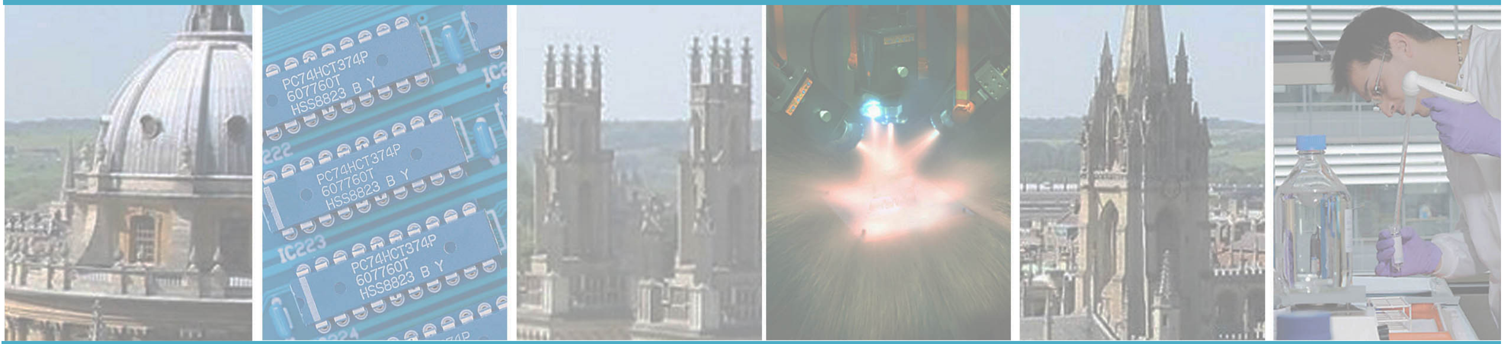


Oxford Technology 4 Venture Capital Trust Plc

Annual Financial Statements
For the year ended 28 February 2015

Company Registration Number: 5038854
The Magdalen Centre, Oxford Science Park, Oxford OX4 4GA

Contents

Notice of AGM & Proxy Form are now provided in a separate document to the Accounts

About Oxford Technology 4 VCT Plc (OT4)

VCTs were introduced by the UK Government in 1995 to encourage individuals to invest in UK smaller companies. This was achieved by offering VCT investors a series of tax benefits. Oxford Technology 4 VCT (OT4) was listed on the London Stock Exchange in 2004. It raised £10.2m. Further top-up offers have raised an additional £679k. The fund is now fully invested in the sense that it will not make investments in any new companies but cash is available for follow on investments.

The Company is managed by Oxford Technology Management which has built a balanced portfolio of investments with the following characteristics at the time of the initial investment:

- Unlisted, UK based, science, technology and engineering businesses; Abzena has subsequently listed on AIM and the Company now owns shares in Castleton, another AIM listed vehicle, following the recent buy out by them of Impact Applications.
- Investments typically in the range of £100k to £500k
- Generally located within approximately 60 miles of Oxford. The geographical focus is important so that the Company can be an active investor, assisting investee companies to develop their full potential.

The key feature of Oxford Technology 4 VCT is that it has focussed on investing in early stage and start-up technology companies. The returns from such investments when successful can be highly attractive but the associated risks are high.

OT4VCT has been approved as a VCT by HMRC throughout the year and has continued its compliance with all statutory requirements.

Financial Headlines

	Year Ended 28 February 2015	Year Ended 28 February 2014
Net Assets at Year End	**£7.63m**	**£7.98m**
Net Asset Value per Share	**66p**	**69p**
Cumulative Dividend	**17p**	**17p**
NAV + Cumulative Dividend Paid from Incorporation	**83p**	**86p**
Share Price at Year End	**36.5p**	**40p**
Earnings Per Share (Basic & Diluted)	**(3.1)p**	**(0.4)p**

Strategic Report

The Strategic Report has been prepared in accordance with the requirements of Section 414C of the Companies Act 2006 and the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013. Its purpose is to inform shareholders of the progress of the Company, to look at the current business model, future objectives, strategy and principal risks of the Venture Capital Trust.

The Report contains the Chairman's Statement which will look at future prospects for the Company, a Business Review which includes analysis of the principal risks and a Portfolio Review which looks at the performance of the Company's investments over the past year.

The Company's objective is to continue to work with its investee companies to help them succeed and to seek exits as and when appropriate. The aim is to provide a capital return to investors with dividend payments once exits have been achieved.

Chairman's Statement

I am pleased to present to shareholders the annual report for the year to 28 February 2015.

Portfolio Review

The net asset value per share on 28 February 2015 was 66p compared to 69p on 28 February 2014. Dividends paid to date are 17p. The earnings per share in the year to 28 February 2015 were a loss of (3.1)p.

In March, so after the year end, Impact Applications approached Castleton Technologies plc, which is quoted on AIM, which operates in the same sector, and which is expanding by acquisition. This led to Impact Applications being sold to Castleton on 29 May 2015. OT4VCT received £1.585m in cash and 48,446,978 shares in Castleton, which, at 2.25p were valued at £1.09m at the time. Impact had 22 customers; Castleton sells to c500, so there are significant opportunities for cross-selling. At the date of writing the Castleton's share price had risen to 2.91p, valuing OT4's shares at just over £1.4m. OT4 may also receive a small extra payment, (likely to be less than £100,000) depending of Impact's financial performance in the next few months. This transaction is referred to in the note to the accounts – Post Balance Sheet events.

Most companies within the portfolio continue to develop. Telegesis has done well with sales continuing to grow strongly. Plasma Antennas is receiving growing interest from telecommunication companies in using its antennas to improve the performance of their networks. Its antennas are now being tested by several global telecommunications companies in their networks in several different parts of the world. Others have struggled, including Historic Futures who continue to refine their business model to achieve a sustainable market position. Imagineer Systems was sold in January 2015 and OT4 has received £405,333 to date with earn-outs to follow.

On 10 April 2015, Mirriad informed us that it was unable to obtain investor consent to complete an investment it had organised. It filed a notice of intention to appoint an administrator and on 22 of May sold its assets to Broadwall Acquisitions (Now Mirriad Advertising) in exchange for which investors in were given a shareholding in Broadwall Acquisitions.
OT4's shareholding is of 49,964 shares. The company raised money at a shareprice of 30p valuing OT4's shareholding at £15k.

Further details on our investments are contained within the Investment Manager's Report.

Dividends

The ongoing strategy is to seek to crystallise value from the portfolio and distribute cash to shareholders via dividend payments. The directors are delighted to announce that an interim dividend of 10p per share is declared.

The Ex-Dividend date is 9 July 2015, the Record date 10 July and payment will be made on 7 August 2015.

Management Fees

In the light of the fully invested nature of OT4, your Directors have considered the ongoing management fees. The existing fee arrangement covered a range of responsibilities, some of which are no longer applicable, such as regularly considering and reviewing new investment opportunities.

In conjunction with further changes outlined below that optimise the board structure and improve the Company's corporate governance, the Board has renegotiated the ongoing management fees to a reduced rate of 1.0% per annum and confirmed that the overall fee cap of 3% (excluding directors' fees) covers all of the costs incurred by the VCT. Under the new arrangement, the fees previously deferred will be repaid over a three year period. This will take effect from 1 March 2015.

Performance Fees

The existing performance fee structure sees Oxford Technology Management, past and current directors sharing in 20% of the returns achieved beyond 100p taking into account dividends paid to date of 17.0p, this is a net target as at 28 February 2015 of 83.0p. As this net target is above NAV, no performance fee has yet been accrued or paid. As at 28 February 2015 the Company's total return was 83.0p per share.

As outlined elsewhere in this statement, the Board is pleased with the portfolio and optimistic about the potential for increasing shareholder value. Directors are of the view that it would, however, be inappropriate for the existing performance fee structure to remain, as it would reward performance that, in terms of annual return on investment, is actually relatively low. The Board has therefore negotiated with relevant parties and agreed that a compound annual 6% increase shall be applied retrospectively to the performance threshold from the 10 year anniversary of the VCT, namely 1 March 2015. In recognition of dividends paid, actual returns to shareholders will be subtracted from the compounding threshold in the year these are paid.

This will maintain the purpose of the performance fee as an appropriate – and achievable – incentive for Oxford Technology Management (who would receive approximately three quarters of any performance fee payable) to maximise shareholder value, yet also ensure that the performance threshold cannot be 'inflated away' over time. Note also that your company will only pay out a performance fee after cash returns to shareholders have achieved the performance threshold – many other VCTs pay out performance fees based on growth in asset values before actual cash returns have been made to shareholders.

