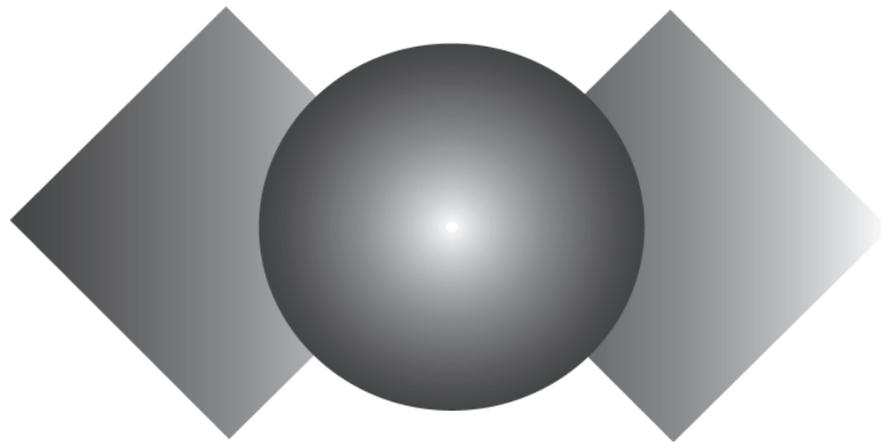


**Oxford  
Technology**  
Venture Capital Trust plc



**Financial Statements**

**For the year ended 28 February 2002**

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## Financial highlights

	<b>Year ended 28 February 2002 per ordinary share</b>	<b>Year ended 28 February 2001 per ordinary share</b>
<b>Net asset value at year end after distributions</b>	<b>122p</b>	<b>119p</b>
<b>Revenue Return</b>	<b>(2.80p)</b>	<b>(2.27p)</b>
<b>Cumulative Dividend (gross) from incorporation</b>	<b>2.74p</b>	<b>2.74p</b>
<b>Share Price at year end</b>	<b>102.5p</b>	<b>155.0p</b>

## Statement on behalf of the Board

As is to be expected with investments in early stage and start-up technology companies, the results have been mixed, with some companies doing very well and others running into difficulties of one sort or another. As at the year end, 28 February 2002, net assets per share were £1.22, which compares to £1.19 at 28 February 2001, and £1.12 at 31 August 2001.

Summary details of the individual investments are given below, and they are described in greater detail in the periodic newsletters. Further details of the investee companies are given in Note 6.

<b>Company</b>	<b>Date of initial investment</b>	<b>Net total investment £000</b>	<b>Percentage of voting rights held by company %</b>
Valid Information Systems Ltd	Nov 97	203	16.1
Biocote Ltd	Dec 97	145	10.0
Synaptica Ltd	Mar 98	145	2.0
Dataflow Ltd	Mar 98	155	12.0
Armstrong Healthcare Ltd	Jun 98	447	18.4
Membrane Extraction Technology Ltd	Dec 98	160	30.6
Oxford Sensor Technology Ltd	Feb 99	275	33.6
Avidex Ltd	Feb 99	300	7.5
Getmapping plc	Mar 99	518	4.6
Coraltech Ltd	Jul 99	225	19.2
Scancell Ltd	Aug 99	192	13.0
Duncan Hynd Associates Ltd	Sep 99	150	19.8
STL Management Ltd	Sep 99	227	38.0
Equitalk.co.uk Ltd	Jan 00	136	10.7
Innovative Materials Processing Technologies Ltd	Mar 00	150	9.0
Multi Group plc	Dec 00	91	<1.0
Rapier Enterprises Ltd	Sep 01	7	32.8
		3,526	

Net revenue return after taxation and management expenses was a deficit of £136,000 and revenue return per share for the year was a loss of 2.80p. Capital return was 6.12p per share.

**John Jackson**  
**Chairman**  
**8 May 2002**

## Board of Directors

**John Jackson**, 72, Chairman, worked full time for Philips Electrical Ltd and Philips Electronic and Associated Industries Ltd (“Philips Electronics”) in the UK from 1952 to 1980, becoming a director of Philips Electronics in 1966, on whose board he served until early 1994. Since 1980, he has joined the boards of a number of other companies in a wide range of industries, including electronics, engineering, biotechnology, pharmaceuticals and fine chemicals. He is currently chairman of Celltech Group Plc, Wyndeham Press Group Plc and Xenova Group Plc. He is Deputy Chairman of BHP Billiton Ltd and a director of WPP Group Plc and Brown & Jackson plc. He has been special adviser to the Korda Seed Capital Fund (unconnected with Seed Capital Ltd), since March 1989, which was established as a £5m fund to invest primarily in technology-based companies and is chairman of its advisory board. He is particularly interested in high technology business start-ups. In April 1992, he became the non-solicitor chairman of Mishcon de Reya.

