17	0	0.00	0	0	0
2	4,719,062	97.55	291	87,736	1.81	17	31,012	0.64	3	0	0
3	4,333,618	95.78	262	114,496	2.53	19	76,477	1.69	12	313,219	18
4	4,666,650	96.46	283	114,786	2.37	19	56,374	1.17	9	0	0
5	4,593,846	94.96	277	114,786	2.37	19	129,178	2.67	15	0	0
6	4,659,638	96.32	282	114,786	2.37	19	63,386	1.31	10	0	0
7	4,677,588	96.95	286	114,786	2.38	19	32,453	0.67	5	12,983	1
8	4,674,213	96.62	285	87,736	1.81	17	75,861	1.57	9	0	0
9	4,540,772	95.55	274	97,465	2.05	18	113,973	2.40	10	85,600	9
10	4,680,282	97.58	285	87,736	1.83	17	28,175	0.59	2	41,617	7
11	4,680,282	97.58	285	87,736	1.83	17	28,175	0.59	2	41,617	7

Special Resolutions



Special Resolutions

	In Favour			Discretion			Against			Withheld	
	Votes	%	Items	Votes	%	Items	Votes	%	Items	Votes	Items
12	4,513,459	93.78	276	108,110	2.25	18	190,811	3.97	13	25,430	4
13	4,606,185	95.61	280	108,110	2.24	18	103,481	2.15	10	20,034	3

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British Smaller Companies VCT plc (“the Company”)

Interim Management Statement

For the quarter ended 30 June 2013

British Smaller Companies VCT plc presents its interim management statement for the quarter ended 30 June 2013. The statement also includes relevant financial information between the end of the quarter and the date of this statement. This statement constitutes the Company's first interim management statement for the financial year ending 31 March 2014, as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3. A copy of this interim management statement can be found at www.yfmep.com.

Performance

The Total Return at 30 June 2013, calculated by reference to the Net Asset Value (NAV) per ordinary share and the cumulative dividends paid, was 183.9 pence per ordinary share compared to 181.2 pence per ordinary share at 31 March 2013. Cumulative dividends represent 84.2 pence per ordinary share (31 March 2013: 84.2 pence per ordinary share).

The unaudited NAV per ordinary share as at 30 June 2013 was 99.7 pence (31 March 2013: 97.0 pence per share) excluding the proposed final dividend of 3.5 pence per ordinary share and the special dividend of 1.0 pence per ordinary share declared in respect of the realisations of Fishawack Limited and Tikit Group plc. The increase in the quarter of 2.7 pence in NAV per ordinary share is principally due to the net upward movement in valuations, of which the majority has been derived from the unquoted portfolio, with the quoted holdings remaining relatively stable but showing some upward movement.

The number of ordinary shares in issue at 30 June 2013 was 49,413,915 (31 March 2013: 43,390,772). In addition, the Company held 3,592,658 shares in Treasury.

Share Purchases

During the quarter 377,000 ordinary shares were repurchased by the Company at a price of 87.30 pence per share and placed in Treasury.

Share Issues

During the quarter the company has issued 2,911,539 ordinary shares at a price of 95.75 pence per share and 3,488,604 ordinary shares at a price of 97.75 pence per share, both, pursuant to the joint offers.

Net assets at 30 June 2013 comprised the following:

	£000	% of net assets
Unquoted investments at fair value	25,625	52%
Quoted investment at bid price	3,472	7%
Total private equity investments	29,097	59%
Fixed income securities	2,437	5%
Total investments	31,534	64%
Cash and cash equivalents	18,035	37%
Other net current assets (liabilities)	(308)	(1%)
Net assets	49,261	100%

The ten largest investments by valuation and other investments at 30 June 2013 were:

	£000	% of net assets
GO Outdoors Limited	5,274	11%
President Engineering Group Limited	3,644	7%
Displayplan Holdings Limited	3,406	7%
Seven Technologies Limited	2,197	4%
Waterfall Services Limited	2,009	4%
Deep-Secure Ltd	1,998	4%
Insider Technologies (Holdings) Limited	1,226	2%
Fairlight Bridge Limited	1,000	2%
Harvey Jones Holdings Limited	881	2%
RMS Group Holdings Limited	777	2%
Top ten investments	22,412	45%
Other investments	6,685	14%
Total private equity investments	29,097	59%

Investment Portfolio

During the three months ended 30 June 2013 the Company made one new investment of £0.22 million into AB Dynamics plc a designer, manufacturer and supplier of advanced testing systems and measurement products to the global automotive industry. A significant follow-on investment of £0.98 million was made into Seven Technologies Holdings Limited, a manufacturer of specialist electronic and communication equipment, as part of the funding package for its acquisition of Datong plc. Two other small follow-on investments totalling £0.06 million were made into GO Outdoors Limited and Dryden Human Capital Group Limited.

In the quarter the Company has received a total of £1.30 million of cash proceeds from the early payment of loan stock by Seven Technologies Limited.

Quoted investments are carried at bid price. Unquoted investments are carried at fair value as determined by the Board.

Performance

Over the 3 months to 30 June 2013 the portfolio saw an overall increase in unrealised valuations of £1.60 million equating to a 5.8% increase on the opening value. This comprised an increase in the value of a number of the portfolio company's following strong trading results including President Engineering Group Limited, Displayplan Holdings Limited, GO Outdoors Limited and Waterfall Services Limited, together with resilient performances across much of the Company's remaining unquoted and AIM quoted portfolio. The Board continues to follow a policy of maintaining a diversified portfolio; as at 30 June 2013 only three investments represented more than five per cent each of the NAV with the largest investment comprising eleven per cent.

Investor Workshops

The Company remains committed to enhancing Shareholder communications and has undertaken annual investor workshops for a number of years which have proved very popular with Shareholders. The next investor workshop will be held at Central Hall, Westminster, London on 12 February 2014.

Fundraising

The Board is pleased to announce that the gross funds raised to 30 April 2013 from the joint offers for subscription with British Smaller Companies VCT2 plc, launched on 16 November 2012, are £10.3 million. The Board will continue to review the need to raise further investment funds based on an assessment of expected new and follow-on investment rates.

Outlook

Good progress continues to be made across the Company's investment portfolio and there is currently a strong pipeline of new investment opportunities to support management teams with growth strategies or looking to lead management buy-outs. The increase in the investment limits to £5 million per investment in any one year for Venture Capital Trusts is expected to further increase the investment rates in the year ahead.

19 July 2013

For further information please contact:

David Hall YFM Private Equity Limited
Matthew Thomas Nplus1 Singer Advisory LLP

Tel: 0113 294 5039
Tel: 0207 496 3000

British Smaller Companies VCT plc

Issue of Circular relating to a General Meeting

British Smaller Companies VCT plc (the "Company") announces that a circular (the "Circular") regarding the Company's distributable reserves was issued by the Company on 18 June 2013 and will be posted to its shareholders shortly.

The Circular convenes a General Meeting to be held on 19 July 2013 at which resolutions will be proposed in relation to the dividends paid by the Company in August 2011.

A copy of the Circular has been submitted to the Financial Conduct Authority via the National Storage Mechanism and will shortly be available for inspection at www.hemscott.com/nsm.do.

20 June 2013

For further information, please contact:

David Hall	YFM Equity Partners Limited	Tel: 0113 294 5039
Matthew Thomas	Nplus1 Singer Advisory LLP	Tel: 0207 496 3000

British Smaller Companies VCT plc (“the Company”)

Purchase of Own Securities and Total Voting Rights

The Company announces that today it purchased 377,000 ordinary shares of 10 pence each at a price of 87.30 pence per share. These shares will be held in Treasury.

If these shares had been purchased prior to the quarter ended 31 March 2013, and on the assumption that there were no other alterations, the Net asset Value per ordinary share of the Company at that date would have increased by 0.1 pence from 97.0 to 97.1 pence per ordinary share.