Your directors believe that the lower level of management fees, together with a performance fee incorporating a challenging hurdle and payable only once shareholders have received back more than their original investment prior to any additional tax reliefs, makes this management arrangement market-leading and continues the principle always adopted by the VCT to keep its costs as low as possible.

Board Structure and Remuneration

Shareholders will be aware that the Company was considering the possibility of a merger with some, or all, of the other Oxford Technology VCTs.

Following discussions with shareholders the directors realised that should they decide to merge the four companies they would still need to maintain separate share pools for each VCT as some shareholders did not wish their holdings in certain specific assets to be diluted by consolidation with the other funds. The board determined that such a structure is not currently in the interest of OT4 or its shareholders.

The directors have therefore considered other methods by which OT4 can benefit from a more robust board structure. At present, your company has a board of just two directors. A similar situation applies to the other three VCTs in the Oxford Technology stable. Whilst directors from the other three VCTs provide ad hoc support, the board believes it is better to formalise this relationship.

It is therefore proposed to form a common board across each Company, each with its own chairman. To achieve this whilst retaining the independence that is required by generally accepted corporate governance (specifically AIC guidelines), the directors have resolved that the Company should be self-managed by its own subsidiary company, OT4 Managers Limited. In turn, this subsidiary will sub-contract in services from Oxford Technology Management ensuring continuity of service by the team led by Lucius Cary. This type of self-managed format has been adopted very successfully by a number of other VCTs that are keen to maintain good and cost-effective corporate governance.

To further formalise the independence of the board from the manager, three new directors have therefore been appointed to the board of OT4: Robin Goodfellow, Alex Starling and Richard Roth. Lucius Cary will not stand for re-election as a director at the AGM. Shareholders will be asked to ratify these appointments at the forthcoming AGM.

Shareholders should also note that the remuneration committee has proposed a different structure to directors' fees. Fees are still much lower than those earned by directors of many other VCTs but do represent an increase from that paid in recent years by any of the Oxford Technology funds.

Reducing Share Premium Account

In line with normal market practice, the company is planning to clear the remaining balance on its share premium account. This has been approved by shareholders in the past, but the Board wishes to clear the amount that accrued from the share issues since that date. Once the process has been completed, this will increase the reserves ultimately available for distribution to shareholders.

Shareholder Approvals

Shareholders are invited to approve the appointment of the new directors, the revised remuneration structure and the reduction in the share premium account at the AGM on 26 August 2015, and the Board encourages you to vote in favour of all the resolutions.

Results

There was a net loss for the period after taxation amounting to £352,000 (2014: loss of £46,000). The profit and loss account includes unrealised gains on fair value of investments of £118,000 (2014: £377,000), less £273,000 loss on disposal (2014: £237,000) and management and other expenses of £205,000 (2014: £200,000).

Share Buy Backs

The Company has the ability to buy back shares but the Directors do not think that is the best use of money, preferring to reserve resources to support our investees. To date this authority has never been exercised and the Directors have no current intention to do so. It is however a useful facility to have and the Company wishes to maintain this policy.

AGM

Shareholders should note that the AGM for the Company will be held on Wednesday 26th August 2015, at the Magdalen Centre, Oxford Science Park, starting at 11am and will include presentations by some of the companies in which the Oxford Technology VCTs have invested. A formal Notice of the AGM has been included at the back of these Financial Statements together with a Form of Proxy for those not attending. We appreciate the input of our shareholders and look forward to welcoming as many of you as possible on the day.

Outlook

The company is now fully invested, with a diverse portfolio of investees. Investments like those made this year into Plasma Antennas and Diamond Hard Surfaces will continue to be made to support developing portfolio companies. However, the focus is now on realising investments at appropriate times and returning proceeds to shareholders by way of dividends. As the portfolio diminishes, attention will remain on managing the company's cost base in line with the size of the portfolio to maximise returns to shareholders.

David Livesley

David Livesley
Chairman
29 June 2015

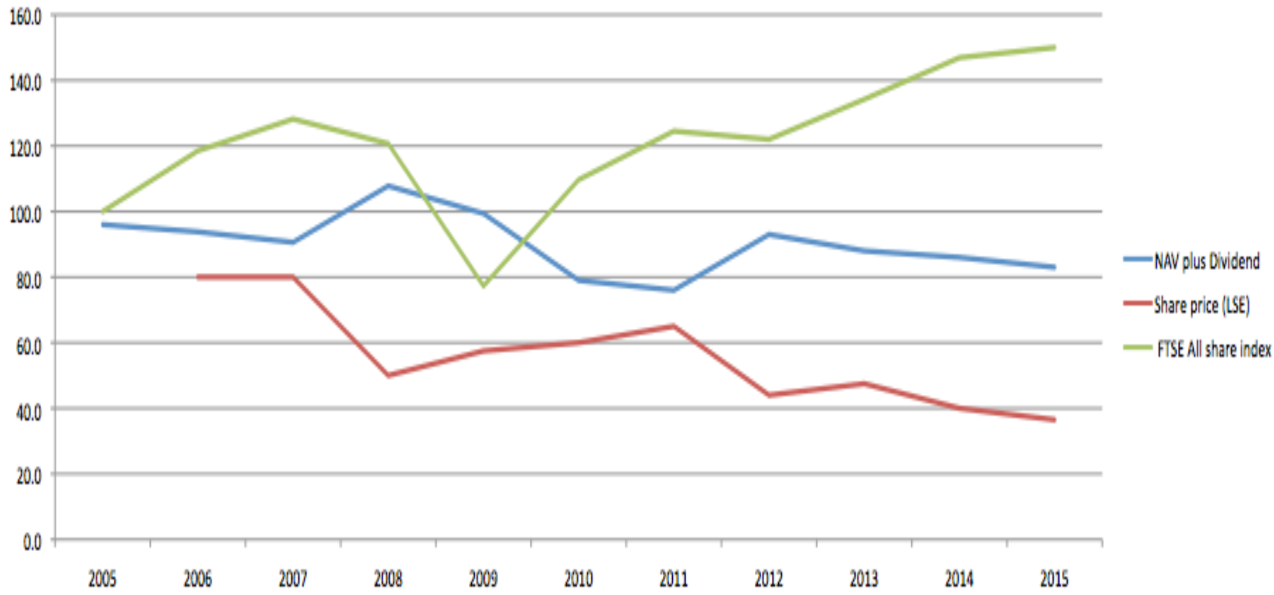
Business Review

Company Performance

The Board is responsible for the Company's investment strategy and performance, although the creation, management and monitoring of the investment portfolio is delegated to the Investment Manager – Oxford Technology Management.

There was a net loss for the period after taxation amounting to £352,000 (2014: loss of £46,000). The profit and loss account includes unrealised gains on fair value of investments of £118,000 (2014: £377,000), less £273,000 loss on disposal (2014: £237,000) and management and other expenses of £205,000 (2014: £200,000).

The graph below compares the NAV return of the Company from 2005 with the total return from the FTSE All-Share Index over the same period, excluding tax benefits. This index is considered to be the most appropriate broad equity market index for comparative purposes. However, the Directors wish to point out that VCTs are not able to make qualifying investments in companies quoted on the Main Market in their observance of VCT rules. All measures are rebased to 100 at the start date of the fund.



Key Performance Indicators

The Board uses a number of performance measures to assess the Company's success in meeting its objectives. Performance, measured by the change in NAV and total return per share, is also measured against the FTSE All-Share index. This is shown in the graph above. This index has been adopted as an informal benchmark. The review of the investment portfolio, on page 10 includes a review of the Company's activities and future prospects.

Risk Management Objectives and Policies

The Board carries out a regular review of the risk environment in which the Company operates.

Investment risk - The majority of investments are early stage unquoted companies which are VCT qualifying holdings. This inherently entails a higher level of risk and lower liquidity than investments in large quoted companies. The Directors sought to reduce this risk through careful selection of potential investee companies prior to investment; the Directors continue to carefully monitor existing investee companies.

VCT qualifying status risk – The Company is required at all times to observe the conditions laid down in the Income Tax Act 2007 for the maintenance of approved VCT status. The loss of such approval could lead to the Company losing its exemption from corporation tax on capital gains, to investors being liable to pay income tax on dividends received from the Company and, in certain circumstances, to investors being required to repay the initial income tax relief on their investment. The Board keeps the Company's VCT qualifying status under regular review.