**Charles Breese**, 55, Director, joined Larpent Newton in 1982 and has been managing director of Larpent Newton since 1986. He has played an active role in the launch of a number of technology transfer start-up companies. He qualified as a chartered accountant in 1969 with the firm now known as Grant Thornton and thereafter worked for the firm now known as KPMG from 1969 to 1982. He is an experienced venture capital manager and from 1982 until 1999, Larpent Newton managed The Growth Fund Ltd, a wholly-owned subsidiary of Friends Provident Life Office, which invested in businesses which were unquoted at the time of the initial investment and primarily technology-based early stage and start-up companies (including several technology start-ups out of universities). As well as being a director of the three Oxford Technology VCTs, Charles Breese is also a director of BioScience VCT, which has a complementary strategy to the Oxford Technology VCTs.

**Lucius Cary**, 55, Director, is the founder and managing director of Seed Capital Ltd, which has specialised in making and managing investments in start-up technology-based businesses since 1983. He has a degree in engineering and economics from Oxford University, an MBA from Harvard Business School and was an engineering apprentice at the Atomic Energy Research Establishment, Harwell. After forming and raising finance for his first business in 1972, he founded “Venture Capital Report” in 1978 and was its managing director for 17 years. In 1996 and 1997, he sold all his shares in the business and reduced his day-to-day involvement in order to concentrate more fully on Seed Capital’s investment activities. However, he remained Chairman of Venture Capital Report until December 2001. Seed Capital has managed or advised eight seed capital funds which, between them, have made over 75 investments in early stage and start-up technology companies.

**Michael O’Regan**, 54, Director, was co-founder in 1973 of Research Machines Ltd which floated on the London Stock Exchange as RM plc in 1994; he was an executive director until 1992 and remains a non-executive director. RM plc is the leading supplier to the UK education market of information technology solutions. He is a non-executive director of several unlisted companies and has been involved in the start-up and early stage financing of a number of technology-based companies. He is chairman of the Hamilton Trust, an educational charity, is joint director of the Hamilton Maths and Reading Projects and is a founder trustee of Peers Early Education Partnership.

**Sir Martin Wood**, 74, Director, founded the company now known as Oxford Instruments plc in 1959 and is now Honorary President. He is a non-executive director of Oxford Innovation Ltd, which provides technology advice and consultancy. He has long taken an interest in the development of early stage technology companies and has been a director of, and investor in a number of such businesses. He was a founder of the Oxford Trust, which encourages investment in start-up technology companies and provides incubator premises for technology start-ups; he remains a patron of the Oxford Trust. Sir Martin has been a non-executive director of Oxford Seedcorn Capital Ltd (unconnected with Seed Capital Ltd), which has made and managed 19 “seed” investments, 17 of which were in technology companies. He is a non-executive director of Synaptica Ltd (an investee company of Oxford Technology Venture Capital Trust), which is concerned with neuro-degenerative diseases, based on research at Oxford University.

## Report of the Directors

The directors present their report together with financial statements for the year ended 28 February 2002.

### Principal activity

The company is an investment company and commenced business in March 1997. The company provides investment in start-up and early stage technology companies in general located within 60 miles of Oxford.

### Business review

There was a net return for the period after taxation amounting to £161,000, made up of a net capital gain on the value of investments of £297,000 and a revenue loss of £136,000. The revenue account comprises income of £4,000 less management and other expenses of £140,000. No dividends were recommended.

### Directors

The present membership of the board and their interests in the ordinary shares of the company at 28 February 2002 and 28 February 2001 are set out below,

	<b>Ordinary Shares of 10p each 28 February 2002</b>	<b>Ordinary shares of 10p each 28 February 2001</b>
J B H Jackson	40,000	40,000
C J Breese	10,000	10,000
J L A Cary	62,000	62,000
M R H J O'Regan	230,000	230,000
Sir Martin Wood	208,000	208,000

No director had, during the period or at the end of the period, a material interest in any contract which was significant in relation to the company's business.

