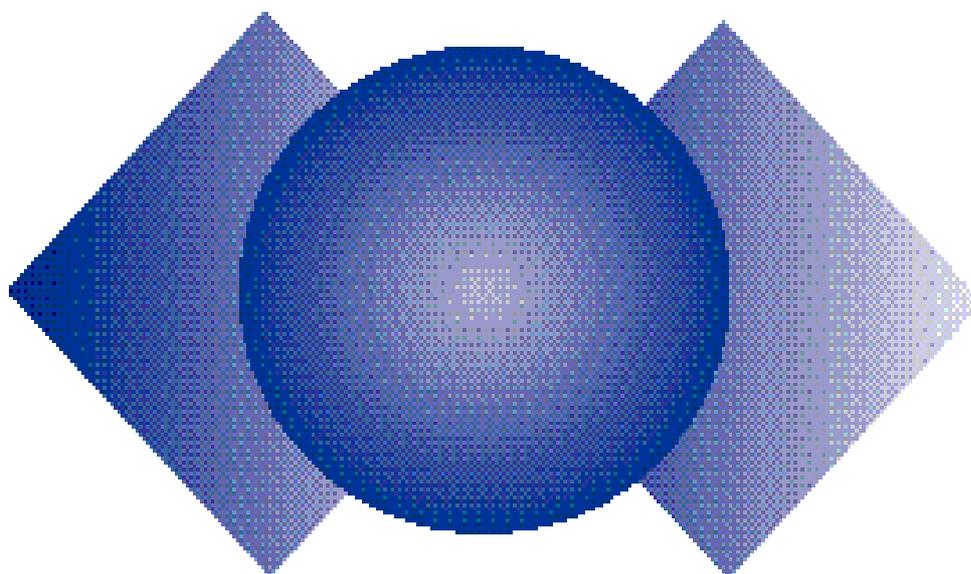


Oxford Technology

Venture Capital Trust plc



Financial Statements

For the year ended 29 February 2000

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Financial Highlights

	Year Ended 29 February 2000 per ordinary share	Year Ended 28 February 1999 per ordinary share
Net asset value after distributions	108p	94p
Revenue Return	(0.81p)	0.62p
Dividend (net)	-	0.5p
Cumulative Dividend (gross) to date	2.74p	2.74p
Share Price	425.0p	112.5p

Statement On Behalf Of The Board

I am pleased to present the annual report and accounts of Oxford Technology Venture Capital Trust plc. In line with the original objectives, the fund has been invested in early stage and start-up technology companies, mostly within 60 miles of Oxford. Including the investments which have been made since the year end, as described below, a total of £4.0m has been invested in 19 such companies and the fund is therefore fully invested, in the sense that no further investments in new companies will be made. However some capital has been retained for making follow-on investments in existing investee companies to support their growth and development.

Fuller summary financial details of each of the investments are given on pages 14 & 15, and more descriptive information is given in newsletter number 6 (April 2000).

Among the portfolio there have now been three failures (Nexus, Concept and Sirius) and one high profile success (Getmapping.com). It is likely that there will be further failures in future.

Many of the other investee companies have been making solid progress, both developing their various technologies and, in some cases, achieving their first sales or increasing their sales. On balance the Board is pleased with the development of the portfolio.

The portfolio (at cost) to the year end is shown below and further details of the investee companies are shown in Note 7.