Financial risk - The Company is exposed to market price risks and to a limited extent to credit risk, liquidity risk, fair value and cash flow interest rate risks. All of the Company's income and expenditure is denominated in sterling and hence the Company has no direct foreign currency risk. The Company does not use derivative financial instruments.

Regulatory risk - The Company is required to comply with the Companies Act, the rules of the UK Listing Authority and United Kingdom Accounting Standards. Breach of any of these might lead to suspension of the Company's Stock Exchange listing, financial penalties or a qualified audit report.

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 exit and dividend strategies. Day to day operations are delegated under agreements with the Investment Manager who has 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, 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. The Board has continued to prepare the financial statements in accordance with UK Financial Reporting Standards rather than International Financial Reporting Standards. This is permitted as the financial statements present the results of an individual company rather than a group.

Gender and Diversity

The Board consists of two male Non Executive Directors. The gender and diversity of the constitution of the Board will be reviewed on an annual basis.

Environmental Policy, Greenhouse Gas Emissions and Human Rights Issues

The Board recognises the requirement under Section 414c of the Companies Act 2006 to detail information about environmental matters (including the impact of the Company's business on the environment), employee, human rights, social and community issues, including information about any policies it has in relation to these matters and effectiveness of these policies.

Given the size and nature of the Company's activities and the fact that it has no employees and only two non Executive directors, the Board considers there is limited scope to develop and implement social and community policies. However, the Company recognises the need to conduct its business in a manner responsible to the environment where possible.

Investment Portfolio Review

OT4 Venture Capital Trust was formed in 2004 and has invested in companies which are start-up or early stage technology companies. Some of these companies failed with the loss of the investment. Some have succeeded and have been sold. Dividends paid to shareholders to date are 17p. The table on pages 11 & 12 shows the companies remaining in the portfolio. A more detailed analysis is given of the top 5 investments.

New Investments in the year

There were three follow on investments during the year. £100,000 in Plasma Antennas as a convertible loan, £70,000 in Diamond Hard Surfaces and £39,000 in MirriAd.

Disposals during the year

Imagineer Systems was sold in January 2015 and OT4 has received £405,333 to date with earn-outs to follow. The sale of Pharma Engineering has yielded a further £141,664 and an additional £53,000 was received from the earnout of the Dexela sale.

Valuation Methodology

Quoted and unquoted investments are valued in accordance with the current industry guidelines which are compliant with International Private Equity and Venture Capital Valuation Guidelines and current financial reporting standards.

VCT Compliance

Compliance with the main VCT regulations as at 28th February 2015 and for the year then ended is summarised as follows:

Type of Investment	**Actual**	**Target**
By HMRC Valuation Rules		Minimum Obligation of
VCT Qualifying Investments	83.7%	70.0%
		Maximum Allowed
Non-Qualifying Investments	16.3%	30.0%
Total	100.0%	100.0%

At least 10% of each investment in a qualifying company is held in 'eligible shares' – Complied
No more than 15% of the income from shares and securities is retained – Complied
No investment constitutes more than 15% of the Company's portfolio (by value at time of investment) – Complied

Table of Investments held by Company at 28 February 2015

Company	Description	Date of initial investment	Net cost of investment £'000	Carrying value at 28/02/15 £'000	Change in value for the year £'000	% equity held by OT4
Glide Technologies	Needle free injectors	Feb 2005	975	1,439	-	5.8
Impact Applications	Mobile software for contractors	Oct 2005	486	1,029	294	49.2
Telegesis	Zigbee technology	Dec 2005	231	974	207	13.3
Select Technology	Photocopier Interfaces	Aug 2006	237	587	129	18.4
Plasma Antennas	Solid state antennas	Mar 2005	448	577	100	24.9
Arecor	Protein stabilization	Jul 2007	291	446	-	6.4
Diamond Hard Surfaces	Diamond coatings	Jan 2005	640	385	112	49.9
OxTox	Rapid drug testing	Dec 2006	262	318	-	4.9
MirriAd	Virtual product placement	Feb 2007	770	304	(395)	2.4
Oxis Energy	Rechargeable batteries	Nov 2005	305	152	-	0.3
Immunobiology	Novel vaccines	Oct 2005	375	150	-	3.9
Dynamic Extractions	Separation technology	Aug 2005	177	113	-	23.2
Abzena Quoted on AIM	Protein based peptide drugs	Jan 2012	42	100	58	0.1
Biosyntha	Microbial technology	Feb 2012	88	98	-	21.4
Novacta	Bioengineering and antibiotics	Apr 2005	347	63	(63)	2.4
Insense	Active wound healing dressings	Apr 2005	476	48	(48)	4.5
Historic Futures	Traceability software	Aug 2005	420	32	(55)	6.2

Company	Description	Date of initial investment	Net cost of investment £'000	Carrying value at 28/02/15 £'000	Change in value for the year £'000	% equity held by OT4
Orthogem	Bone graft material	May 2007	110	15	3	1.7
Naked Objects	Business software	Mar 2006	200	11	-	22.2
Metal Nanopowders	Production of nanopowders	Aug 2006	52	10	-	16.7
Superhard Materials	Very hard materials	Feb 2012	9	9	-	1.2
Totals			**6,941**	**6,860**	**342**	
Other Net Assets				771		
NET ASSETS				**7,631**		
Shares in Issue				11,516		
Net Assets Per Share				**66p**		
Dividends to date				17p		
TOTAL RETURN				**83p**		

Glide Technologies

www.glide-technologies.com

	First Investment	Net Cost	Carrying Value 28/02/2015	Change in Value for the Year	% Equity Held
Glide Technologies	February 2005	£975,001	£1,438,604	-	5.8%

Glide Technologies is a clinical stage technology development company. Glide has developed a novel device and drug delivery technology for the self-administration of injectable therapeutics and the delivery of vaccines in a solid dosage form.

Key manufacturing and preclinical data were generated in 2014 and it is hoped that the first clinical study with octreotide will take place in the first half of 2016. The Glide solid dose injector ('SDI®') has undergone successful human factor and surrogate skin injection studies.

The Company is currently working on several new development projects including:

1. Parathyroid hormone (PTH) which requires a daily self-injection and is for treatment of osteoporosis. In November 2012 the UK BioMedical Catalyst (managed jointly by the Medical Research Council and the Technology Strategy Board) awarded Glide £2.3m to support this development.

2. Anthrax vaccine. This is a development with Pfenex Inc, based in California, as a partner with funding from NIAID (National Institute for Allergy and Infectious Diseases) in the US. At present the US government stockpiles anthrax vaccine in liquid form but in the event of a major attack it will be very difficult to inject a large population (New York, say) with needle and syringe. In addition, the vaccine in liquid form only has a shelf life of c18-24 months before it has to be remanufactured. With the Glide SDI, the population may be vaccinated more easily and in solid format the vaccine should have a significantly longer shelf life.

3. Glide flu vaccine. Feasibility studies are being undertaken on the use of solid dose flu vaccines.

In parallel to progressing its own product pipeline Glide will be looking to attract new pharmaceutical companies who want to develop proprietary drugs and vaccines in the Glide SDI.

The company is valued at the price of the last fundraising round, discounted by 10% to reflect the preferential rights of some other shareholders.

Impact Applications

www.impactresponse.co.uk

	First Investment	Net Cost	Carrying Value 28/02/2015	Change in Value for the Year	% Equity Held
Impact Applications	October 2005	£486,283	£1,028,521	£293,626	49.2%

Impact Applications is valued at 1 x sales of £2m which have been growing steadily. The Company provides software to local authorities, housing associations and their contractors which enables them to manage the tradesmen who maintain and repair their housing stock. One of Impact's clients is a large local authority with 44,000 council houses, and managing the repair and maintenance of all these houses is a major business in its own right.

When a tenant phones to say that a repair is required, ImpactRESPONSE immediately schedules the repair with the appropriate tradesman and sends a text message to the tenant saying when the repair will be done. Each tradesman is issued with his own mobile device (PDA) on which they can then view the job details. For example, "Your first job on Monday morning is to repair three broken windows at 10 Acacia Avenue. You already have two panes of glass on your van – collect another pane from stores en route. Mrs Jones is expecting you in the morning and the repair should take 1h30m (Mrs Jones will have been sent a text message telling her to expect her repairman to arrive between 8am and 12noon.)"