### Corporate governance

The company has complied throughout the period with the provisions (as modified by the FSA Listing Rules for Venture Capital Trusts) set out in Section 1 of the Combined Code, except that a senior non-executive director is not identified and the Board as a whole performs the functions of an Audit Committee and a separate committee of the Board with written terms of reference has not been established.

The Board consists solely of five non-executive directors. C J Breese and J L A Cary represent the Investment Manager and Investment Adviser respectively and the remaining three directors are independent. In these circumstances, the Board does not believe that it is necessary to identify a senior independent director other than the Chairman. The Board has put in place corporate governance arrangements which it believes are appropriate to a Venture Capital Trust and which will enable the company to operate within the spirit of the Principles of Good Governance and comply with the code of Best Practice ("the Combined Code").

## **Oxford Technology Venture Capital Trust plc**

The Board meets regularly, at least four times a year and between these meetings maintains contact with the Investment Manager and Investment Adviser. The Combined Code states that the Board should have a formal schedule of matters specifically reserved to it for decision, to ensure that the direction and control of the company is firmly in its hands. This is achieved by a management agreement between the company and its Investment Manager, and an agreement between the Investment Manager and the Investment Adviser which sets out the matters over which the Investment Manager and the Investment Adviser have authority and the limits above which Board approval must be sought. All other matters are reserved for the approval of the Board of Directors.

None of the directors has a service contract with the company. The Articles of Association require that one third of the directors (or the number nearest one third) on a rotation basis will be subject to re-election procedures at subsequent Annual General Meetings.

### **Internal control**

The directors are responsible for the company's system of internal control. The Board has adopted an internal operating and strategy document for the company. This includes procedures for the selection and approval of investments, the functions of the Investment Manager and the Investment Adviser and exit and dividend strategies. Day to day operations are delegated under agreements with the Investment Manager and the Investment Adviser who have established clearly defined policies and standards. These include procedures for the monitoring and safeguarding of the company's investments and regular reconciliation of investment holdings. This system of internal control, which includes procedures such as physical controls, segregation of duties, authorisation limits and comprehensive financial reporting to the Board, is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

The Board has reviewed, with its Investment Manager and Investment Adviser, the operation and effectiveness of the company's system of internal control for the financial period and the period up to the date of approval of the financial statements.

### **Relations with Shareholders**

The company values the views of its shareholders and recognises their interest in the company's strategy and performance, Board membership and quality of management. The company's regular newsletters are distributed to all shareholders to provide additional information on the company's investments and its overall progress.

### **Going concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they have adopted the going concern basis of preparing the financial statements.

### **Substantial shareholders**

At 3 May 2002, other than the shareholdings of two of the directors as detailed earlier, the company has not been notified of any interests exceeding three percent of the company's issued share capital. The company has several investors, all individuals, who with their families have invested £100,000 or more in the shares of the company.

## **Oxford Technology Venture Capital Trust plc**

### **Auditors**

Grant Thornton offer themselves for reappointment in accordance with Section 385 of the Companies Act 1985.

### **On behalf of the Board**

**J L A Cary**  
**8 May 2002**

## **Directors' Responsibilities for the Financial Statements**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Report of the Independent Auditors to the Members of Oxford Technology Venture Capital Trust plc

We have audited the financial statements of Oxford Technology Venture Capital Trust plc for the year ended 28 February 2002 which comprise the principal accounting policies, the statement of total return, the balance sheet, the cash flow statement and notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

## Respective Responsibilities of Directors and Auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, United Kingdom auditing standards and the Listing Rules of the Financial Services Authority.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law or the Listing Rules regarding directors' remuneration and transactions with the company is not disclosed.

We review whether the corporate governance statement reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules, and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the group's corporate governance procedures or its risk and control procedures.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Statement on Behalf of the Board, the Board of Directors and the Report of the Directors. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

## Basis of Opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 28 February 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Grant Thornton**  
**Registered Auditors**  
**Chartered Accountants**  
**Oxford**  
**8 May 2002**

## Principal Accounting Policies

### Basis of Preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments. The financial statements have been prepared in accordance with applicable accounting standards up to and including FRS 19 and with the Statement of Recommended Practice 'Financial statements of investment trust companies'. The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

### Valuation of Investments

Government Stocks and other listed investments are valued at middle market prices.