Company	Date invested	Amount invested	Equity
		£000	%
Valid Information Systems Ltd	Nov 97 - Sep 99	270	16.1
Sirius Optical Instruments Ltd	Nov 97 - Mar 99	187	36.3
Biocote Ltd	Dec 97 - Jun 99	145	10.0
Eurogen Systems Ltd	Dec 97 - Jan 00	325	32.9
Synaptica Ltd	Mar 98 - Feb 00	145	6.0
Dataflow Ltd	Mar 98 - Apr 99	156	12.0
Nexus Telecom Ltd	Jun 98 - Jul 99	260	13.8
Armstrong Healthcare Ltd	Jun 98 - Jul 99	446	30.1
Concept Broadcast Developments Ltd	Aug 98 - Apr 99	165	38.3
Membrane Extraction Technology Ltd	Dec 98	160	26.7
Oxford Sensor Technology Ltd	Feb 99 - Sep 99	250	34.9
Getmapping.com plc	Mar 99	150	c. 2.7
Avidex Ltd	Mar 99 - Feb 00	275	20.0
Coralfoam Ltd	Jul 99	200	20.0
Scancell Ltd	Aug 99	125	10.9
DHA Ltd	Sep 99	150	22.5
STL Management Ltd	Sep 99	98	39.1
Getchatting.com Ltd	Jan 00	43	20.0
		3,550	

Oxford Technology Venture Capital Trust plc

Since the year end on 29 February, Oxford Technology VCT has made one new investment and three follow-on investments in existing investees as described below:

New investment

Name of company	Amount invested	Equity	Brief description
	£	%	
Innovative Materials Processing Technologies Ltd	150,000	8.9	Ceramic coating technology.

Follow-on investments

Getmapping.com plc	£300,000
STL Management Ltd	£20,000
Synaptica Ltd	£25,000

For the first time, the accounts show a small increase in net assets per share, from 94p per share as at 28 February 1999 to £1.08p as at 29 February 2000. No dividend was declared.

John Jackson
Chairman
5 May 2000

The Board Of Directors

John Jackson, age 70, Chairman, worked full time for Philips Electrical Limited and Philips Electronic and Associated Industries Limited (“Philips Electronics”) in the UK from 1952 to 1980, becoming a director of Philips Electronics in 1966, on whose board he served until 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 Hilton Group Plc, Celltech Group Plc, Wyndeham Press Group Plc and Xenova Group Plc. He is also a director of WPP Group Plc, Brown & Jackson Plc and Billiton Plc. He has been the special adviser to the Korda Seed Capital Fund (unconnected with Seed Capital Limited), 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, age 53, Director, joined Larpent Newton in 1982 and has been managing director of Larpent Newton since 1986. He has played an active role in helping to launch 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.

Lucius Cary, age 53, Director, is the founder and managing director of Seed Capital, 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 March 1996, he became chairman and reduced his day-to-day involvement in order to concentrate more fully on Seed Capital’s investment activities. By 2000, Seed Capital has managed or advised seed capital funds which, between them, had made some 60 investments in early stage and start-up technology companies.

Michael O’Regan, age 52, Director, was co-founder in 1973 of Research Machines Limited 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 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 (PEEP).

Sir Martin Wood, age 72, Director, founded the company now known as Oxford Instruments plc in 1959 and is now deputy chairman. He is chairman of Oxford Innovation Limited, which provides technology advice and consultancy, and a director of the electronic components manufacturer, Newport Technology Group Limited. 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. Since 1986, Sir Martin has been a non-executive director of Oxford Seedcorn Capital Limited (unconnected with Seed Capital Limited), which has made and managed 19 “seed” investments, 17 of which were in technology companies. He is chairman of a start-up company, Synaptica Limited (an investment of OTVCT), 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 period ended 29 February 2000.

Principal activity

The company is an investment company and commenced business on 3 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 £688,000, made up of a net capital gain on the value of investments of £727,000 and a revenue loss of £39,000. The revenue account comprises income (mainly from interest on gilts) of £107,000 less management and other expenses of £142,000 and taxation of £4,000. No dividends were recommended.