When he completes the job, he can record the materials used, collect a signature on the screen, and instantly report that the job has been finished. There is no paperwork at any stage, and the invoice to the appropriate department can be issued immediately. The tradesman receives details of his next job on his PDA and he can also send a text message to the tenant with his expected arrival time. If he is running late he can update the tenant with a new expected arrival time, and the staff in the back office can see the current status of all jobs in real time. Often this latter feature has had a dramatic effect when ImpactRESPONSE goes live for the first time in a new application; tradesmen who previously filled in fictitious times were exposed.

In March 2015, so after the Company's year end, Impact approached Castleton Technologies plc, which is quoted on AIM, which operates in the same sector, and which is expanding by acquisition. This led to Impact Applications being sold to Castleton on 29 May 2015. OT4VCT received £1.585m in cash and 48,446,978 shares in Castleton, which, at 2.25p were valued at £1.09m at the time. Impact had 22 customers; Castleton sells to c500, so there are significant opportunities for cross-selling. At the date of writing the Castleton's share price had risen to 2.91p, valuing OT4's shares at just over £1.4m.

Telegesis

www.telegesis.com

	First Investment	Net Cost	Carrying Value 28/02/2015	Change in Value for the Year	% Equity Held
Telegesis	December 2005	£230,520	£974,014	£207,314	13.3%

Telegesis designs, manufactures and supplies Zigbee modules. Zigbee is a communications protocol, in the same way that Bluetooth is a communications protocol. Bluetooth is for sending large volumes of data over short distances and is power hungry. Zigbee is for sending small amounts of data over larger distances with very low power consumption. Each Zigbee device can communicate with up to 64,000 other devices up to 1km apart, and the devices automatically configure themselves into a mesh network, with the data hopping from node to node.

The company has been making very good progress with increasing sales year on year and an expanding customer base all over the world. Telegesis has joined Thread, a home automation group founded by Google. The objective is to be able to automate everything in the home, using the internet of things. If Zigbee becomes the protocol, then Telegesis will be well-placed to benefit.

The company is valued at 1.5 times annualised sales of £4.9m.

Select Technology

www.selectec.co.uk

	First Investment	Net Cost	Carrying Value 28/02/2015	Change in Value for the Year	% Equity Held
Select Technology	August 2006	£236,703	£587,079	£128,523	18.4%

Select Technology specialises in software for photocopiers, (now known as MFDs – Multi-function devices – since they scan, fax, email and do other tasks in addition to photocopying.) There are two strands to the business. First, writing software which sits at the heart of MFDs and which greatly improve the user experience, enabling users to access all software programs to which they are entitled with a single sign on, and giving these programs the same 'look and feel'. Second, Select is the European distributor for Papercut, world-leading print-management software.

As with computers in the 1980s, MFD hardware has become a commodity product with little to chose between the offerings of most companies. Increasingly, what makes customers choose one make in preference to another is the quality and ease of use of the many software programs which run on them. Most MFDs will be on networks, so that, for example, a user may scan a document in London and print it out in New York and Tokyo. The accounting software will need to determine how the cost of this is allocated. Different users will have different usage rights to the software. The MFDs will need to identify users and some will use cards, other PIN numbers, and other biometric scans. Getting everything to work together, and giving all everyone a good user experience is non-trivial, which is why there is a need for Select, which has specialised in this area for many years.

It has taken a long time, but Select's financial performance is now improving and sales are increasing. The company is valued at 1 x sales of £3.2m.

Plasma Antennas

www.plasmaantennas.com

	First Investment	Net Cost	Carrying Value 28/02/2015	Change in Value for the Year	% Equity Held
Plasma Antennas	March 2005	£447,562 (Loan £100k)	£576,694	£100,000	24.9%

Plasma Antennas has developed a range of next-generation smart selectable multi-beam antenna technologies for small cell backhaul, broadband wireless access, mesh network and other communications and sensing applications. Based on a set of patented beamforming technologies, these high-performance electronically-steerable antennas are extremely lightweight and compact.

The company is at a very interesting point in its development. Having specialised in very high-end antennas (at up to £50,000 each) for military applications, it is now attracting a great deal of interest from mobile phone operators and trials are in progress with BliNQ, Vodafone and Airspan.

The company is valued at the last fundraising share price of 45p per share. OT4 made a further investment of £100,000 in November 2014 as a convertible loan.

Lucius Cary
Director
Oxford Technology Management
Investment Manager
29 June 2015

Board of Directors

David Livesley
Chairman – Age 54

David Livesley is the Chairman of OT4. He worked in the life science and pharmaceutical industries before joining Cambridge Consultants Ltd in 1987, where he was involved in product and process development across a range of industrial sectors.

Between 1999 and 2012 he worked for the YFM Group, a Venture Capital Fund Manager where he specialised in investments in early stage technology companies. He currently works as an independent Non-Executive director for a number of early stage technology businesses.

Lucius Cary
Director – Age 68

Lucius is the founder and managing director of Oxford Technology Management Ltd which is the Investment Manager for OT4.

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.

By 2005, OTM had managed or advised ten seed capital funds, including the Oxford Technology VCTs which, between them, have made some 100 investments in early stage and start-up technology companies. In 2003, he was awarded an OBE for services to business and in 2004 was awarded the Judges Award at Investors Allstars, for his contribution over many years to early stage investing.

Lucius Cary is an investor in Select Technology from the OT4 portfolio. He is also a Director of Oxford Technology 2 VCT which has some shared investments with OT4, Director of Superhard Materials and Director of Diamond Hard Surfaces.

Directors' Report

The Directors present their report together with financial statements for the year ended 28 February 2015.

This report has been prepared by the Directors in accordance with the requirements of s415 of the Companies Act 2006. The Company's independent auditor is required by law to report on whether the information given in the Directors' Report is consistent with the financial statements.

Principal Activity

The Company commenced business in 2004. The Company invests in start-up and early stage technology companies in general located within 60 miles of Oxford. The Company has maintained its approved status as a Venture Capital Trust by HMRC.

Directors

The Directors of the Company are required to notify their interests under Disclosure and Transparency Rule 3.12R. The present membership of the board and their beneficial interests in the ordinary shares of the Company at 28 February 2015 and at 28 February 2014 are set out below:

Name	2015	2014
D Livesley	3,499	3,499
L Cary	55,661	55,661

Under the Company's Articles of Association one third of Directors are required to retire by rotation each year. As explained in the Chairman's Statement, Lucius Cary will not be seeking re-appointment at the forthcoming AGM. David Livesley was re-elected to the Board at the AGM in 2014. The new Directors who are due to be appointed to the Board in July will all be up for election and approval by shareholders.

Statement as to Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information (as described in Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' and Officers' Insurance

The Company has maintained insurance cover on behalf of the Directors, indemnifying them against certain liabilities which may be incurred by them in relation to their duties as Directors of the Company.

Whistleblowing

The Board has been informed that the Investment Manager has arrangements in place in accordance with the UK Corporate Governance Code's recommendations by which staff of the Manager or Secretary of the Company may, in confidence, raise concerns within their respective organisations about possible improprieties in matters of financial reporting or other matters.

Bribery Act 2010

The Company is committed to carrying out business fairly, honestly and openly. The Investment Manager has established policies and procedures to prevent bribery within its organisation. The Directors are closely involved in the day-to-day management of the Company, thus ensuring that they learn of any questionable practices as and when they arise.

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 website provides information on all of the Company's investments, as well as other information of relevance to shareholders (**www.oxfordtechnology.com/vct4**).

Shareholders have the opportunity to meet the Board at the Annual General Meeting. In addition to the formal business of the AGM the Board is available to answer any questions a shareholder may have.

The Board is also happy to respond to any written queries made by shareholders during the course of the year and can be contacted at the Company's registered office: The Magdalen Centre, Oxford Science Park, Oxford OX4 4GA.

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 in preparing the financial statements.

Substantial Shareholders

At 28 February 2015, the Company has been notified of one investor whose interest exceeds three percent of the Company's issued share capital – Oxfordshire County Council Pension Fund (8.9%). The Directors shareholdings are listed above.

Auditors

James Cowper Kreston offer themselves for reappointment in accordance with Section 489 of the Companies Act 2006.