The Company’s issued share capital now consists of 49,413,915 ordinary shares with voting rights. In addition, the Company holds 3,592,658 shares in Treasury.

The above figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FSA’s Disclosure and Transparency Rules.

19 June 2013

For further information, please contact:

David Hall

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Matthew Thomas

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BRITISH SMALLER COMPANIES VCT PLC Annual Financial Report

Announcement for

the Year to 31 March 2013

British Smaller Companies VCT plc (“the Company”) today announces its audited results for the year to 31 March 2013.

In spite of a continuation of the challenging economic environment, dividends paid and proposed for the year to 31 March 2013 have been increased by 1.5 pence per Ordinary Share to 6.5 pence per Ordinary share. The Total Return to Shareholders increased by 2.4 per cent in the year. The financial highlights are:

- An increase in Total Return of 2.4 per cent to 181.2 pence per ordinary share
- An increase in Net Asset Value of 2.4 per cent prior to the payment of dividends
- The investment portfolio has increased by 4.1 per cent on its opening value over the year
- An increase in the proposed final dividend to 3.5 pence per ordinary share from 3.0 pence per ordinary share in the previous year (subject to Shareholder approval)
- Dividends paid and proposed for the year ended 31 March 2013 total 6.5 pence per ordinary share
- Average annual dividend paid of 5.25 pence per ordinary share over five years, before taking account of the special dividend in respect of the partial disposal of GO Outdoors of 18.0 pence per ordinary share (paid in August 2011).

Chairman’s Statement

I am pleased to report another year of progress for your Company with Total Return (Net Asset Value plus cumulative dividends) rising by 2.4 pence per ordinary share over the year to 31 March 2013. This equates to an increase of 2.4 per cent on the opening Net Asset Value, a good result in the context of continuing economic uncertainty. As a comparison, the FTSE AIM All-Share® Index dropped by 8.2 per cent over the same period.

I am delighted to report that your Company has been ranked as a top five performer over the last three, five and ten years as reported by Citywire (Source: Citywire data as at 24 April 2013 - based on NAV performance).

Financial Results

The movement in Net Asset Value per ordinary share and the dividends paid in the year are summarised in the table below.

The Net Asset Value increased by 2.4 pence per ordinary share prior to the payment of dividends totalling 5.0 pence per ordinary share during the year.

At 31 March 2013 cash, fixed term deposits and government securities amounted to £14.6 million; 34.7 per cent of the Company's Net Asset Value. The gilt and fixed term security portfolio has remained stable over the year.

	Pence per ordinary share
31 March 2012	99.6
Net increase in portfolio	1.9
Other increase in value	0.4
Net increase in value	2.3
Buy-back of shares	0.3
Issue costs of new ordinary shares	(0.2)
Dividends paid	(5.0)
<u>31 March 2013</u>	<u>97.0</u>

Incentive Fee

In accordance with the terms of the investment management agreement an incentive fee of £0.03 million is payable to YFM Private Equity Limited. This payment is linked to achieving both a consistent and increasing dividend (with the target dividend, below which no incentive fee is payable, adjusted for RPI annually) as well as maintaining growth in the Net Asset Value above a hurdle.

Investment Portfolio

The net gain on the investment portfolio was £1.0 million, an increase of 4.1 per cent on the opening 31 March 2012 portfolio value of £24.2 million. This comprises profit on disposals of £0.7 million and an increase in the residual portfolio value of £0.3 million after allowing for the impact of investments and disposals. The residual portfolio value increase results from valuation growth of 4 per cent in respect of unquoted investments and a fall in value of 18 per cent in respect of quoted securities.

Good progress has been made by a number of our portfolio businesses which have seen profits grow despite the challenging economic environment, with the largest value gains being from DisplayPlan Holdings Limited and President Engineering Group Ltd, which increased by £1.7 million and £0.6 million respectively.

There are currently twenty-nine (2012: twenty-nine) companies in the portfolio of which twenty are unquoted and nine are quoted, with eight traded on AIM and one on the ISDX Growth Market. The current value of the unquoted portfolio is £24.7 million, whilst the quoted portfolio is valued at £2.9 million - these represent 89.4 per cent and 10.6 per cent of the total portfolio respectively.

New Investments

During the year ended 31 March 2013 the Company completed eight investments totalling £5.2 million. This comprised two new investments in unquoted companies, five follow-on investments into existing portfolio companies and one re-investment into an acquisition vehicle.

Disposal of Investments

During the year the Company received proceeds of £2.8 million on three full disposals and two partial disposals, including scheduled loan repayments. They contributed a profit of £0.7 million on both the cost and opening value, including a small profit on sales from the gilt portfolio.

Shareholder Relations

Dividends

Your Board remains committed to achieving an increasing dividend stream over time. Dividends paid in the year comprise a final dividend of 3.0 pence per ordinary share in respect of the year ended 31 March 2012 and an interim dividend of 2.0 pence per ordinary share in respect of the financial year just ended, totalling 5.0 pence per ordinary share. This represents 5 per cent of the opening Net Asset Value per ordinary share, bringing the cumulative dividends paid to 84.2 pence per ordinary share.

The Board is pleased to propose a final dividend of 3.5 pence per ordinary share payable in August 2013, representing a 0.5 pence increase on last year. In addition, following the realisation of investments in Fishawack Limited and Tikit Group plc, the Board is also declaring the payment of a 1.0 pence per ordinary share special dividend (payable at the same time as the final dividend).

The final dividend is subject to approval by Shareholders at the Annual General Meeting and, together with the special dividend, will be paid on 13 August 2013 to Shareholders on the register at 12 July 2013.

Dividend Re-investment Scheme (DRIS)

The Company operates a DRIS, which gives Shareholders the opportunity to re-invest any cash dividends. The DRIS is open to all Shareholders, including those who invested under the recent joint Offer.

Fundraising

Following an offer for subscription launched on 6 March 2012 your Board is pleased to announce that, during the month the offer was open, gross proceeds of £2.6 million were raised.

The recent changes to UK legislation implemented with effect from 6 April 2012 have increased the ability of Venture Capital Trusts to invest in growing British businesses. This, combined with the restricted supply of other forms of finance, make an attractive investment environment for those investors, such as VCTs, that are able to take a medium term view.

The Company therefore sought to increase further its investment capacity, through a joint offer with British Smaller Companies VCT2 plc launched on 16 November 2012 ("the Offer"). The Offer was fully subscribed and closed on 30 April 2013 with the Company raising a total of £10.3 million, before costs.

Share Buy-Back Policy

In recent years the rate of discount to Net Asset Value at which ordinary shares are bought back has been set at no more than 15 per cent. Following a review of this policy the Board is pleased to advise that the rate of discount at which ordinary shares will be bought back is targeted to be no more than 10 per cent.

Shareholder Communications

Your Board remains committed to enhancing Shareholder communications. Our 18th Shareholder Workshop was held at Lord's Cricket Ground in London on 6 February 2013 with approximately 200 Shareholders attending.

Presentations at the workshop were made by David Hall (on behalf of the Company's Fund Manager, YFM Private Equity Limited), as well as the managing directors of investee companies Selima Limited (Wayne Blakemore) and DisplayPlan Holdings Limited (Scott Morris) and independent analyst and commentator Martin Churchill.

Annual General Meeting

The Annual General Meeting of the Company will be held at 12.00 noon on 19 July 2013 at 33 St James Square, London, SW1Y 4JS. Full details of the agenda for this meeting are included in the Notice of the Annual General Meeting accompanying the Annual Report and Accounts to be sent to Shareholders shortly.

Subsequent Events

The Board is now seeing a marked increase in good quality investment opportunities for the Company and is well placed to capitalise on these, following recent fundraisings. In total £0.2 million has already been invested since the year end in:

- AB Dynamics plc; and
- GO Outdoors Limited.