Directors

The present membership of the board and their interests in the ordinary shares of the company at 29 February 2000 and 1 March 1999 are set out below,

	Ordinary Shares of 10p each 29 February 2000	Ordinary shares of 10p each 1 March 1999
J B H Jackson	40,000	40,000
C J Breese	10,000	10,000
J L A Cary	50,000	50,000
M R H J O'Regan	230,000	230,000
Sir Martin Wood	208,000	208,000

Except as set out below, 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. In the case of the investment in Valid Information Systems Limited, M R H J O'Regan was a co-investor on the same terms as Oxford Technology VCT, and in the case of Synaptica Limited, both Sir Martin Wood and J B H Jackson were co-investors on the same terms as Oxford Technology VCT. J B H Jackson was also a co-investor in Concept Broadcast Developments Ltd. Both J B H Jackson and M R H J O'Regan were co-investors in Oxford Sensor Technology Ltd. In each case the terms of the investment were approved by the Stock Exchange. Sir Martin Wood is chairman of Synaptica Limited, and it was through this connection that Oxford Technology VCT had the opportunity to invest. J B H Jackson is chairman of Celltech Group plc and it was felt that his direct involvement would be beneficial to Synaptica.

Corporate governance

The Board consists solely of five non-executive directors. Two of the directors represent the Investment Manager and Investment Adviser respectively and the remaining three directors are independent. 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”).

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.

The company has complied throughout the period with the provisions set out in Section 1 of the Combined Code, except that, currently, 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.

None of the directors has a service contract with the company. The Articles of Association require that all the directors are subject to re-election procedures at the first Annual General Meeting of the company and 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 financial control

The directors are responsible for the company’s system of internal financial control. Day to day operations are delegated under agreements with the Investment Manager and the Investment Adviser who have established clearly defined policies and standards. The system of internal financial 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 financial control for the financial period and the period up to the date of approval of the financial statements.

As permitted by the London Stock Exchange, the company has made the above statement in relation to its internal financial controls. The Board is reviewing its system of internal controls in the light of the guidance published in September 1999 by the Turnbull Committee and expects that the company will be able to make an appropriate statement of compliance in its next Annual Report.

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.

Year 2000

The company has reviewed its computer systems for the impact of the Year 2000 date change and carried out all necessary measures. All systems have continued to operate properly over the Year 2000 date change and through any roll-over procedures that occurred at a later date.

The issue is complex, and no business can guarantee that there will be no Year 2000 problems. However, the Board believes that its plans and the resources allocated have been appropriate and adequate to address the issue.

Substantial shareholders

At 31 March 2000, the company has not been notified of any interests exceeding three percent of the company's issued share capital, but has several investors, all individuals, who with their families have invested more than £100,000 in the shares of the company.

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
5 May 2000

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 appropriate 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 Auditors To The Members Of Oxford Technology Venture Capital Trust plc

We have audited the financial statements on pages 8 to 17 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 6, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board, the Listing Rules of the London Stock Exchange, and by our profession's ethical guidance.

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. 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 group is not disclosed.

We review whether the statement on page 5 reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Stock Exchange, 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 company's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report, including the corporate governance statement, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of Opinion

We conducted our audit in accordance with 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 29 February 2000 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

10 May 2000

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 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 are valued at middle market prices.

Unquoted 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 29 February 2000

		2000			1999		
	Note	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Gains/(losses) on investments		-	727	727	-	(15)	(15)
Income	1	107	-	107	156	-	156
Investment management fee	2	(58)	-	(58)	(42)	-	(42)
Other expenses	3	(84)	-	(84)	(90)	-	(90)
		-----	-----	-----	-----	-----	-----
Net return on ordinary activities before taxation		(35)	727	692	24	(15)	9
Tax on ordinary activities	4	(4)	-	(4)	3	-	3
		-----	-----	-----	-----	-----	-----
Return attributable to equity shareholders		(39)	727	688	27	(15)	12
Dividends in respect of equity shares	5	-	-	-	(24)	-	(24)
		-----	-----	-----	-----	-----	-----
Transfers to/(from) reserves	11	(39)	727	688	3	(15)	(12)
		=====	=====	=====	=====	=====	=====
Return per ordinary share	6	(0.81p)	15.07p	14.26p	0.62p	(0.34p)	0.28p
		=====	=====	=====	=====	=====	=====

* 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.