David Livesley

On behalf of the Board
David Livesley - Director
29 June 2015

Directors’ Remuneration Report

Introduction

This report has been prepared by the Directors in accordance with the requirements of the Companies Act 2006. The Company’s independent auditor, James Cowper Kreston, is required to give its opinion on certain information included in this report. This report includes a statement regarding the Directors’ remuneration policy. Resolutions to approve the Directors’ remuneration report and policy will be proposed at the Annual General Meeting on 26 August 2015.

A policy was approved at the AGM on 27 August 2014, together with the resolution regarding the directors’ remuneration report for the year ended 28 February 2014 on a show of hands, which reflected overwhelming support amongst proxies submitted.

This report sets out the Company’s forward looking Directors’ Remuneration Policy, and the Annual Remuneration Report which describes how this policy has been applied during the year.

Directors’ Terms of Appointment

The Board consists entirely of non-executive Directors who meet at least 4 times a year and on other occasions as necessary to deal with important aspects of the Company’s affairs. Directors are appointed with the expectation that they will serve for at least three years, and are expected to devote the time necessary to perform their duties. All Directors retire at the first general meeting after election and thereafter every third year, with at least one director standing for election or re-election each year. Re-election will be recommended by the Board but is dependent upon shareholder vote. Directors who have been in office for more than 9 years will stand for annual re-election in line with the AIC Code. There are no service contracts in place, but Directors have a letter of appointment.

Directors’ Fees

The Board acts as the Remuneration Committee and meets annually to review Directors’ pay to ensure it remains appropriate given the need to attract and retain candidates of sufficient calibre and ensure they are able to devote the time necessary to lead the Company in achieving its strategy. The Board has not engaged any third party consultancy services but carefully considers the opinions of other Oxford Technology VCT fund directors.

Given the proposed introduction of a common board across the four Oxford Technology VCTs, the additional focus on effective corporate governance (as outlined in the Chairman’s statement) and the greater involvement of the Directors in the day-to-day running of the VCT, the Remuneration Committee has proposed a revised fee structure. This new fee structure also takes into account the additional responsibilities and workload for the Company Chairman and responsibilities within the Audit Committee.

In proposing the revised levels to the Board, the Remuneration Committee took note of a report providing an extensive analysis of fees paid by the rest of the VCT industry, with particular focus on other VCTs managed in a similar manner to the Company, and other relevant information. They were also mindful of the low cost philosophy of the Oxford Technology VCTs and fund affordability. Fees continue to be amongst the lowest in the industry. During the process a range of stakeholders including retiring board members from several of the Oxford Technology VCTs were consulted to provide expertise and input to reach a balanced recommendation.

As the levels and structure of remuneration have been modified, the Directors consider that this once again requires shareholder approval, as Shareholders must now vote on the remuneration policy every three years, or sooner if the Company wants to make changes to it.

The Articles of Association of the company state that the aggregate of the remuneration (by way of fee) of all the Directors shall not exceed £50,000 per annum unless otherwise approved by ordinary resolution of the Company. Following the changes outlined above, the following Directors' fees will be payable by the Company with effect from 1 July 2015, the date of the proposed implementation of the Common Board:

	per annum
Director Base Fee	£3,500
Chairman's Supplement	£2,000
Audit Committee Chairman	£3,000
Audit Committee Member	£1,500

David Livesley will continue to chair the Company. Richard Roth will chair the Audit Committee, with Robin Goodfellow as a member of the Committee. As the VCT will be self-managed after implementation of the new structure, the Audit Committee will be carrying out a particularly important role for the VCT and will play a greater part in the production of the annual accounts compared to recent years.

These figures compare to the previous individual fee of £7,500 per annum for each director independent of the manager and £2,500 per annum for Lucius Cary, who was a director of the Company up until 26 August 2014.

The directors may at their discretion pay additional sums in respect of specific tasks carried out by individual Directors on behalf of the Company.

Fees are currently paid annually. The fees are not specifically related to the Directors' performance, either individually or collectively. No expenses are paid to the Directors. There are no share option schemes or pension schemes in place but Directors are entitled to a share of the carried interest as detailed below.

The performance incentive fee is described in the Chairman's Statement. As mentioned there, current directors are entitled to benefit from any payment made, subject to a formula driven by relative lengths of service. The performance fee becomes payable if a certain cash return hurdle to shareholders is exceeded – the excess is then subject to a 20% carry that is distributed to Oxford Technology Management, past directors and current directors; the remaining 80% is returned to shareholders. At 28 February 2015 the cash return to shareholders would have had to have been in excess of 100.0p for a performance fee to have been payable. If a performance fee is not triggered (as it was not in this financial year) the hurdle, net of dividends paid, increments by a compound annual growth rate of 6%, applied quarterly.

Should the new director appointments as outlined in the Chairman's Statement go ahead as planned and any fee be payable at the end of the year to 29 February 2016, Alex Starling, Richard Roth and Robin Goodfellow would each receive 0.11% of any amount over the hurdle, whilst David Livesley would be entitled to 1.16%. No performance fee is payable for the year ending 28 February 2016 unless original shareholders have received back at least £1.05 in cash for each £1 (gross) invested; no forecast is implied that the hurdle will be reached in the year to 29 February 2016.

Relative Spend on Directors' Fees

The Company has no employees, so no consultation with employees or comparison measurements with employee remuneration are appropriate.

Loss of Office

In the event of anyone ceasing to be a Director, for any reason, no loss of office payments will be made. There are no contractual arrangements entitling any Director to any such payment.

Directors' Emoluments

As outlined in the Chairman's statement, it is proposed to appoint Alex Starling, Richard Roth and Robin Goodfellow to the Board of OT4 on 1 July 2015. Lucius Cary is not expecting to stand for re-election at this year's AGM. The Directors consider it helpful to shareholders to therefore set out the full expected cost for Director's emoluments for the year to 29/2/16. Given the partial year timing for the creation of the Common Board, they have also set out the expected remuneration for each director for the year ended 28/2/17, all other things being equal.

Directors' Fees	**Year End 28/02/17** (unaudited)	**Year End 29/02/16** (unaudited)	**Year End 28/02/15** (audited)	**Year End 28/02/14** (audited)
Alex Starling	£3,500	£2,333	-	-
Richard Roth	£6,500	£4,333	-	-
Lucius Cary	-	£1,250	£2,500	£2,500
Robin Goodfellow	£5,000	£3,333	-	-
David Livesley	£5,500	£6,167	£7,500	£7,500
Total	**£20,500**	**£17,416**	**£10,000**	**£10,000**

Prior to his appointment as an OT4 director Richard Roth received a one off payment of £2,000 as compensation for executive work undertaken in relation to setting up of the common board structure.

Corporate Governance

The Board considers that reporting against the principles and recommendations of the Association of Investment Companies Code of Corporate Governance (the "AIC Code") and additionally where applicable by reference to the UK Corporate Governance Code (the "Code") will provide better information for shareholders than reporting against the Code alone.

For the reasons set out in the AIC Code and as envisaged in the Code, the Board considers certain provisions as not being relevant to the position of the Company as it is an investment company. The Company has no executive directors or employees. The Company has therefore not reported further in respect of these issues.

The Company has complied throughout the period with the provisions in Section 1 of the Code except that:

1 The Board has no nominated Senior Independent Director (Code A4.1)

2 The Board as a whole performs the functions of the Nomination Committee (Code B.2.1) and no formal terms of reference for such a Committee have been adopted.

3 The Board are not appointed for a specified term (Code B2.3).

4 Due to the size of the Board and the nature of the Company's business, a formal performance evaluation process of the Board is not deemed appropriate at this time. Specific performance issues will be dealt with as they arise and the Directors continue to be accountable to each other (Code B6).

5 The Board as a whole performs the functions of the Audit Committee (Code C3.1)

6 The Board as a whole performs the functions of the Remuneration Committee (Code D2.1)

The Company is committed to maintaining high standards in corporate governance. The Board acknowledges that it is responsible for the Company's system of internal control and for reviewing its effectiveness. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board consists of two non-executive directors, David Livesley and Lucius Cary. 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 Code.

The Board meets regularly, at least four times a year and between these meetings maintains very regular contact with the Investment Manager. The following table sets out the Directors' attendance at the formal Board and Committee meetings held during the year.

Director Name	Board Meetings Attended 6 Held in year	Audit Committee Meetings Attended 2 Held in year
David Livesley	6	2
Lucius Cary	6	2

The Investment Manager prepares a written report on the performance of the fund in advance of Board meetings and this is circulated to all members of the Board. In addition, the directors are free to seek any further information they consider necessary. All directors have access to the Company Secretary and independent professionals at the Company's expense. The 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 which sets out the matters over which the Investment Manager has authority and the limits above which Board approval must be sought. All other matters are reserved for the approval of the Board.