In addition, a further £5.5 million of investment submissions have been approved by the Board pending satisfactory fulfilment of investment criteria.

The £1.3 million of non-qualifying loans to Seven Technologies Holdings Limited have been repaid as part of the funding package for the proposed acquisition of Datong plc.

Subsequent to the year end the Company allotted 6,400,143 new ordinary shares of 10.0 pence each, receiving gross proceeds of £6.2 million. Details of these allotments are as set out in note 11 of the Financial Statements. In total the Company raised net proceeds of £9.8 million under the joint Offer.

Outlook

It is encouraging to see another year where trading improvements across much of the portfolio have fed through into increased valuations. Many companies have taken opportunities to improve efficiency and capitalise on market changes resulting from the uncertain economic conditions. Your Company is well placed both to add to the diversity of its investment portfolio and to continue to

support existing portfolio companies as they seek to expand organically and through selective acquisitions.

The Board believes that the upcoming period is likely to present good investment opportunities, both for existing portfolio businesses and for new investments and this can already be seen clearly in the increasing investment rates.

The relaxation of some of the restrictions governing VCT qualifying investments is also expected to increase the number and scale of attractive opportunities over the coming years. It was with this in mind that we increased the investment capacity of the Company in order to be in a strong position to take advantage of these as they arise.

The strong long-term track record of your Company provides an excellent platform for future fundraising and investment activity.

I would like to again thank all Shareholders for their continued support, which we greatly value.

Helen Sinclair

Chairman

11 June 2013

Fund Manager's Review

Introduction

This year the Company has significantly increased its investment capacity to take advantage of further investment opportunities over the coming months, with £11.3 million of net funds raised since 31 March 2012. Although still unpredictable the last few months have delivered some excellent opportunities to invest in good growing businesses at attractive prices, evidenced by the investments completed or approved by the Board since the year end. This has been helped by the increase to £5.0 million in the amount that can now be invested in companies by Venture Capital Trusts and Enterprise Investment Schemes. Following recent fundraisings the Company is now well placed to select the best opportunities and to take advantage of strong investment opportunities.

In spite of a continuation of the challenging economic environment, there has been considerable further progress made by many of the businesses in the Company's portfolio during the year. The overall value gain from the portfolio was £1.0 million, an increase of 4.1 per cent on the opening 31 March 2012 portfolio value, which comprises profit on disposals during the year of £0.7 million and an increase in the residual portfolio value of £0.3 million.

Summary

Investment activity levels have increased with eight investments during the year totalling £5.2 million. This rate of investment has been maintained following the year end, with £0.2 million invested into two businesses, and £5.5 million of further investment approved by the Board.

The Company has made three full disposals, two partial disposals and received loan repayments during the year totalling £2.8 million of cash proceeds.

Cash and fixed income Government securities at 31 March 2013 were £14.6 million, representing 34.8 per cent of net assets. This compares to £14.9 million and 39.2 per cent of net assets at 31 March 2012.

Significant Investment Movements

In addition to financial performance some strong progress has been made during the year to position many of the portfolio companies for future value growth. These include the following:

- GO Outdoors Limited now has a total of 43 stores and has expanded its high quality team committed to growing the direct online sales channel.
- President Engineering Group Ltd has seen an increase in commissioning of ships for the transportation of LNG requiring its market-leading cryogenic valves.
- Harvey Jones Holdings Limited has opened a further three stores and is now focused on driving increased profits through existing locations.
- RMS Group Holdings Limited has delivered its fourth successive year of profit growth helped by its specialism in the growing waste-to-energy sector.
- Bagel Nash Group Limited has opened four new retail units and is relocating its bakery operation to increase capacity for further growth.
- PowerOasis Limited has closed a \$5.0 million investment round led by a key strategic partner who is actively driving sales opportunities in North America.
- Cambridge Cognition Limited, now Cambridge Cognition Holdings plc, successfully listed on AIM raising £5.0 million to fund expansion plans for its point of care diagnostic software.

Portfolio Overview

Portfolio Performance

Overall the portfolio remains well funded and positioned for value growth even if current difficult economic conditions continue. The underlying value growth of the opening quoted and unquoted portfolio was £1.0 million after adjusting for new investments and cash proceeds.

	Quoted and Unquoted portfolio £000	Deferred proceeds £000	Total £000
1 April 2012	24,200	-	24,200
Additions	5,213	-	5,213
Proceeds	(2,807)	-	(2,807)
Valuation changes			
Unquoted	811	-	
Quoted	(544)	-	
Profit on disposal	687	-	
Value growth	954	4	958
31 March 2013	27,560	4	27,564

The £0.8 million increase in value of the unquoted portfolio relates largely to the following significant movements:

- Increase of £1.7 million in DisplayPlan Holdings Limited following a very strong first year of trading for this retail display supplier;
- Increase of £0.6 million in President Engineering Group Ltd as sales growth continued for both of its niche engineering brands;
- Increase of £0.3 million in RMS Group Holdings Limited after another year of profit growth for this leading port operator on the Humber estuary;

- Increase of £0.2 million in Waterfall Services Limited following another year of profit growth;
- Decrease of £0.5 million in GO Outdoors Limited due to a slowdown in its growth rate as it weathered a market-wide decline in the retail sector. However it remains strongly profitable, and plans further new stores in 2013;
- Decrease of £0.4 million in Deep-Secure Ltd as profits declined in 2012 although the business remains profitable and continues to demonstrate a significant sales pipeline;
- Decrease of £0.4 million in TeraView Limited after an initial disappointing commercial take-up of its innovative terahertz technology by strategic partners; and
- Decrease of £0.6 million in Lightmain Company Limited as it faces a difficult market for selling into local authorities.

The quoted portfolio decrease of £0.5 million was due to a general negative swing across the markets but also affected by a small number of bigger changes. K3 Business Technology Group plc saw a value drop of £0.3 million following a difficult year for its core retail customer base, whilst Hargreaves Services plc saw a £0.2m value fall following operational issues at its Maltby coal mine. These were offset by a value gain of £0.2 million in Mattioli Woods plc which weathered the Retail Distribution Review and is now projecting sales growth.

In accordance with IFRS 7 a sensitivity analysis has been undertaken on the assumptions used to value investments in unquoted companies. The outcome of this sensitivity analysis can be found in note 7 of the Financial Statements to be circulated to Shareholders shortly.

The investment portfolio held at the year end can be analysed into the following categories:

	£'000
Unquoted Investments:	
Non Qualifying	753
Qualifying	23,884
	24,637
AIM/ISDX Growth Market Listed Investments:	
Non Qualifying	770
Qualifying	2,153
	2,923
Total Investments	27,560

Investment Activity

During the year the Company made a total of eight investments (£5.2 million), comprising two new investments in the unquoted portfolio, one re-investment into an acquisition vehicle and five follow-on investments into existing companies. New investments were made as follows:

- £2.5 million to support the expansion plans of Seven Technologies Holdings Limited, a world leading provider of electronic and communication equipment designed to operate in remote and inhospitable environments; and
- £1.2 million into Insider Technologies (Holdings) Limited, an established UK provider of monitoring and scheduling software to the UK financial services sector.

The five follow-on investments totalled £0.5 million with the most significant being a £0.2 million investment into Vianet Group plc, a leading provider of remote monitoring software to the brewing, fuel supply and vending sectors.