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

Balance Sheet At 29 February 2000

		29 February 2000		28 February 1999	
	Note	£000	£000	£000	£000
Fixed assets					
Investments	7		5,149		3,842
Current assets					
Debtors	8	28		82	
Cash at bank		101		603	
		<u>129</u>		<u>685</u>	
Creditors: amounts falling due within one year	9				
		(38)		(43)	
		<u> </u>		<u> </u>	
Net current assets			91		642
Net assets			<u>5,240</u>		<u>4,484</u>
			=====		=====
Capital and reserves					
Called up share capital	10		485		478
Share premium account	11		4,107		4,046
Other reserves:	11				
Capital reserve - realised			(9)		(9)
Capital reserve - unrealised			686		(41)
Revenue reserve	11		(29)		10
Shareholders' funds	12		<u>5,240</u>		<u>4,484</u>
			=====		=====
Net asset value per share			108p		94p
			=====		=====

These financial statements were approved by the directors on 5 May 2000.

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 29 February 2000

		2000	1999
	Note	£000	£000
Net cash inflow from operating activities	13	59	-
Taxation recovered		13	-
Capital expenditure and financial investment			
Purchase of investments		(1,612)	(2,319)
Redemption of investments		994	968
Net cash outflow for capital expenditure and financial investment		(618)	(1,351)
Dividends paid		(24)	(59)
Net cash outflow before financing		(570)	(1,410)
Financing			
Issue of shares		68	1,441
Expenses paid in connection with share issue		-	(80)
Net cash inflow from financing		68	1,361
Decrease in cash		(502)	(49)
		=====	=====

Notes To The Financial Statements For The Year Ended 29 February 2000

	2000	1999
	£000	£000
1 Income		
Income from quoted investments	88	115
Interest receivable	19	41
	<u>107</u>	<u>156</u>
	=====	=====

	£000	£000
2 Investment Management Fee		
Investment management fee (see below)	50	36
Irrecoverable VAT thereon	8	6
	<u>58</u>	<u>42</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 Manager's fee for the period ended 29 February 2000 of £72,000 (1999: £59,000) was paid as to £49,000 (1999: £36,000) to Seed Capital Limited and £22,000 (1999: £23,000) to J L A Cary for investment advisory services provided. This latter element is included in the director's remuneration paid to J L A Cary.

	£000	£000
3 Other Expenses		
Directors' remuneration (see below)	50	51
Social security costs	3	3
Auditors' remuneration: audit services	5	3
: non-audit services	3	2
Other	23	31
	<u>84</u>	<u>90</u>
	=====	=====

Oxford Technology Venture Capital Trust plc

3 Other Expenses (continued) **2000** **1999**

The remuneration of the directors for the year was as follows:

	£000	£000
J B H Jackson (Chairman)	8	8
J L A Cary	27	28
C J Breese (paid to Larpent Newton)	5	5
M R H J O'Regan	5	5
Sir Martin Wood	5	5
	<hr/>	<hr/>
	50	51
	=====	=====

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

4 Tax On Ordinary Activities

	£000	£000
UK Corporation tax at 20%	-	(5)
Adjustment for prior year taxation	(4)	8
	<hr/>	<hr/>
	(4)	3
	=====	=====

5 Dividends

	£000	£000
Ordinary shares - nil (1999: 0.5p per share)	-	24
	=====	=====

6 Return per Ordinary Share

The calculation of revenue return per share is based on the net deficit for the financial period of £39,000 (1999: surplus of £27,000) divided by the weighted average number of ordinary shares of 4,824,567 (1999: 4,379,418) in issue during the year.

The calculation of capital return per share is based on the net capital return for the financial period of £727,000 (1999: loss of £15,000) divided by the weighted average number of ordinary shares of 4,824,567 (1999: 4,379,418) in issue during the year.