The Board ensures the independence and objectivity of the external auditors. This includes reviewing the nature and extent of non-audit services supplied by the external auditors to the company, seeking to balance objectivity and value for money. None of the directors has a service contract with the Company, but they do have letters of appointment (copies of which may be obtained by shareholders on request). 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.

Conflicts of Interest

The Board has always considered carefully all cases of possible conflicts of interest, as and when they arise. For example, every time one of the Oxford Technology VCTs (OTVCTs) makes an investment in which another OTVCT is an investor, there is a potential conflict of interest. The general policy is that there is complete transparency and all interests in every situation are declared and known to all, so that practical and sensible decisions can be taken.

Audit Committee

The role of the Audit Committee is discharged by the Board. Their report along with the terms of reference is given below.

Nomination Committee

The role of the Nomination Committee is discharged by the Board. The Board considers the selection and appointment of Directors and makes recommendations to the Board as to the level of Directors' fees. New Directors are selected as part of a rigorous selection process involving interviews with the existing board, the Investment Manager and shareholder representatives

The Board's policy is to promote diversity (including gender diversity).

Compliance Statement

The Listing Rules require the Board to report on compliance with the UK Corporate Governance Code provisions throughout the accounting year. The preamble to the Code does, however, acknowledge that some provisions may have less relevance for investment companies. The Company has complied throughout the year with the provisions set out in the Code, except as outlined above.

James Gordon
Company Secretary
29 June 2015

Audit Committee Report

This report is submitted in accordance with The UK Corporate Governance Code and describes the work of the Audit Committee in discharging its responsibilities. The Audit Committee has identified and considered the key areas of risk in relation to the business activities and financial statements of the Company, reviewing and making recommendations to the Board. Any issues arising are discussed with the Investment Manager and the auditor.

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

- reviewing and making recommendations to the Board in relation to the Company's published financial statements

- to challenge where necessary, the actions and judgments of management in relation to the Company's financial statements, operating and financial review, interim reports, preliminary announcements and related formal statements

- to monitor the integrity of the Company's internal financial controls

- to ensure that the auditors have direct access to the Board Chairman and Audit Committee

- to consider and make recommendations on the appointment, reappointment and removal of the external auditor; to approve the terms of engagement and the remuneration to be paid to the external auditor in respect of audit services provided and to assess the effectiveness of the audit

- ensuring that the Investment Manager has arrangements in place for the investigation and follow-up of any concerns raised confidentially by staff in relation to propriety of financial reporting or other matters

As part of the process of working with the Board to maximise effectiveness, meetings of the Committee usually take place immediately prior to the Board meeting and a report is provided on relevant matters to enable the Board to carry out their duties.

Reviewing the Audit plan during this financial year the Committee has reviewed the non audit services provided by the external auditor, James Cowper Kreston and is happy to recommend their reappointment. Once the Committee has made a recommendation to the Board in relation to the appointment of the external auditor, this is then ratified at the AGM through an Ordinary Resolution.

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

The Audit Committee has reviewed the Investment Manager's statement of internal controls in relation to the Company's business and assessing the effectiveness of those controls in minimising the impact of key risks. The Compliance Procedure of the Company is also reviewed on a quarterly basis. In light of the fact that there is only one independent non-executive Director, the committee also takes advice from external sources. Methuen Consulting is used as an advisor for Financial Services Compliance. Beaumont Cornish is used as Corporate and Regulatory advisor for the London Stock Exchange and a Chartered Management Accountant team at Positive Outlook for financial advice.

The Directors have met quarterly to assess the appropriateness of the estimates and judgements made by the Investment Manager in the investment valuations. The Company's investments are predominantly in unlisted securities which can be difficult to value and requires the application of skill, knowledge and judgement by the Board and Audit Committee. The methodologies used are those set out in the international Private Equity and Venture Capital Valuation guidelines.

The Investment Manager now prepares a document confirming that all VCT rules are met before making any new investments.

The Committee have considered the whole report and accounts for the year ended 28 February 2015 and have reported to the Board that they consider them to be fair, balanced and understandable providing the information necessary for shareholders to assess the Company's performance.

Significant Risks

The Audit Committee is responsible for considering and reporting on any significant risks that arise in relation to the audit of the financial statements. The Committee and the Auditors have identified the most significant risks for the Company as:

- Valuation of investment portfolio: The Auditor gives special audit consideration to the verification of the existence of investments, their valuation and supporting data provided by the Investment Manager. The impact of this risk would be a large gain or loss in the Company's results. The valuations are supported by investment company accounts and third party evidence, whilst ownership of the assets was also confirmed. These give comfort to the Audit Committee.

- Management override of financial controls. The Auditor specifically reviews all significant accounting estimates that form part of the financial statements and considers any material judgements applied by management during the completion of the financial statements.

- Compliance with relevant legislation. The Auditor reviewed adherence with the Listing Rules, HMRC rules and VCT Regulations, and no issues of non-compliance were identified.

These topics were discussed with Oxford Technology Management and the Auditor at the conclusion of the audit of the financial statements.

David Livesley
Audit Committee Chairman
29 June 2015

Directors' Responsibility Statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare financial statements in accordance with United Kingdom GAAP (United Kingdom Accounting Standards and Applicable Law). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements and the Directors' Remuneration Report comply with the Act.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors confirms that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom GAAP (United Kingdom Accounting Standards and Applicable Law), give a true and fair view of the assets, liabilities, financial position and loss of the Company; and
- the Strategic Report and the Report of the Directors include a fair review of the development and performance of the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board
David Livesley
Director
29 June 2015

Report of the Independent Auditor

We have audited the financial statements of Oxford Technology 4 Venture Capital Trust plc for the year ended 28 February 2015 which comprise the income statement, balance sheet, cash flow statement, accounting policies and related notes. We have also audited the information set out in the Directors' Remuneration Report that is described as having been audited. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Directors and auditors

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

Scope of the audit of the financial statements

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

Auditor Commentary

An overview of the scope of our audit

Our audit approach was based on a thorough understanding of the Company's business and is risk-based. The day-to-day management of the Company's investment portfolio, the custody of its investments and the maintenance of the Company's accounting records is outsourced to third-party service providers. Accordingly, our audit work is focussed on obtaining an understanding of, and evaluating, internal controls at the Company and the third-party service providers, and inspecting records and documents held by the third-party service providers. We undertook substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls over individual systems and the management of specific risks.

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in evaluating the effect of any identified misstatements and in forming our opinion. For the purpose of determining whether the financial statements are free from material misstatement we define materiality as the magnitude of a misstatement or an omission from the financial statements or related disclosures that would make it probable that the judgement of a reasonable person, relying on the information would have been changed or influenced by the misstatement or omission. We also determine a level of performance materiality which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

We established materiality for the financial statements as a whole to be £138,000 which is 2% of the value of the Company's investment portfolio. For income and expenditure items we determined that misstatements of lesser amounts than materiality for the financial statements as a whole would make it probable that the judgement of a reasonable person, relying on the information would have been changed or influenced by the misstatement or omission. Accordingly, we established materiality for revenue items within the income statement to be £2,000.

Our assessment of risk

Without modifying our opinion, we highlight the following matters that are, in our judgement, likely to be most important to users' understanding of our audit. Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual transactions, balances or disclosures.

Valuation of unquoted investments

Investments are the largest asset in the financial statements, and they are designated as being at fair value through profit or loss in accordance with FRS 26, "Financial instruments: recognition and measurement". Measurement of the value of an unquoted investment includes significant assumptions and judgements. We therefore identified the valuation of unquoted investments as a risk that has the greatest effect on the overall audit strategy.

Our audit work included, but was not restricted to, obtaining an understanding of how the valuations were performed, consideration of whether they were made in accordance with published guidance, discussions with the investment manager, and reviewing and challenging the basis and reasonableness of the assumptions made by the investment manager in conjunction with available supporting information. The Company's accounting policy on the valuation of unquoted investments is included in note 1, and its disclosures about unquoted investments held at the year end are included in note 7.

Revenue recognition

Investment income is the Company's main source of revenue and is recognised when the Company's right to the return is established in accordance with the Statement of Recommended Practice.

Our audit work included, but was not restricted to a detailed review of those sources of income recorded in the financial statements and further consideration of other potential sources of income. The Company's accounting policy on income is included in note 1 and its disclosures about income are included in note 2.