<i>New Investments:</i>	£million
Seven Technologies Holdings Limited	2.52
Insider Technologies (Holdings) Limited	1.17
<i>Re-invested:</i>	
Fairlight Bridge Limited	1.00
<i>Follow-on Investments:</i>	
Vianet Group plc	0.24
Hargreaves Services plc	0.10
Lightmain Company Limited	0.08
PowerOasis Limited	0.05
Dryden Human Capital Group Limited	0.03
Bagel Nash Group Limited (<i>Capitalised Interest</i>)	0.02
Total	5.21

Disposals

In the year to 31 March 2013 the Company made a number of significant full and partial disposals from both the quoted AIM and unquoted investment portfolio, generating over £2.8 million in cash proceeds. This has resulted in £0.7 million of profit in excess of opening value in the year, and profit on cost of £0.7 million. The three most significant disposals from the unquoted portfolio were:

- Fishawack Limited was sold to a secondary buy-out with backing from the private equity investor GCP in March 2013 achieving a cash multiple over its life of 1.9x cost. This delivered total cash proceeds for the year of £1.3 million and a profit on value and cost of £0.4 million. The Company supported the management team through their strategy of growing the business by acquisition since the buy-in. The company currently has revenues of over £10 million which have trebled since the initial investment in 2008;
- Primal Pictures Limited was sold via a trade sale to Informa plc in August 2012 resulting in a cash multiple of 1.4x cost. This generated cash proceeds of £0.6 million and a profit on value of £0.2 million. This was a long term investment for the Company, which invested in 2001 and worked closely with the business to reposition itself as a provider of online educational products; and
- Tikit Group plc was sold via a trade sale to British Telecommunications plc in January 2013, generating a cash multiple of 3.6x cost, cash proceeds of £0.5 million and a profit on initial investment cost of £0.4 million.

Partial realisations of £0.2 million in total were also achieved from quoted EKF Diagnostics Holdings plc and Straight plc.

	Net proceeds from sale of investments	Cost of investment	Profit on cost	Opening value 1 April 2012	Profit on opening value
	£000	£000	£000	£000	£000
Sale of investments	2,807	2,172	635	2,120	687
Fixed income securities	901	858	43	893	8
Total cash proceeds	3,708	3,030	678	3,013	695
Deferred proceeds accrued	4	n/a	4	n/a	4
Total cash and deferred proceeds	3,712	3,030	682	3,013	699

Summary and Outlook

The year under review has seen a continuation of some of the previous challenging market conditions and management teams now pragmatically expect these conditions to continue for some time to come. However, in spite of this, further value growth has been achieved in the year as these small businesses push ahead with clear growth strategies and rapidly increase market share. The portfolio is becoming increasingly diverse, and well-funded to deliver further value gains over the coming years.

Cash reserves remain strong after the successful fundraising, so the Company is well-placed to take advantage of the increasing investment opportunities, continue to support the portfolio and maintain consistent and growing dividend levels.

David Hall

YFM Private Equity Limited

11 June 2013

Principal Risks, Risk Management and Regulatory Environment

The Board believes that the principal risks faced by the Company are:

Economic Risk – Events such as recession and interest rate fluctuations could affect smaller companies' performance and valuations.

Mitigation - As well as the response to 'Investment and Strategic' risk below the Company has a clear investment policy and a diversified portfolio operating in a range of sectors. The Fund Manager actively monitors investee performance which provides quality information for the monthly review of the portfolio.

Investment and Strategic Risk – Inappropriate strategy, poor asset allocation or consistently weak stock allocation may lead to under performance and poor returns to Shareholders. The quality of enquiries, investments, investee company management teams and monitoring, and the risk of not identifying investee under performance might also lead to under performance and poor returns to Shareholders.

Mitigation - The Board reviews strategy annually. At each of the (at least) quarterly Board meetings the directors review the appropriateness of the Company's objectives and stated strategy in response to changes in the operating environment and peer group activity. The Fund Manager carries out due diligence on potential investee companies and their management teams and utilises external reports where appropriate to assess the viability of investee businesses before investing. Wherever possible a non-executive director will be appointed to the board of the investee company.

Loss of Approval as a VCT - The Company must comply with Chapter 3 Part 6 of the Income Tax Act 2007 which allows it to be exempted from capital gains tax on investment gains. Any breach of these rules may lead to the Company losing its approval as a VCT, qualifying Shareholders who have not held their shares for the designated holding period having to repay the income tax relief they obtained and future dividends paid by the Company becoming subject to tax. The Company would also lose its exemption from corporation tax on capital gains.

Mitigation - One of the Key Performance Indicators monitored by the Company is its compliance with legislative tests.

Regulatory Risk – The Company is required to comply with the Companies Act 2006, the rules of the UK Listing Authority and International Financial Reporting Standards as adopted by the European Union ('IFRSs'). Breach of any of these might lead to suspension of the Company's Stock Exchange listing, financial penalties or a qualified audit report.

Mitigation - The Fund Manager has procedures in place to ensure recurring Listing Rules requirements are met and actively consults with brokers, solicitors and external compliance advisers as appropriate.

Reputational Risk – Inadequate or failed controls might result in breaches of regulations or loss of Shareholder trust.

Mitigation - The Board is comprised of directors with suitable experience and qualifications who report annually to the Shareholders on their independence. The Fund Manager is well-respected with a proven track record and has a formal recruitment process to employ experienced investment staff. Allocation rules, relating to co-investments with other funds managed by the Fund Manager, have been agreed between the Fund Manager and the Company. Advice is sought from external advisers where required. Both the Company and the Fund Manager maintain appropriate insurances.

Operational Risk – Failure of the Fund Manager's accounting systems or disruption to its business might lead to an inability to provide accurate reporting and monitoring.

Mitigation - The Fund Manager has a documented disaster recovery plan.

Financial Risk – Inadequate controls might lead to misappropriation of assets. Inappropriate accounting policies might lead to misreporting or breaches of regulations.

Mitigation - The Company has key controls around financial reporting.

Market/liquidity Risk – Lack of liquidity in both the venture capital and public markets. Investment in companies traded on AIM / the ISDX Growth Market and unquoted companies, by their nature, involve a higher degree of risk than investment in companies trading on the main market. In particular, smaller companies often have limited product lines, markets or financial resources and may be dependent for their management on a smaller number of key individuals. The fact that a share is traded on AIM or the ISDX Growth Market does not guarantee its liquidity. The spread between the buying and selling price of such shares may be wide and thus the price used for valuation may not be achievable. In addition, the market for stock in smaller companies is often less liquid than that for stock in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such stock.

Mitigation - Overall liquidity risks are monitored on an ongoing basis by the Fund Manager and on a quarterly basis by the Board. Sufficient investments in cash and fixed income securities are maintained to pay expenses as they fall due.

Responsibility statements of the directors in respect of the Annual Report and Accounts

The Annual Report and Accounts contains the following statements regarding responsibility for the Directors' Report and financial statements included in the Annual Report and Accounts from which the information in this Announcement has been extracted (references in the following statements are to sections of the Annual Report and Accounts).

The directors confirm, to the best of their knowledge, that:

- the Financial Statements, prepared in accordance with IFRSs as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the management report included within the Chairman's Statement, Fund Manager's Review and Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with the principal risks and uncertainties that it faces.

Statement of Comprehensive Income for the year to 31 March 2013

	Notes	2013			2012		
		Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Gain on disposal of investments		-	699	699	-	2,178	2,178
Gains on investments held at fair value		-	233	233	-	166	166
Income	2	1,323	-	1,323	1,236	-	1,236
Administrative expenses:							
Fund management fee		(188)	(564)	(752)	(201)	(604)	(805)
Incentive fee		-	(39)	(39)	-	(1,415)	(1,415)
Other expenses		(341)	-	(341)	(296)	-	(296)
		(529)	(603)	(1,132)	(497)	(2,019)	(2,516)
Profit before taxation		794	329	1,123	739	325	1,064
Taxation	3	(138)	138	-	(64)	64	-
Profit for the year		656	467	1,123	675	389	1,064
Total comprehensive income for the year		656	467	1,123	675	389	1,064
Basic and diluted earnings per ordinary share	5	1.62p	1.16p	2.78p	1.85p	1.07p	2.92p

The Total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The supplementary Revenue and Capital columns are prepared under the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('SORP') 2009 published by the Association of Investment Companies.