7 Investments

	2000			1999		
	Government stocks listed		Total	Government stocks listed		Total
	in UK	Unlisted		in UK	Unlisted	
	£000	£000	£000	£000	£000	£000
Valuation at 1 March	1,962	1,880	3,842	1,922	584	2,506
Purchases at cost	-	1,612	1,612	966	1,356	2,322
Amortisation of book costs	(38)	-	(38)	(3)	-	(3)
Redeemed during the year	(994)	-	(994)	(968)	-	(968)
Unrealised appreciation/(depreciation)	(20)	747	727	45	(60)	(15)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Valuation at 29 February	910	4,239	5,149	1,962	1,880	3,842
	=====	=====	=====	=====	=====	=====

Oxford Technology Venture Capital Trust plc

7 Investments (continued) Details of unlisted investments are as follows:

Name of undertaking	Country of incorporation and operation	Class of shares held	Percentage of voting rights held by company	Net assets / (liabilities) £000	Profit/(loss) before tax for year £000	Retained profit/(loss) £000
Biocote Ltd ¹	UK	Ordinary	10.0%	61	(53)	(53)
Sirius Optical Instruments Ltd ²	UK	Ordinary	36.3%	77	(134)	(134)
Valid Information Systems Ltd ³	UK	Ordinary and Redeemable Preference	16.1%	774	84	374
Eurogen Systems Ltd ⁴	UK	Ordinary and Redeemable Preference	32.9%	187	11	(30)
Synaptica Ltd ⁵	UK	Ordinary	6.0%	417	(944)	(1,413)
Dataflow Ltd ⁶	UK	Ordinary	12.0%	(28)	(269)	(255)
Nexus Telecom Ltd ⁷	UK	Ordinary and Redeemable Preference	13.8%	(627)	(390)	(817)
Armstrong Healthcare Ltd ⁷	UK	Ordinary and Redeemable Preference	30.1%	11	(215)	(399)
Concept Broadcast Developments Ltd ¹⁴	UK	Ordinary and Redeemable Preference	38.3%	-	-	-
Membrane Extraction Technology Ltd ⁸	UK	Ordinary	26.7%	129	(44)	(32)
Oxford Sensor Technology Ltd ¹⁴	UK	Ordinary and Redeemable Preference	34.9%	-	-	-
Getmapping.com plc ⁹	UK	Ordinary	c. 2.7%	897	(586)	(586)
Avidex Ltd ¹⁴	UK	Ordinary	20.0%	-	-	-
Coralfoam Ltd ¹⁰	UK	Ordinary	20.0%	(103)	(88)	(103)
Scancell Ltd ¹¹	UK	Ordinary	10.9%	(30)	(17)	(35)
DHA Ltd ¹²	UK	Ordinary and Redeemable Preference	22.5%	(99)	(15)	(120)
STL Management Ltd ¹³	UK	Ordinary	39.1%	278	18	(636)
Getchatting.com Ltd ¹⁴	UK	Ordinary	20.0%	-	-	-

1. For the year ended 31 October 1998
2. For the year ended 30 September 1998
3. For the year ended 30 April 1999
4. For the year ended 31 March 1998
5. For the year ended 30 September 1999
6. For the year ended 28 February 1999
7. For the year ended 31 December 1998
8. For the year ended 31 July 1999

9. For the year ended 31 December 1999
10. For the year ended 31 July 1998 (unaudited)
11. For the year ended 31 August 1998
12. For the year ended 30 April 1999
13. For the year ended 31 July 1998
14. Concept Broadcast Developments Ltd, Oxford Sensor Technology Ltd, Avidex Ltd and Getchatting.com Ltd have not yet produced audited accounts.