Management override of financial controls

The Company operates a system of financial controls to mitigate its vulnerability to fraud and its financial statements to material error and is reliant upon the efficacy of these controls to ensure that its financial statements present a true and fair view.

The financial statements contain a number of significant accounting estimates that require an element of judgement on behalf of management and that are, therefore, potentially open to manipulation.

Our audit work included, but was not restricted to, a review of all significant management estimates and detailed consideration of all material judgements applied during the completion of the financial statements. We also reviewed material journal entries processed by management during the period. The Company's principal accounting policies are included in note 1.

Compliance with laws and regulations

The company is required to observe the conditions laid down by the Income Tax Act 2007 for the maintenance of approved VCT status.

Our audit work included but was not restricted to a review of those rules central to the Company's ongoing status as a VCT and review of relevant correspondence with HMRC.

Opinion on financial statements

In our opinion the financial statements:
- give a true and fair view of the state of the Company's affairs as at 28 February 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:
- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006;
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the information given in the Corporate Governance statement with respect to internal control and risk management systems and about share capital structures is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the listing rules we are required to review:
- the information given in the Report of the Directors in relation to going concern; and
- the part of the Corporate Governance statement relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review.

Alan Poole BA (Hons) FCA Senior Statutory Auditor
For and on behalf of
James Cowper Kreston
Chartered Accountants and Statutory Auditors
Oxford
29 June 2015

Income Statement

		Year to 28 February 2015			Year to 28 February 2014		
	Notes	Revenue	Capital	Total	Revenue	Capital	Total
		£'000	£'000	£'000	£'000	£'000	£'000
(Loss) on disposal of investments		-	(273)	(273)	-	(237)	(237)
Unrealised gain on fair value		-	118	118	-	377	377
Other income	2	8	-	8	14	-	14
Investment management fees	3	-	(159)	(159)	-	(161)	(161)
Other expenses	4	(46)	-	(46)	(39)	-	(39)
Return on ordinary activities before tax		(38)	(314)	(352)	(25)	(21)	(46)
Taxation on return on ordinary activities	5	-	-	-	-	-	-
Return on ordinary activities after tax		(38)	(314)	(352)	(25)	(21)	(46)
Earnings per share – basic and diluted	6	(0.4)p	(2.7)p	(3.1)p	(0.2)p	(0.2)p	(0.4)p

The 'Total' column of this statement is the profit and loss account of the Company, the supplementary revenue and capital columns have been prepared under guidance published by the Association of Investment Companies.

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

The accompanying notes are an integral part of the financial statements.

Reconciliation of Movement in Shareholders' Funds

	Year Ended 28 February 2015 £'000	Year Ended 28 February 2014 £'000
Shareholders' funds at start of year	7,983	8,029
Return on ordinary activities after tax	(352)	(46)
Dividends paid	-	-
Shareholders' funds at end of year	**7,631**	**7,983**

Balance Sheet

	Notes	Year to 28 February 2015 £'000	£'000	Year to 28 February 2014 £'000	£'000
Fixed Asset Investments at fair value	7		6,860		7,096
Current Assets					
Debtors	8	158		468	
Cash at Bank		709		472	
Total		867		940	
Creditors: amounts falling due in less than 1 year		(43)		(53)	
Net Current Assets			824		887
Creditors: amounts falling due after more than 1 year			(53)		-
Net Assets			**7,631**		**7,983**
Called up equity share capital			1,152		1,152
Share Premium			813		813
Unrealised Capital Reserve			255		496
Profit and Loss Account Reserve			5,411		5,522
Total Equity Shareholders' Funds			**7,631**		**7,983**
Net Asset Value Per Share			**66p**		**69p**

The accompanying notes are an integral part of the financial statements.

The statements were approved by the Directors and authorised for issue on 29 June 2015 and are signed on their behalf by:

David Livesley

David Livesley
Director

Cash Flow Statement

	Year Ended 28 February 2015 £'000	Year Ended 28 February 2014 £'000
Net cash outflow from operating activities	(12)	(137)
Financial investment		
Purchase of investments	(209)	(105)
Disposal of investments	458	308
Dividends paid	-	-
Increase in cash at bank	**237**	**66**

Reconciliation of Net Cash Flow to Movement in Net Funds

	Year Ended 28 February 2015 £'000	Year Ended 28 February 2014 £'000
Increase/decrease in cash at bank	237	66
Opening net funds	472	406
Net funds at 28 February 2015	**709**	**472**

Reconciliation of Operating Profit/(Loss) before Taxation to Cash Flow from Operating Activities

	Year Ended 28 February 2015 £'000	Year Ended 28 February 2014 £'000
Return on ordinary activities before tax	(352)	(46)
Loss on disposal of investments	273	237
(Gain) on valuation of investments	(118)	(377)
Decrease in debtors	309	207
Increase in creditors	43	36
Movement in investment debtors and creditors	(167)	(194)
Outflow from operating activities	**(12)**	**(137)**

Notes to the Financial Statements

1. Principal Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention except for the measurement at fair value of certain financial instruments, and in accordance with UK Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice (SORP) 'Financial Statements of Investment Trust Companies' (revised 2009).

Investments

The company invests in financial assets with a view to profiting from their total return through income and capital growth. These investments are managed and their performance is evaluated on a fair value basis. Accordingly as permitted by Financial Reporting Standard 26 (FRS 26) the investments are designated as fair value through profit and loss. Unrealised gains or losses on valuation are recognised through the income statement.

Valuation of Investments

Quoted investments are stated at the bid price. Unquoted investments are stated at fair value, where fair value is estimated after following the guidelines laid down by the International Private Equity and Venture Capital Guidelines. The Directors' policy is to initially state investments at cost and then to review the valuation every three months. The Directors may then apply an appropriate methodology which, as far as possible, draws on external, objective market data such as where fair value is indicated by:

- a material arms length transaction by a third party in the shares of the company, with discounting for more junior asset classes, and reviewed for impairment; or

- a suitable revenue or earnings multiple where the company is well established and generating maintainable profits. The multiple will be based on comparable listed companies but may be discounted to reflect a lack of marketability; or

- the net assets of the business.

Where such objective data is not available the Directors may choose to maintain the value of the company as previously stated or to discount this where indicated by underperformance against plan.

The Directors consider that this basis of valuation of unquoted investments is consistent with the International Private Equity and Venture Capital Guidelines.

The preparation of the financial statements requires the Board to make judgments and estimates that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates and assumptions mainly relate to the fair valuation of the fixed asset investments particularly unquoted investments. Estimates are based on historical experience and other assumptions that are considered reasonable under the circumstances. The estimates and the assumptions are under continuous review with particular attention paid to the carrying value of the investments.

Deferred Tax

Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the company was approved as a Venture Capital Trust during the current year. HMRC has approved the company as a Venture Capital Trust for the purpose of Section 259 of the Income Tax Act 2007. The approval was given in the financial period ended 28 February 2004 and the company has subsequently directed its affairs so as to enable it to continue to be approved.

2. Income

Income represents realised gains on the disposal of investments along with dividends and interest receivable on cash deposits and loans. Dividends receivable on unquoted equity shares are brought into account when the company's right to receive payment is established and there is no significant 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 significant 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.

	Year Ended 28 February 2015 £'000	Year Ended 28 February 2014 £'000
Interest receivable	1	1
Loan note interest receivable	7	13
Total	8	14

3. Investment Management Fees

Expenses are charged wholly to revenue with the exception of the investment management (including any performance fee) which has been charged 100% to the capital return.

	Year Ended 28 February 2015 £'000	Year Ended 28 February 2014 £'000
Investment management fee	159	161
Total	159	161

In the year to 28 February 2015 (and previous financial years), the manager received a fee of 2% of the net asset value as at the previous year end. As indicated in the Chairman's statement, the

Board have agreed with Oxford Technology Management that as from 1 March 2015, this will be reduced to 1.0% of net asset value as at the previous year end.

The Manager had agreed to defer 25% of the management fee to which he was contractually entitled (ie 0.5% of net assets) until such a time when the finances of the Company made this payment more affordable. As part of the revised agreement with effect from 1 March 2015 (where the ongoing management fee with OTM has been halved), the Board have agreed to pay over the deferred balance over a 36 month period.