Unlisted investments are carried at cost except in the following circumstances:

- where an Investee Company's under-performance against plan indicates a diminution in value of the investment, provision against cost will be made as appropriate in bands of 25 per cent
- where an Investee Company is well-established and profitable, the shares may be valued by applying a suitable price-earnings ratio to the company's historic post-tax earnings. The ratio will be based on a comparable listed company or sector but discounted by 25-50 per cent to reflect lack of marketability
- where a value is indicated by a material arm's-length transaction by a third party in the shares of an Investee Company, such value may be used.

The directors consider that this basis of valuation of unquoted investments is consistent with the British Venture Capital Association guidelines.

### Income

Dividends receivable on unquoted equity shares are brought into account when the company's right to receive payment is established and there is no reasonable doubt that payment will be received. Dividends receivable on quoted equity shares are brought into account on the ex-dividend date.

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

Interest receivable from cash and short term deposits are accrued to the end of the year.

### Expenses

All expenses are accounted for on an accruals basis. All expenses are charged through the revenue account except as follows:

- those expenses which are incidental to the acquisition of an investment are included within the cost of the investment
- expenses which are incidental to the disposal of an investment are deducted from the disposal proceeds of the investment
- expenses are charged to the realised capital reserve where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect, the directors consider that, in appropriate circumstances, a proportion of the company's management expenses (not exceeding 75 per cent) may be charged to capital.

### Capital Reserves

Gains or losses on disposal of investments are dealt with in the realised capital reserve. Appreciation and depreciation on the revaluation of investments is dealt with in the unrealised capital reserve.

## Statement of Total Return (Incorporating the Revenue Account)\* for the Year Ended 28 February 2002

		2002			2001		
	Note	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Gains on investments	6	-	297	297	-	623	623
Income	1	4	-	4	23	-	23
Investment management fee	2	(82)	-	(82)	(79)	-	(79)
Other expenses	3	(58)	-	(58)	(58)	-	(58)
		<u>          </u>					
<b>Net return on ordinary activities before taxation</b>		(136)	297	161	(114)	623	509
Tax on ordinary activities	4	-	-	-	4	-	4
		<u>          </u>					
<b>Return attributable to equity shareholders and transfers to / (from) reserves</b>	10	<u>(136)</u>	<u>297</u>	<u>161</u>	<u>(110)</u>	<u>623</u>	<u>513</u>
Return per ordinary share	5	<u>(2.80p)</u>	<u>6.12p</u>	<u>3.32p</u>	<u>(2.27p)</u>	<u>12.84p</u>	<u>10.57p</u>

\* The revenue column of this statement is the profit and loss account of the company.

All revenue and capital items in the above statement derive from continuing operations. There were no recognised gains or losses for the year other than those shown above.

## Balance Sheet at 28 February 2002

		28 February 2002		28 February 2001	
	Note	£000	£000	£000	£000
<b>Fixed assets</b>					
Investments	6		5,898		5,540
<b>Current assets</b>					
Debtors	7	2		-	
Cash at bank		20		228	
		<u>22</u>		<u>228</u>	
<b>Creditors: amounts falling due within one year</b>	8				
		<u>(6)</u>		<u>(15)</u>	
Net current assets			16		213
<b>Net assets</b>			<u>5,914</u>		<u>5,753</u>
<b>Capital and reserves</b>					
Called up share capital	9		485		485
Share premium account	10		4,107		4,107
Other reserves:	10				
Capital reserve - realised			(916)		(775)
Capital reserve - unrealised			2,513		2,075
Revenue reserve	10		(275)		(139)
<b>Shareholders' funds</b>	11		<u>5,914</u>		<u>5,753</u>
<b>Net asset value per share</b>			<u>122p</u>		<u>119p</u>

These financial statements were approved by the directors on 8 May 2002.

**J L A Cary**  
Director

The accompanying accounting policies and notes form an integral part of these financial statements

**Cash Flow Statement  
for the Year Ended 28 February 2002**

		<b>2002</b>	<b>2001</b>
	<b>Note</b>	<b>£000</b>	<b>£000</b>
<b>Net cash inflow / (outflow) from operating activities</b>	12	(147)	(96)
<b>Taxation recovered</b>		-	4
<b>Capital expenditure and financial investment</b>			
Purchase of investments		(83)	(800)
Redemption/disposal of investments		22	1,019
<b>Net cash outflow for capital expenditure and financial investment</b>		<u>(61)</u>	<u>219</u>
<b>Increase/(decrease) in cash</b>		<u><u>(208)</u></u>	<u><u>127</u></u>