Balance Sheet at 31 March 2013

	Notes	2013 £000	2012 £000
Assets			
Non-current assets			
Investments		27,560	24,200
Fixed income government securities		2,474	2,499
Financial assets at fair value through profit or loss		30,034	26,699
Current assets			
Trade and other receivables		197	532
Cash on fixed term deposit		1,500	5,000
Cash and cash equivalents		10,669	7,372
		12,366	12,904
Liabilities			
Current liabilities			
Trade and other payables		(311)	(1,709)
Net current assets		12,055	11,195
Net assets		42,089	37,894
Shareholders' equity			
Share capital		4,661	4,039
Share premium account		7,236	23,176
Capital redemption reserve		221	221
Treasury share reserve		(2,753)	(2,048)
Capital reserve		218	-
Investment holding gains		7,681	7,432
Special reserve		23,462	2,408
Revenue reserve		1,363	2,666
Total Shareholders' equity		42,089	37,894
Basic and diluted Net Asset Value per ordinary share	6	97.0p	99.6p

Statement of Changes in Equity for the year to 31 March 2013

	Share capital £000	Share premium account £000	Capital redemption reserve £000	Treasury share reserve £000	Capital reserve £000	Investment holding gains (losses) £000	Special reserve £000	Revenue reserve £000	Total equity £000
Balance at 31 March 2011	3,646	19,492	221	(1,866)	(372)	11,780	2,408	5,863	41,172
<i>Revenue return for the year</i>	-	-	-	-	-	-	-	675	675
<i>Capital expenses</i>	-	-	-	-	(1,955)	-	-	-	(1,955)
<i>Gain on investments held at fair value</i>	-	-	-	-	-	166	-	-	166
<i>Gain on disposal of investments in the year</i>	-	-	-	-	2,178	-	-	-	2,178
Total comprehensive income for the year	-	-	-	-	223	166	-	675	1,064
<i>Issue of share capital</i>	250	2,647	-	-	-	-	-	-	2,897
<i>Issue costs*</i>	-	(173)	-	-	-	-	-	-	(173)
<i>Issue of shares – DRIS</i>	143	1,210	-	-	-	-	-	-	1,353
<i>Purchase of own shares</i>	-	-	-	(182)	-	-	-	-	(182)
<i>Dividends</i>	-	-	-	-	(4,365)	-	-	(3,872)	(8,237)
Total transactions with owners	393	3,684	-	(182)	(4,365)	-	-	(3,872)	(4,342)
Realisation of prior year investment holding gains	-	-	-	-	4,514	(4,514)	-	-	-
Balance at 31 March 2012	4,039	23,176	221	(2,048)	-	7,432	2,408	2,666	37,894
<i>Revenue return for the year</i>	-	-	-	-	-	-	-	656	656
<i>Capital expenses</i>	-	-	-	-	(465)	-	-	-	(465)
<i>Gain on investments held at fair value</i>	-	-	-	-	-	233	-	-	233
<i>Gain on disposal of investments in the year</i>	-	-	-	-	699	-	-	-	699
Total comprehensive income for the year	-	-	-	-	234	233	-	656	1,123
<i>Issue of share capital</i>	577	5,091	-	-	-	-	-	-	5,668
<i>Issue costs*</i>	-	(323)	-	-	-	-	-	-	(323)
<i>Issue of shares – DRIS</i>	45	356	-	-	-	-	-	-	401
<i>Purchase of own shares</i>	-	-	-	(705)	-	-	-	-	(705)
<i>Dividends</i>	-	-	-	-	-	-	-	(1,959)	(1,959)
Total transactions with owners	622	5,124	-	(705)	-	-	-	(1,959)	3,082
Reduction in share premium account	-	(21,064)	-	-	-	-	21,064	-	-
Reduction in share premium account expenses	-	-	-	-	-	-	(10)	-	(10)
Realisation of prior year investment holding losses	-	-	-	-	(16)	16	-	-	-
Balance at 31 March 2013	4,661	7,236	221	(2,753)	218	7,681	23,462	1,363	42,089

*Issue costs include both fundraising costs and expenses incurred from the Company's dividend re-investment scheme

The treasury share reserve was created for the purchase and holding of the Company's own shares. The capital redemption reserve was created for the purchase and cancellation of the Company's own shares.

The capital reserve includes gains and losses compared to cost on the disposal of investments, capital expenses, together with the related taxation effect, and capital dividends paid to Shareholders.

The investment holding gains (losses) reserve includes increases and decreases in the valuation of investments held at fair value. This is a non-distributable reserve.

The special reserve was created following approval of the Court and a resolution of the Shareholders passed on 16 July 1999 to cancel the Company's share premium account. Following the approval of the Court and the passing of a special resolution the amount standing to the credit of the share premium account at 5 May 2011 was cancelled and transferred to the special reserve on 13 March 2013.

The special reserve, capital reserve, revenue reserve and treasury reserve are all included when determining distributable reserves. These reserves total £22,290,000 (2012: £3,026,000) representing an increase of £19,264,000 (2012: £3,007,000 decrease) during the year. This change arises from the profit in the year of £890,000 (2012: £898,000), a transfer of valuation losses from the investment holding reserve of £16,000 (2012: £4,514,000 transfer of valuation profits), dividends of £1,959,000 (2012: £8,237,000), transfer of £21,054,000 (2012: £nil) on the reduction in share premium (net of expenses) and the purchase of own ordinary shares of £705,000 (2012: £182,000). The directors also take into account the level of the investment holding gains (losses) reserve and the future requirements of the Company when determining the level of dividend payments.

Statement of Cash Flows for the year ended 31 March 2013

	2013	2012
	£000	£000
Net cash outflow from operating activities	(1,098)	(111)
Cash flows from investing activities		
Cash maturing from (placed on) fixed term deposit	3,500	(5,000)
Purchase of financial assets at fair value through profit or loss	(6,097)	(3,000)
Proceeds from sale of financial assets at fair value through profit or loss	3,801	17,024
Net cash from investing activities	1,204	9,024
Cash flows from (used in) financing activities		
Issue of ordinary shares	5,668	2,897
Costs of ordinary share issues	(349)	(178)
Purchase of own ordinary shares	(569)	(490)
Share premium reduction costs	(1)	-
Dividends paid	(1,558)	(6,884)
Net cash from (used in) financing activities	3,191	(4,655)
Net increase in cash and cash equivalents	3,297	4,258
Cash and cash equivalents at the beginning of the year	7,372	3,114
Cash and cash equivalents at the end of the year	10,669	7,372

Reconciliation of Profit before Taxation to Net Cash Outflow from Operating Activities

	2013 £000	2012 £000
Profit before taxation	1,123	1,064
Decrease (increase) in trade and other receivables	246	(59)
(Decrease) increase in trade and other payables	(1,517)	1,239
Profit on disposal of investments in the year	(699)	(2,178)
Profit on investments held at fair value	(233)	(166)
Capitalised interest	(18)	(11)
Net cash outflow from operating activities	(1,098)	(111)

Notes

1. Basis of Accounting

This announcement of the annual results of the Company for the year ended 31 March 2013 has been prepared using accounting policies consistent with those adopted in the full audited Financial Statements which have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The Financial Statements have been prepared under the historical cost convention as modified by the measurement of investments at fair value through profit or loss.

The accounts have been prepared in compliance with the recommendations set out in the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies in January 2009 (SORP) to the extent that they do not conflict with IFRSs as adopted by the European Union.

Segmental reporting has been determined by the directors based upon the reports reviewed by the Board. The directors are of the opinion that the Company has engaged in a single operating segment - investing in equity and debt securities within the United Kingdom - and therefore no reportable segmental analysis is provided.