In all previous years to 28 February 2015, a performance incentive has been payable to the Investment Manager once the original shareholders have received back £1.00 in cash for each £1 (gross) invested. Each extra £1 distributed goes 80p to the shareholder and 20p to the beneficiaries of the performance incentive fee, of which Oxford Technology Management receives 15p. As reported in the Chairman’s statement, the hurdle of £1.00 will now been increased, by compounding that portion that remains to be paid to shareholders by 6% per annum. with effect from 1 March 2015.

Expenses are, and remain, capped at 3%, including the management fee but excluding Directors’ fees and any performance fee.

4. Other Expenses

All expenses are accounted for on an accruals basis. All expenses are charged through the profit and loss 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.

	Year Ended 28 February 2015 £’000	**Year Ended 28 February 2014 £’000**
Directors’ remuneration	10	10
Auditors’ remuneration	7	5
Legal and professional expenses	10	6
Accounting and admin expenses	4	1
Other expenses	15	17
Total	46	39

5. Tax on Ordinary Activities

Corporation tax payable is applied to profits chargeable to corporation tax, if any, at the current rate. The corporation tax charge for the period was £nil (2014: nil)

	Year Ended 28 February 2015	Year Ended 28 February 2014
Return on ordinary activities before tax	(352)	(46)
Current tax at standard rate of taxation	(74)	(9)
Unrecognised tax losses	74	9
Total current tax charge	-	-

Unrelieved management expenses of £1,760,814 (2014: £1,562,940) remain available for offset against future taxable profits.

6. Earnings per Share

The calculation of earnings per share (basic and diluted) for the period is based on the net loss of £352,000 (2014: loss of £46,000) attributable to shareholders divided by the weighted average number of shares 11,516,946 (2014: 11,516,946) in issue during the period.

There are no potentially dilutive capital instruments in issue and, therefore, no diluted returns per share figures are relevant. The basic and diluted earnings per share are therefore identical.

7. Investments

Fixed asset investments are valued at fair value. Unquoted investments are carried at fair value as determined by the Directors in accordance with current venture capital industry guidelines. Purchases and sales of investments are recognised in the financial statements at the date of the transaction.

Where financial instruments are measured in the balance sheet at fair value, FRS 29 requires disclosure of the fair value measurements by level based on the following fair value investment hierarchy.

Level 1: quoted prices in active markets for identical assets and liabilities. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held is the current bid price. These instruments are included in level 1 and comprise AIM quoted investments 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 data where it is available and rely as little as possible on entity-specific estimates.

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

	AIM quoted investments Level 1 £'000	**Unquoted investments Level 3 £'000**	**Total investments £'000**
Valuation and net book amount:			
Book cost as at 28 February 2014	-	6,956	6,956
Cumulative revaluation	-	140	140
Valuation at 28 February 2014	-	7,096	7,096
Movement in the year:			
Purchases at cost	-	209	209
Redeemed/Disposed	-	(204)	(204)
IPO during year at 28/2 valuation	44	(44)	-
Revaluation in year	56	(297)	(241)
Valuation at 28 February 2015	**100**	**6,760**	**6,860**
Book cost at 28 February 2015	42	6,919	6,961
Revaluation to 28 February 2015	58	(159)	(101)
Valuation at 28 February 2015	**100**	**6,760**	**6,860**

8. Debtors

	28 February 2015 £'000	**28 February 2014 £'000**
Prepayments & accrued income	2	3
Deferred consideration from sales of investments	156	465
Total	**158**	**468**

9. Creditors : amounts falling due in less than one year

	28 February 2015 £'000	28 February 2014 £'000
Other creditors	16	14
Investment management fee accrual	27	39
Total	**43**	**53**

10. Creditors: amounts falling due in more than one year

	28 February 2015 £'000	28 February 2014 £'000
Investment Management Fee accrual	53	-
Total	**53**	**-**

The Investment Manager, OTM, has previously deferred 0.5% of fees as detailed in Note 3 and these will now be paid to OTM between March 2015 and February 2018.

11. Share Capital

	28 February 2015 £'000	28 February 2014 £'000
Authorised:		
15,000,000 ordinary shares of 10p each	1,500	1,500
Total Authorised	1,500	1,500
Allotted, called up and fully paid:		
11,516,946 (2014: 11,516,946) ordinary shares of 10p each	1,152	1,152

12. Reserves

When the Company revalues its investments during the period, any gains or losses arising are credited/charged to the income statement. Changes in fair value of investments held are then transferred to the unrealised capital reserve. When an investment is sold any balance held on the unrealised capital reserve is transferred to the profit and loss account reserve as a movement in reserves.

	Share Premium Account £'000	**Unrealised Capital Reserve £'000**	**Profit and Loss Account Reserve £'000**
At 1 March 2014	813	496	5,522
Return on ordinary activities after tax	-	118	(470)
Prior years unrealised losses now realised	-	(359)	359
Valuation at 28 February 2015	**813**	**255**	**5,411**

The Company's distributable reserves are represented by the profit and loss account reserve which totals £5,411,000 as at 28 February 2015 (£5,522,000 as at 28 February 2014).

13. Financial Instruments

The Company's financial instruments comprise equity and loan note investments and cash balances including debtors and creditors. The Company holds financial assets in accordance with its investment policy of investing mainly in a portfolio of VCT – qualifying quoted and unquoted securities whilst holding a proportion of its assets in cash or near cash investments in order to provide a reserve of liquidity. The risk faced by these instruments, such as interest rate risk or liquidity risk is considered to be minimal due to their nature. All of these are carried in the accounts at face value. There is no difference between these values and the fair values of the financial instruments.

The Company's strategy for managing investment risk is determined with regard to the Company's investment objective. The management of market risk is part of the investment management process and is a central feature of venture capital investment. The Company's portfolio is managed with regard to the possible effects of adverse price movements and with the objective of maximising overall returns to shareholders. Investments in unquoted companies, by their nature, usually involve a higher degree of risk than investments in companies quoted on a recognised stock exchange, though the risk can be mitigated to a certain extent by diversifying the portfolio across business sectors and asset classes. The overall disposition of the Company's assets is regularly monitored by the Board.

14. Capital Commitments

The company had no commitments at 28 February 2015 or 28 February 2014.

15. Events after the Balance Sheet Date

Discussions commenced after the financial year end have resulted in the sale of Impact Applications to Castleton Technologies Plc in a £5m deal as per the announcement made to the London Stock Exchange on 1 June 2015. OT4's investment, which had a residual cost of £486k yielded an immediate cash payment of £1.6m to the fund and shares in AIM listed Castleton Technologies Plc worth an additional £1.1m at the time of the transaction which may be sold after 6 months and subject to an orderly market.

An additional investment of £200k was made in May to Biosyntha which has now changed its name to ZuvaSyntha. BioSyntha started off as a company providing biotechnology services for large companies. It is continuing to carry out some contract work but is now focussing on the technical development. One of the contracts is for a company called Acidophil. Acidophil has a holding in Zuvachem which was running a contract with Michelin to develop a biosynthetic route to isoprene (a component of rubber). Zuvachem realised that Biosyntha's technology was likely to be a better solution for Michelin and Biosyntha are interested in Zuvachem's commercial ties to Michelin and their BD links in the states, in particular to Dupont so the companies have decided to merge and will now be known as ZuvaSyntha Ltd.

OT4 sold 26,466 shares in Abzena Plc in May 2014 at a price of 81.83p. The company retains 91,484 shares.

The assets of MirriAd have been acquired in a business transfer agreement by Broadwall Acquisitions as the recent fundraising round, which was assumed would proceed when the valuations for 28 February 2015 were determined was not successful. This will lead to a reduction in the value of OT4's holding from £304k to £15k.

Company Information - Directors and Advisers

Board of Directors	David Livesley (Chairman) Lucius Cary
Company Number	**5038854**
Company Secretary	James Gordon Gordons Partnership LLP 22 Great James Street London WC1N 3ES
Investment Manager & Registered Office	Oxford Technology Management The Magdalen Centre Oxford Science Park Oxford OX4 4GA
Independent Auditor	James Cowper Kreston 2 Chawley Park Cumnor Hill Oxford OX2 9GG
Bankers	Nat West Bank 121 High Street Oxford OX1 4DD
Registrars	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Financial Adviser & LSE Sponsor	Beaumont Cornish Ltd 2nd Floor, Bowman House 29 Wilson Street London EC2M 2SJ
Compliance & FCA Advisor	Methuen Consulting LLP 26-27 Oxendon Street London SW1Y 4EL