## Notes to the Financial Statements for the Year Ended 28 February 2002

	2002	2001
	£000	£000
<b>1 Income</b>		
Income from listed investments	-	10
Interest receivable	4	13
	<u>4</u>	<u>23</u>
	<u><u>4</u></u>	<u><u>23</u></u>

	£000	£000
<b>2 Investment Management Fee</b>		
Investment management fee (see below)	82	77
Irrecoverable VAT thereon	-	2
	<u>82</u>	<u>79</u>
	<u><u>82</u></u>	<u><u>79</u></u>

The company's investment manager is Larpent Newton & Company Limited ("Larpent Newton"). The contract between the company and Larpent Newton may be terminated by either party on 12 months' notice. An annual fee is payable to Larpent Newton under this agreement.

Seed Capital Limited, a company of which J L A Cary is a director and the controlling shareholder, is the Investment Adviser to Larpent Newton. By agreement between the company, the Investment Manager and the Investment Adviser, the Investment Management fee for the year ended 28 February 2002 of £82,000 (2001: £77,000) was paid as £ nil (2001: £13,000) to Seed Capital Limited and £82,000 (2001: £64,000) in the form of salary to J L A Cary for investment advisory services provided.

	£000	£000
<b>3 Other Expenses</b>		
Directors' remuneration (see below)	28	28
Social security costs	5	6
Auditors' remuneration : audit services	5	4
: non-audit services	2	2
Other	18	18
	<u>58</u>	<u>58</u>
	<u><u>58</u></u>	<u><u>58</u></u>

In addition to the amount referred to in Note 2 paid as salary to J L A Cary, the remuneration of the directors for the year was as follows:

	£000	£000
J B H Jackson (Chairman)	8	8
J L A Cary	5	5
C J Breese (paid to Larpent Newton)	5	5
M R H J O'Regan	5	5
Sir Martin Wood	5	5
	<u>28</u>	<u>28</u>
	<u><u>28</u></u>	<u><u>28</u></u>

There were no employees during the year except for the directors.

## Oxford Technology Venture Capital Trust plc

<b>4 Tax on Ordinary Activities</b>	<b>2002</b>	<b>2001</b>
	<b>£000</b>	<b>£000</b>
UK Corporation Tax	-	-
Adjustment for prior year taxation	-	4
	-	4
	-	4

The tax credit for the year is lower than the standard rate of taxation for companies of this size in the UK (20%). The differences are explained below:

	<b>£000</b>	<b>£000</b>
Net revenue deficit on ordinary activities before taxation	(136)	(110)
	(136)	(110)
At standard rate of taxation	(27)	(22)
Excess management expenses carried forward	27	22
Adjustment for prior year taxation	-	4
	-	4
	-	4

Unrelieved management expenses of £260,000 remain available for offset against future taxable trading profits.

### 5 Return per Ordinary Share

The calculation of revenue return per share is based on the net deficit for the financial period of £136,000 (2001: £110,000) divided by the weighted average number of ordinary shares of 4,852,900 (2001: 4,852,900) in issue during the year.

The calculation of capital return per share is based on the net capital return for the financial period of £297,000 (2001: £623,000) divided by the weighted average number of ordinary shares of 4,852,900 (2001: 4,852,900) in issue during the year.

### 6 Investments

	<b>2002</b>			<b>2001</b>		
	<b>Government stocks listed</b>		<b>Total</b>	<b>Government stocks listed</b>		<b>Total</b>
	<b>in UK £000</b>	<b>Other £000</b>		<b>in UK £000</b>	<b>Other £000</b>	
Valuation at 1 March	-	5,540	5,540	910	4,239	5,149
Purchases at cost	-	83	83	-	800	800
Amortisation of book costs	-	-	-	(13)	-	(13)
Redeemed/disposals during the year	-	(163)	(163)	(900)	(885)	(1,785)
Unrealised appreciation/(depreciation)	-	438	438	3	1,386	1,389
	-	5,898	5,898	-	5,540	5,540
	-	5,898	5,898	-	5,540	5,540
Unrealised appreciation			438			1,389
Loss on disposal of investments (note 10)			(141)			(766)
Gains on investments			297			623
			297			623

## Oxford Technology Venture Capital Trust plc

### 6 Investments

Details of other investments are set out below. All investments are unlisted except for Getmapping plc and Multi Group plc which are listed on AIM and the London Stock Exchange respectively.