2. Income

	2013 £000	2012 £000
Dividends from unquoted companies	20	353
Dividends from quoted companies	87	69
	107	422
Interest on loans to unquoted companies	1,017	506
Fixed interest Government securities	58	155
	1,182	1,083
Income from investments held at fair value through profit or loss	1,182	1,083
Interest on deposits	141	153
	1,323	1,236

3. Taxation

	Revenue £000	2013 Capital £000	Total £000	Revenue £000	2012 Capital £000	Total £000
Profit before taxation	794	329	1,123	739	325	1,064
Profit before taxation multiplied by standard small company rate of corporation tax in the UK of 20%	159	66	225	148	65	213
Effect of:						
UK dividends received	(21)	-	(21)	(84)	-	(84)
Non taxable profits on investments	-	(187)	(187)	-	(469)	(469)
Excess management expenses	-	(17)	(17)	-	340	340
Tax charge (credit)	138	(138)	-	64	(64)	-

The Company has no provided or unprovided deferred tax liability in either year.

Deferred tax assets of £617,507 (2012: £634,307) calculated at 20 per cent in respect of unrelieved management expenses of £3,087,537 as at 31 March 2013 (31 March 2012: £3,171,537) have not been recognised as the directors do not currently believe that it is probable that sufficient taxable profits will be available against which the assets can be recovered.

Due to the Company's status as a Venture Capital Trust, and the continued intention to meet the conditions required to comply with Chapter 3 Part 6 of the Income Tax Act 2007, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation or realisation of investments.

4. Dividends

Amounts recognised as distributions to equity holders in the year to 31 March:

	2013			2012		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Final dividend for the year ended 31 March 2012 of 3.0p per ordinary share (2012: 3.0p per ordinary share)	1,176	-	1,176	1,072	-	1,072
Special dividend of 18.0p per ordinary share paid on 22 August 2011	-	-	-	2,064	4,365	6,429
Interim dividend of 2.0p per ordinary share (2012: 2.0p per ordinary share)	783	-	783	736	-	736
	1,959	-	1,959	3,872	4,365	8,237
Shares issued under the DRIS			(401)			(1,353)
Dividends paid in the Statement of Cash Flows			1,558			6,884

The final dividend of 3.0 pence per ordinary share in respect of the year to 31 March 2012 was paid on 17 August 2012 to Shareholders on the register at 13 July 2012.

The interim dividend of 2.0 pence per ordinary share was paid on 14 January 2013 to Shareholders on the register at 14 December 2012.

A final dividend of 3.5 pence per ordinary share in respect of the year to 31 March 2013 has been proposed, and a special dividend of 1.0 pence per ordinary share, amounting to £2.2 million, has been declared by the Board. These dividends have not been recognised in the year ended 31 March 2013 as the obligation did not exist at the Balance Sheet date.

5. Basic and Diluted Earnings (Loss) per Ordinary Share

The basic and diluted earnings per ordinary share is based on the profit after tax attributable to equity Shareholders of £1,123,000 (2012: £1,064,000) and 40,389,708 (2012: 36,441,889) ordinary shares, being the weighted average number of ordinary shares in issue during the year.

The basic and diluted revenue return per ordinary share is based on the revenue profit for the year attributable to equity Shareholders after tax of £656,000 (2012: £675,000) and 40,389,708 (2012: 36,441,889) ordinary shares being the weighted average number of ordinary shares in issue during the year.

The basic and diluted capital return per ordinary share is based on the capital profit for the year after tax attributable to equity Shareholders of £467,000 (2012: £389,000) and 40,389,708 (2012: 36,441,889) ordinary shares being the weighted average number of ordinary shares in issue during the year.

During the year the Company issued 6,212,225 new ordinary shares. The Company also repurchased 855,173 of its own ordinary shares, which are held in treasury.

Treasury shares have been excluded in calculating the weighted average number of ordinary shares during the year. The Company has no securities that would have a dilutive effect in either period and hence the basic and diluted earnings per ordinary share are the same.

After the year end the Company issued 6,400,143 new ordinary shares. If these ordinary shares had been issued on 31 March 2013 the weighted average number of ordinary shares in issue during the year would have been 40,407,171 and there would have been no change in the basic and diluted earnings per ordinary share figures shown at the foot of the Statement of Comprehensive Income.

6. Basic and Diluted Net Asset Value per Ordinary Share

The basic and diluted Net Asset Value per ordinary share is calculated on attributable assets of £42,089,000 (2012: £37,894,000) and 43,390,772 (2012: 38,033,720) ordinary shares with voting rights in issue at the year end, excluding treasury shares.

The Company has no securities that would have a dilutive effect in either period and hence the basic and diluted Net Asset Values per ordinary share are the same.

7. Total Return per Ordinary Share

The Total Return per ordinary share is calculated on cumulative dividends paid of 84.2 pence per ordinary share (2012: 79.2 pence per ordinary share) plus the Net Asset Value as calculated in note 6.

8. Related Party Transactions

The Company has not entered into any related party transactions that have had a material impact on its financial position or performance in the year to 31 March 2013. Full details of related party transactions are shown in note 17 to the Annual Report and Accounts which can be obtained as described in note 11.

9. Events after the Balance Sheet Date

On 22 May 2013 the Company completed an investment of £0.2 million into AB Dynamics plc Limited, a business that designs, manufactures and supplies vehicle testing technology. On 3 April 2013 the Company invested a further £0.02 million into GO Outdoors Limited.

The £1.3 million of non-qualifying loans to Seven Technologies Holdings Limited have been repaid as part of the funding package for the proposed acquisition of Datong plc.

Subsequent to the year end, the Company allotted ordinary shares under the joint Offer with British Smaller Companies VCT2 plc.

On 18 April 2013 Cambridge Cognition Limited, now Cambridge Cognition Holdings plc, successfully listed on AIM raising £5.0 million.

10. Financial Information

The financial information set out here for the year ended 31 March 2013 does not constitute full statutory financial statements as defined in section 435 of the Companies Act 2006 but has been extracted from the Company's financial statements for that period. Statutory accounts for the year ended 31 March 2013 will be delivered to the Registrar of Companies following the Company's Annual General Meeting on 19 July 2013. Those accounts were reported upon without qualification by the independent auditor and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

11. Annual Report and Accounts

Copies of the Annual Report and Accounts for the year ended 31 March 2013 will shortly be submitted to the National Storage Mechanism and will be available to the public for viewing online at www.hemscott.com/msn/do. They can also shortly be viewed on the Fund Manager's website at www.yfmep.com. Hard copies of the Annual Report and Accounts for the year ended 31 March 2013 will be distributed by post to Shareholders and will be available thereafter to members of the public from the Company's registered office.

12. Directors

The directors of the Company are: Ms H Sinclair, Mr P S Cammerman and Mr C W E R Buchan.

13. Annual General Meeting

The Annual General Meeting of the Company will be held at 33 St James Square, London, SW1Y 4JS, on 19 July 2013 at 12.00 noon.

14. Final Dividend for the year ended 31 March 2013 and Special Dividend

Further to the announcement of its final results for the year ended 31 March 2013, the Company confirms that, subject to its approval by Shareholders at the forthcoming Annual General Meeting to be held on 19 July 2013, the final dividend of 3.5 pence per ordinary share ("Final Dividend") will be paid on 13 August 2013 to those Shareholders on the Company's register at the close of business on 12 July 2013. In addition, following the disposal of Fishawack Limited and Tikit Group plc, the Board is declaring a special dividend of 1.0 pence per ordinary share ("Special Dividend") which will be paid at the same time as the Final Dividend. The ex-dividend date for both the Final and Special Dividends will be 10 July 2013.

15. Dividend re-investment scheme ('DRIS')

The Company operates a dividend reinvestment scheme ("DRIS"). The latest date for receipt of DRIS elections so as to participate in the DRIS in respect of the Final and Special Dividends is the close of business on 30 July 2013.