Oxford Technology Venture Capital Trust plc

7 Investments (continued)

Name of undertaking	Brief description of business	Cost of investment £000	Value of investment 29 Feb 2000 £000
Biocote Ltd	Bactericidal powder coating.	145	55
Sirius Optical Instruments Ltd	Instruments to give instant and accurate curvature readings of the curvature of optical surfaces.	187	0
Valid Information Systems Ltd	Archiving documents in electronic form and giving the owner access over the Internet.	270	270
Eurogen Systems Ltd	Produces specialist software for the hire industry.	325	348
Synaptica Ltd	Potential treatment for Alzheimer's and other neurodegenerative diseases.	145	235
Dataflow Ltd	Mid-range accountancy software.	156	156
Nexus Telecom Ltd	Produced a PC-based PBX.	260	0
Armstrong Healthcare Ltd	Precision medical equipment for use in surgery.	446	495
Concept Broadcast Developments Ltd	Software and hardware for the broadcasting industry.	165	0
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.	250	268
Getmapping.com plc	Aerial photography of the UK with rights to the Domesday book.	150	1,175
Avidex Ltd	Using T cell receptors to assist the targeting of drugs.	275	423
Coralfoam Ltd	Lightweight and strong plastic moulded components.	200	200
Scancell Ltd	Fetal cell isolation from maternal blood.	125	125
DHA Ltd	Manufacture and development of radiotherapy products.	150	188
STL Management Ltd	Development of specialist photocopiers.	98	98
Getchatting.com Ltd	Internet related telecoms.	43	43
		<u>3,550</u> =====	<u>4,239</u> =====

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.

Oxford Technology Venture Capital Trust plc

8 Debtors

	2000	1999
	£000	£000
ACT recoverable	-	15
Tax recoverable	-	7
Other debtors (interest receivable on gilts)	28	60
	28	82
	=====	=====

9 Creditors: Amounts Falling Due Within One Year

	£000	£000
UK Corporation tax payable	-	5
Proposed dividend	-	24
Other creditors	38	14
	38	43
	=====	=====

10 Share Capital

	£000	£000
Authorised		
10,000,000 ordinary shares of 10p each	1,000	1,000
500,000 redeemable preference shares of 10p each	50	50
	1,050	1,050
	=====	=====
Allotted, called up and fully paid		
4,852,900 (1999: 4,784,900) ordinary shares of 10p each	485	478
	=====	=====

During the year, 68,000 ordinary shares were issued at £1 each to increase the capital base of the company.

11 Reserves

	Share premium account £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000
At 1 March 1999	4,046	(9)	(41)	10
Premium on allotment of ordinary shares	61	-	-	-
Unrealised appreciation on valuation of investments	-	-	727	-
Result for the year	-	-	-	(39)
	4,107	(9)	686	(29)
	=====	=====	=====	=====

12 Reconciliation of Movements in Shareholders' Funds

	2000	1999
	£000	£000
Result for the year	(39)	27
Dividends	-	(24)
	<u>(39)</u>	<u>3</u>
Issue of shares	68	1,361
Other recognised gains or losses	727	(15)
	<u>756</u>	<u>1,349</u>
Net increase in shareholders' funds	756	1,349
Shareholders' funds at beginning of year	4,484	3,135
	<u>5,240</u>	<u>4,484</u>
Shareholders' funds at end of year	=====	=====

13 Reconciliation Of Net Revenue Before Taxation To Net Cash Inflow From Operating Activities

	£000	£000
Net revenue before taxation	(35)	24
Increase / (decrease) in creditors	24	(4)
Decrease in debtors	32	24
Tax on investment income	-	(44)
Amortisation of fixed income investment book cost	38	-
	<u>59</u>	<u>-</u>
	=====	=====

14 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.

15 Capital Commitments

The company had no capital commitments at 29 February 2000. At 28 February 1999, the company had a commitment to invest a further £50,000 in Biocote Ltd if required.

16 Contingent Liabilities

The company had no contingent liabilities at 29 February 2000 or 28 February 1999.

Company Information

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

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