Name of undertaking	Country of incorporation and operation	Class of shares held	Percentage of voting rights held by company	Capital and reserves £000	Profit/(loss) before tax for year £000	Retained profit/(loss) for year £000
Biocote Ltd <sup>1</sup>	UK	Ordinary	10.0%	(39)	(41)	(41)
Valid Information Systems Ltd <sup>2</sup>	UK	Ordinary and Redeemable Preference	16.1%	1,532	709	592
Synaptica Ltd <sup>3</sup>	UK	Ordinary	2.0%	95	(1,379)	(1,277)
Dataflow Ltd <sup>4</sup>	UK	Ordinary	12.0%	279	(67)	(68)
Armstrong Healthcare Ltd <sup>5</sup>	UK	Ordinary and Redeemable Preference	18.4%	(320)	(195)	(195)
Membrane Extraction Technology Ltd <sup>6</sup>	UK	Ordinary	30.6%	87	17	17
Oxford Sensor Technology Ltd <sup>7</sup>	UK	Ordinary and Redeemable Preference	33.6%	19	(279)	(279)
Getmapping plc <sup>8</sup>	UK	Ordinary	4.6%	7,318	(2,646)	(2,646)
Avidex Ltd <sup>9</sup>	UK	Ordinary	7.5%	9,792	(1,683)	(1,485)
Coraltech Ltd <sup>10</sup>	UK	Ordinary	19.2%	982	(2)	(2)
Scancell Ltd <sup>11</sup>	UK	Ordinary	13.0%	212	(255)	(255)
Duncan Hynd Associates Ltd <sup>12</sup>	UK	Ordinary and Redeemable Preference	19.8%	68	(32)	(32)
STL Management Ltd <sup>13</sup>	UK	Ordinary	38.0%	(132)	(218)	(218)
Equitalk.co.uk Ltd <sup>14</sup>	UK	Ordinary	10.7%	225	(336)	(336)
Innovative Materials Processing Technologies Ltd <sup>15</sup>	UK	Ordinary	9.0%	295	(114)	(114)
Multi Group plc <sup>16</sup>	UK	Ordinary	<1.0%	4,810	1,048	823
Rapier Enterprises Ltd <sup>17</sup>	UK	Ordinary	32.8%	(5)	(5)	(5)

1. For the year ended 31 October 2000
2. For the year ended 30 April 2001
3. For the year ended 30 September 2001
4. For the year ended 28 February 2001
5. For the year ended 31 December 2000
6. For the year ended 31 July 2001
7. For the year ended 31 March 2001
8. For the year ended 31 December 2001
9. For the year ended 31 March 2001

10. For the year ended 31 July 2000
11. For the year ended 31 August 2000
12. For the year ended 30 April 2001
13. For the year ended 31 July 2000
14. For the year ended 31 March 2001
15. For the year ended 31 July 2001
16. For the year ended 31 December 2001
17. For the year ended 31 May 2000

## Oxford Technology Venture Capital Trust plc

### 6 Investments (continued)

As shown above, certain of the company's unlisted investments entitle the company to more than 20% of the voting rights in the investee company. The Board does not consider that these investments fall within the definition of associated undertakings since the company does not exercise significant influence over the operating and financial policies of the investee companies.

Name of undertaking	Brief description of business	Net cost of investment £000	Value of investment £000
Biocote Ltd	Bactericidal powder coating.	145	55
Valid Information Systems Ltd	Archiving documents in electronic form and giving the owner access over the Internet.	203	742
Synaptica Ltd	Potential treatment for Alzheimer's and other neurodegenerative diseases.	145	67
Dataflow Ltd	Mid-range accountancy software.	155	155
Armstrong Healthcare Ltd	Precision medical equipment for use in surgery.	447	416
Membrane Extraction Technology Ltd	An environmentally friendly technology to remove toxic organic molecules.	160	160
Oxford Sensor Technology Ltd	Manufacture and development of sensors for improving production line efficiency.	275	358
Getmapping plc	Aerial photography of the UK with rights to the Domesday book.	518	187
Avidex Ltd	Using T-cell receptors to assist the targeting of drugs.	300	1,435
Coraltech Ltd	Lightweight and strong plastic moulded components.	225	387
Scancell Ltd	Fetal cell isolation from maternal blood.	192	1,202
Duncan Hynd Associates Ltd	Manufacture and development of radiotherapy products.	150	186
STL Management Ltd	Development of specialist photocopiers.	227	268
Equitalk.co.uk Ltd	Internet related telecoms.	136	82
Innovative Materials Processing Technologies Ltd	Industrial ceramic coating technologies.	150	150
Multi-Group plc	Tool hire and equipment supply management.	91	41
Rapier Enterprises Ltd	Instruments to give instant and accurate curvature readings of optical surfaces.	7	7
		<u>3,526</u>	<u>5,898</u>
	Investments in unlisted equity shares	2,067	4,905
	Investments in unlisted preference shares	583	498
	Investments in listed equity shares	609	228
	Loans	267	267
		<u>3,526</u>	<u>5,898</u>