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British Smaller Companies VCT plc

Allotment of Shares

Further to the RNS announcement of 9 May 2013 at 14.58 hrs relating to an allotment by British Smaller Companies VCT plc (the "Company") of 26,109 new ordinary shares of 10 pence each at a price of 95.75 pence per ordinary share, this allotment was in respect of an application from one investor under the Company's joint offer for subscription with British Smaller Companies VCT2 plc, that opened on 16 November 2012 (the "Offer"), that was received by the Company after the close of the Offer on 30 April 2013, the allotment therefore being outside of the Offer.

15 May 2013

For further information, please contact:

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Matthew Thomas	Nplus1 Singer Advisory LLP	Tel: 0203 7496 3000

British Smaller Companies VCT plc

Allotment of Shares

British Smaller Companies VCT plc (the "Company") announces that on 9 May 2013 it allotted 26,109 new ordinary shares of 10 pence each at a price of 95.75 pence per ordinary share.

Application is now being made for these shares to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities, and dealings are expected to commence on or around 16 May 2013.

Following such allotment the Company's issued share capital consists of 49,790,915 issued ordinary shares with voting rights ("Voting Capital") and 3,215,658 shares held in Treasury.

The above statement of Voting Capital may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FCA's Disclosure and Transparency Rules.

For further information, please contact:

David Hall	YFM Private Equity Limited	Tel: 0113 294 5055
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British Smaller Companies VCT plc

Offers for Subscription: Allotment of Shares

British Smaller Companies VCT plc (the "Company") and British Smaller Companies VCT2 plc initially sought to raise up to a maximum of £15 million by way of joint offers for subscription of up to 10,485,934 ordinary shares of 10 pence each in the Company and 7,374,101 ordinary shares of 10 pence each in British Smaller Companies VCT2 plc ("Offers for Subscription"). Full details of the Offers for Subscription are contained in a prospectus issued by the Company and British Smaller Companies VCT2 plc on 16 November 2012 (the "Prospectus"). On 4 April 2013 the Board (and the Board of British Smaller Companies VCT2 plc) exercised their discretion under the terms of the Prospectus to increase the size of the Offers for Subscription beyond its original £15million to £20 million, in aggregate.

The Company announces that on 30 April 2013 it allotted an aggregate of 714,323 ordinary shares of 10 pence each, of which 155,045 were allotted at the offer price of 95.75 pence per ordinary share (for applications received through intermediaries offering financial advice and for direct applications) and 559,278 were allotted at the offer price of 97.75 pence per ordinary share (for applications received through intermediaries not offering financial advice). These allotments were made in respect of valid subscriptions received on or before 11.00am on 30 April 2013, for the tax year 2013/2014 pursuant to the Offers for Subscription, and are the final allotments to be made under the Offers for Subscription which have now closed.

The Company and British Smaller Companies VCT2 plc have, in total, raised gross proceeds of £16.0 million under the Offers for Subscription and after taking into consideration the costs of the Offers for subscription this gives net total proceeds of approximately £15.2 million. The Company has raised net proceeds of £9.8 million and British Smaller Companies VCT2 plc has raised net proceeds of £5.4 million. The Offers for Subscription have now closed.

Edward Buchan, non-executive Director of the Company has been allotted 3,481 ordinary shares of 10 pence in the Company which takes his total shareholding to 5,563 ordinary shares in the Company.

Applications are now being made by the Company for the ordinary shares which were allotted on 30 April 2013 to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities, and dealings are expected to commence on or around 7 May 2013.

Following the allotment of 714,323 ordinary shares, the Company's issued share capital consists of 49,764,806 ordinary shares with voting rights ("Voting Capital") and 3,215,658 shares held in Treasury.

The above statement of Voting Capital may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FCA's Disclosure and Transparency Rules.

Although the Offers for Subscription have now closed, a copy of the Prospectus has been submitted to the National Storage Mechanism and is still available to the public for viewing online at the following web-site address: <http://www.hemscott.com/nsm.do>. Also, it can still be viewed on the Company's website <http://www.yfmep.com>.

30 April 2013

For further information, please contact:

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British Smaller Companies VCT plc

Offers for Subscription: Allotment of Shares

British Smaller Companies VCT plc (the "Company") and British Smaller Companies VCT2 plc initially sought to raise up to a maximum of £15 million by way of joint offers for subscription of up to 10,485,934 ordinary shares of 10 pence each in the Company and 7,374,101 ordinary shares of 10 pence each in British Smaller Companies VCT2 plc ("Offers for Subscription"). Full details of the Offers for Subscription are contained in a prospectus issued by the Company and British Smaller Companies VCT2 plc on 16 November 2012 (the "Prospectus"). On 4 April 2013 the Board exercised its discretion under the terms of the Prospectus to increase the size of the Offers for Subscription beyond its original £15m to £20 million, in aggregate.

The Company announces that on 5 April 2013 it allotted an aggregate of 5,659,711 ordinary shares of 10 pence each, of which 2,730,385 were allotted at the offer price of 95.75 pence per ordinary share (for applications received through intermediaries offering financial advice and for direct applications) and 2,929,326 were allotted at the offer price of 97.75 pence per ordinary share (for applications received through intermediaries not offering financial advice). These allotments were made in respect of valid subscriptions received after 28 December 2012 and on or before 11.00am on 5 April 2013, for the tax year 2012/2013 pursuant to the Offers for Subscription.

The Company and British Smaller Companies VCT2 plc in total has raised gross proceeds £14.8 million under the Offers for Subscription. The Company has raised £9.6 million and British Smaller Companies VCT2 plc has raised £5.2 million.

Applications are now being made by the Company for the ordinary shares which were allotted on 5 April 2013 to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities, and dealings are expected to commence on or around 12 April 2013.

Following the allotment of 5,659,711 ordinary shares, the Company's issued share capital consists of 49,050,483 ordinary shares with voting rights ("Voting Capital") and 3,215,658 shares held in Treasury.

The above statement of Voting Capital may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FCA's Disclosure and Transparency Rules.

The 2012/2013 Offers for Subscription are now closed and the 2013/14 Offers for Subscription will remain open until 11:00 am on 30 April 2013, unless maximum subscription is reached before this date or the directors exercise their discretion to extend the Offer period.

A copy of the Prospectus has been submitted to the National Storage Mechanism and is available to the public for viewing online at the following web-site address: <http://www.hemscott.com/nsm.do>. It can also be viewed on the Company's website <http://www.yfmep.com>.

8 April 2013

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British Smaller Companies VCT plc

Increase of Size of Offer for Subscription

The Board of British Smaller Companies VCT plc (the "Company") is pleased to announce that the Company and British Smaller Companies VCT2 plc ("BSC2") (together "the Companies") have received applications under the joint offer for subscription in the Companies launched on 16 November 2012 ("Offers for Subscription") approaching the original capacity of up to a maximum of £15 million, in aggregate, of funds raised.

Full details of the Offers for Subscription are contained in a prospectus issued by the Companies on 16 November 2012 (the "Prospectus"). As stated (and as defined) in the Prospectus the Offer Price per ordinary share of 10 pence in the capital of the Company, for applications received after 28 December 2012 and on or before 30 April 2013 (or such other date as the directors of the Companies should choose to extend the Offers for Subscription), is either 95.75 pence per ordinary share (for applications received through intermediaries offering financial advice and for direct applications) or 97.75 pence per ordinary share (for applications received through intermediaries not offering financial advice).

In accordance with the terms of the Prospectus, the Boards of the Companies have exercised their discretion to extend the maximum subscription under the Offers for Subscription beyond the original £15 million to £20 million, in aggregate.

As previously announced the 2012/13 Offers for Subscription will close at 11:00 am on Friday, 5 April 2013. The 2013/14 Offers for Subscription will remain open until 11:00 am on 30 April 2013, unless maximum subscription is reached before this date or the directors of the Companies choose to extend the offer period.