**Oxford Technology Venture Capital Trust plc**

**7 Debtors**

	<b>2002</b>	<b>2001</b>
	<b>£000</b>	<b>£000</b>
Prepayments and accrued income	2	-
	<u>          </u>	<u>          </u>

**8 Creditors: Amounts falling due within one year**

	<b>£000</b>	<b>£000</b>
Other creditors	6	15
	<u>          </u>	<u>          </u>

**9 Share Capital**

	<b>£000</b>	<b>£000</b>
<b>Authorised</b>		
10,000,000 ordinary shares of 10p each	1,000	1,000
500,000 redeemable preference shares of 10p each	50	50
	<u>          </u>	<u>          </u>
	1,050	1,050
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
4,852,900 (2001: 4,852,900) ordinary shares of 10p each	485	485
	<u>          </u>	<u>          </u>

**10 Reserves**

	<b>Share premium account £000</b>	<b>Capital reserve realised £000</b>	<b>Capital reserve unrealised £000</b>	<b>Revenue reserve £000</b>
At 1 March 2001	4,107	(775)	2,075	(139)
Unrealised appreciation on valuation of investments	-	-	438	-
Loss on disposal of investments	-	(141)	-	-
Result for the year	-	-	-	(136)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 28 February 2002	4,107	(916)	2,513	(275)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## Oxford Technology Venture Capital Trust plc

### 11 Reconciliation of Movements in Shareholders' Funds

	2002	2001
	£000	£000
Result for the year	(136)	(110)
Other recognised gains or losses	297	623
Net increase in shareholders' funds	161	513
Shareholders' funds at beginning of year	5,753	5,240
Shareholders' funds at end of year	5,914	5,753

### 12 Reconciliation Of Net Revenue Return Before Taxation To Net Cash Inflow From Operating Activities

	£000	£000
Net revenue return before taxation	(136)	(114)
(Decrease) in creditors	(9)	(23)
Increase / (decrease) in debtors	(2)	28
Amortisation of fixed income investment book cost	-	13
	(147)	(96)

### 13 Financial instruments

The company uses financial instruments, other than derivatives, comprising cash and various items such as debtors and creditors that arise from its activities. The main purpose of these financial instruments is to finance the company's activities. The company's exposure to the risks normally associated with financial instruments, such as interest rate risk, liquidity risk and foreign currency risk, is minimal due to the nature of the company's financial instruments and its activities. There is no difference between the fair values and book values of the company's financial instruments.

### 14 Capital Commitments

The company had no capital commitments at 28 February 2002 or 28 February 2001.

### 15 Contingent Liabilities

The company had no contingent liabilities at 28 February 2002 or 28 February 2001.

# Company Information

## **Directors**

John Jackson (Chairman)  
Charles Breese  
Lucius Cary  
Michael O'Regan  
Sir Martin Wood

## **Secretary**

James Gordon

## **Registrars**

Capita IRG plc  
Balfour House  
390/398 High Road  
Ilford  
Essex IG1 1NQ

## **Auditors & VCT Compliance**

### **Advisers**

Grant Thornton  
1 Westminster Way  
Oxford OX2 0PZ

## **Investment Adviser**

Seed Capital Ltd  
Magdalen Centre  
Oxford Science Park  
Oxford OX4 4GA

## **Investment Manager and Registered Office**

Larpent Newton & Company Ltd  
4th Floor  
24-26 Baltic Street West  
London EC1Y 0UR

## **Brokers**

Cazenove & Co  
12 Tokenhouse Yard  
London EC2R 0UL

## **Solicitors**

Gordons  
22 Great James Street  
London WC1N 3ES

**Company Registration Number: 3276063**