A copy of the Prospectus has been submitted to the National Storage Mechanism and is available to the public for viewing online at the following web-site address: <http://www.hemscott.com/nsm.do>. It can also be viewed on the Companies' website <http://www.yfmep.com>.

4 April 2013

For further information, please contact:

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British Smaller Companies VCT plc (“the Company”)

Purchase of Own Securities and Total Voting Rights

The Company announces that today it purchased 167,463 ordinary shares of 10 pence each at a price of 81.50 pence per share. These shares will be held in Treasury.

The Company’s issued share capital now consists of 43,390,772 ordinary shares with voting rights. In addition, the Company holds 3,215,658 shares in Treasury.

The above figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FSA’s Disclosure and Transparency Rules.

28 March 2013

For further information, please contact:

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British Smaller Companies VCT plc (“the Company”)

Interim Management Statement

For the quarter ended 31 December 2012

British Smaller Companies VCT plc presents its interim management statement for the quarter ended 31 December 2012. The statement also includes relevant financial information between the end of the quarter and the date of this statement. This statement constitutes the Company's second interim management statement for the financial year ending 31 March 2013, as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3. A copy of this interim management statement can be found at www.yfmep.com.

Performance

The Total Return at 31 December 2012, calculated by reference to the Net Asset Value (NAV) per ordinary share and the cumulative dividends paid, was 179.4 pence per share compared to 176.4 pence per ordinary share at 30 September 2012. Cumulative dividends represent 82.2 pence per ordinary share (30 September 2012: 82.2 pence per Ordinary share).

The unaudited NAV per ordinary share as at 31 December 2012 was 97.2 pence (30 September 2012: 94.2 pence per share) before taking account of the interim dividend of 2.0 pence per ordinary share declared on 13 November 2012 and paid on 14 January 2013. The ex-div NAV is 95.2 pence per ordinary share. The 3.0 pence underlying increase in NAV per ordinary share (before taking account of the interim dividend) is due to the net upward movement in valuations, of which the majority has been derived from the unquoted portfolio, with the quoted holdings remaining relatively stable.

The number of ordinary shares in issue at 31 December 2012 was 43,374,568 (30 September 2012: 39,473,151). In addition, the Company held 3,048,195 shares in Treasury.

Share Purchases

During the quarter 333,603 ordinary shares were repurchased by the Company at a price of 80.35 pence per share and placed in Treasury.

Share Issues

The Board is pleased to announce that the gross funds raised to 23 January 2013 from the joint offers for subscription with British Smaller Companies VCT2 plc launched on 16 November 2012 are £4.6 million. On 31 December 2012 the Company issued 4,235,020 ordinary shares at a price of 97.75 pence per share pursuant to the joint offers for subscription.

Subsequent to the quarter end, the Company issued 183,667 ordinary shares at a price of 87.57 pence per share pursuant to its dividend reinvestment scheme. The Board is pleased to note that this represents 18.5% of the interim dividend payment.

Net assets at 31 December 2012 comprised the following:

	£000	% of net assets
Unquoted investments at fair value	25,475	60.4%
Quoted investment at bid price	3,327	7.9%
Total venture capital investments	28,802	68.3%
Fixed income securities	2,473	5.9%
Total investments	31,275	74.2%
Cash and cash equivalents	10,703	25.4%
Other net current assets (liabilities)	166	0.4%
Net assets	42,144	100.0%

The ten largest investments by valuation and other investments at 31 December 2012 were:

	£000	% of net assets
GO Outdoors Limited	4,872	11.5%
President Engineering Group Limited	3,667	8.7%
Displayplan Holdings Limited	2,788	6.6%
Seven Technologies Limited	2,397	5.7%
Deep-Secure Ltd	1,874	4.4%
Waterfall Services Limited	1,545	3.7%
Fishawack Limited	1,333	3.2%
Insider Technologies (Holdings) Limited	1,170	2.8%
Fairlight Bridge Limited	1,000	2.3%
Harvey Jones Holdings Limited	828	2.0%
Top ten investments	21,474	50.9%
Other investments	7,328	17.4%
Total venture capital investments	28,802	68.3%

Investment Portfolio

During the three months ended 31 December 2012 the Company made one follow-on investment of £0.075 million into Lightmain Company Limited, a manufacturer and installer of playground equipment and multi-user games areas across the UK. There have been no investments made since the quarter end.

Realisations during the quarter include £0.12 million received from the partial realisation of the Company's investment in AIM quoted EKF Diagnostics Holdings plc representing a £0.06 million profit on original cost. In addition, £0.13 million was received from Seven Technologies Holdings Limited in the form of scheduled loan repayments and £0.01 million of the deferred consideration in respect of the Company's realisation of its investment in Primal Pictures Limited was received.

Quoted investments are carried at bid price with a liquidity discount applied where appropriate. Unquoted investments are carried at fair value as determined by the Board.

Performance

Over the 3 months to 31 December 2012 the portfolio saw an overall increase in unrealised valuations of £1.3 million equating to a 4.7% increase on the opening value and representing an increase in NAV of 3.0 pence per share. This comprised an increase in the value of GO Outdoors Limited, together with resilient performance across a number of the Company's remaining unquoted portfolio, including President Engineering Group Limited and Displayplan Holdings Limited. The Board continues to follow a policy of maintaining a diversified portfolio; as at 31 December 2012 only four investments represent more than five per cent each of the NAV and of these, only one investment comprised more than ten per cent of the NAV.

Investor Workshops

The Company remains committed to enhancing Shareholder communications and has undertaken annual investor workshops for a number of years which have proved very popular with Shareholders. The next investor workshop will be held in London at Lord's Cricket Ground on 6 February 2013.

Fundraising

The Company and British Smaller Companies VCT2 plc are seeking to raise up to a maximum of £15 million by way of joint offers for subscription of up to 10,485,934 ordinary shares of 10 pence each in the Company and 7,374,101 ordinary shares of 10 pence each in British Smaller Companies VCT2 plc ("Offers for Subscription"). Full details of the Offers for Subscription are contained in a prospectus issued by the Company and British Smaller Companies VCT2 plc on 16 November 2012.

The 2012/2013 Offers for Subscription will remain open until 11:00am on 5 April 2013 and the 2013/2014 Offers for Subscription will remain open until 11:00 am on 30 April 2013, unless maximum subscription is reached before either of the closing dates.

Outlook

Good progress continues to be made within the Company's investment portfolio and there continues to be good demand for equity finance for growth and for management buy-outs. The increase in the investment limits to £5 million for Venture Capital Trusts will increase their ability to meet this demand. It is with this in mind that the Company is seeking to raise additional funds via the Offers for Subscription.

23 January 2013

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British Smaller Companies VCT plc

Allotment of Shares

British Smaller Companies VCT plc (“the Company”) announces that on 14 January 2013 it allotted 183,667 ordinary shares of 10 pence each pursuant to its dividend reinvestment scheme at a price of 87.57 pence per share to shareholders of the Company who elected to receive shares instead of the interim cash dividend of 2.0 pence per ordinary share to be paid by the Company in respect of the six months ended 30 September 2012.

As part of this allotment, Edward Buchan, a non-executive director of the Company, was allotted 46 ordinary shares of 10 pence each in the Company. This takes his total shareholding to 2,082 ordinary shares in the Company representing 0.005% of the issued ordinary shares of the Company.

Application is now being made for the ordinary shares which were allotted on 14 January 2013 to be admitted to the premium segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange’s main market for listed securities, and dealings are expected to commence on or around 21 January 2013.

Following such allotment the Company’s issued share capital consists of 43,558,235 ordinary shares with voting rights (“Voting Capital”) and 3,048,195 shares held in Treasury.

The above statement of Voting Capital may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FSA’s Disclosure and Transparency Rules.

For further information, please contact:

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