

Oxford Technology 4 Venture Capital Trust Plc

Unaudited Half-Yearly Report

For the period

1 March 2016 to 31 August 2016

Financial Headlines

	6 Months Ended 31 August 2016	Year Ended 29 February 2016
Net Assets at Period End	£7.66m	£7.69m
Net Asset Value per Share	66.5p	66.8p
Cumulative Dividend per Share	37.0p	37.0p
Total NAV Return per Share	103.5p	103.8p
Share Price	47.0p	52.0p
Earnings per Share	(0.3)p	20.6p



Castleton Technology - infrastructure solutions in the social housing, commercial and public sectors

Company Number: 5038854

Registered Address: The Magdalen Centre, Oxford Science Park, Oxford OX4 4GA

Statement on behalf of the Board

I am pleased to present the unaudited results for the six month period ended 31 August 2016.

Results and dividends

The Company's net asset value (NAV) per share has reduced from 66.8p at 29 February 2016 by 0.3p to 66.5p at 31 August 2016. No dividend was declared or paid in the period, and further dividends are likely to require further investee company exits.

Portfolio review

The new VCT rules have not prevented us from investing £320k to support our existing portfolio companies. We invested £202k in Plasma Antennas to position them for a further funding round. £98k was invested in ImmBio at attractive terms at the end of their successful trials. Finally we invested £20k in Zuvasyntha to allow the company to reduce its cost base whilst pursuing strategic partnerships.

The Directors have reviewed the valuations of each investee company in the unquoted portfolio but have made only minor changes. Several companies in the portfolio have had minor valuation increases in the period to reflect their continued growth. However this was more than offset by the fall in the Castleton Technologies share price from 78.5p on 29 February 2016 to 64.5p on 31 August 2016.

The Directors continue to take an active interest in the investee companies and look forward to continuing to work with OTM to maximise shareholder value and to secure profitable exits from these investee companies at the appropriate time and to enable further dividends to be paid.

Liquidity

At period end our Company had net current assets of £715k. This provides sufficient resource to match the expected short term support required for the portfolio.

VCT qualifying status

The Board has procedures in place to ensure that the Company continues to comply with the conditions laid down by HMRC for maintaining approval as a VCT.

Presentation of half-yearly report

In order to reduce the length of this report, we have omitted details of the Company's objectives and investment strategy, its Advisers and Registrars and how to buy and sell shares in the Company. These details are all included in the Annual Reports, which, together with previous half-yearly reports, are available for viewing on the Oxford Technology website.

Outlook

The last six months has seen a number of changes to qualification conditions for VCTs. However, as we are not looking to invest in new companies we do not believe that these changes will give rise to any issues for our Company. Likewise any uncertainties surrounding the departure from the EU are unlikely to affect us directly. The company continues to have a diversified portfolio with several promising companies capable of delivering very strong returns, and the board is focused on ensuring such realisations occur in a timely and appropriate fashion.

We were pleased to welcome a large number of shareholders to our AGM in July and I would like to take this opportunity to thank shareholders for their continued support. One of our investees Plasma Antennas presented at the AGM, and their presentation is available on the Oxford Technology website.

On behalf of the Board

David Livesley
Chairman
19 October 2016

Investment Portfolio as at 31 August 2016

Company	Description	Net Cost of investment £'000	Carrying value at 31/8/16 £'000	Change in value for the 6 month period £'000	% Equity held OT4	% Equity held All OT	% of fund investment value
Castleton Technology (bid price 64.0p)	Mobile software for contractors	192	1,486	(325)	2.9	2.9	21.4
Glide Technologies	Needle free injector	975	1,439	-	5.8	9.0	20.7
Select Technology	Photocopier interfaces	237	960	19	18.4	58.5	13.8
Plasma Antennas	Directional antennas	650	687	260	26.1	45.1	9.9
Diamond Hard Surfaces	Diamond coatings	640	551	166	49.9	49.9	7.9
Arecor	Protein stabilisation	291	535	89	6.2	7.3	7.7
ImmBio	Novel vaccines	673	448	98	8.3	13.9	6.4
Dynamic Extractions	Separation technology	377	313	-	30.4	30.4	4.5
Oxis Energy	Rechargeable batteries	305	183	33	0.3	0.5	2.6
Zuvasyntha	Microbial technology	333	110	20	23.1	23.1	1.6
Novacta	Bioengineering & antibiotics	347	63	-	2.4	2.4	0.9
Insense	Wound healing	476	48	-	4.5	12.1	0.7
Abzena (bid price 41p)	Protein based peptide drugs	33	39	(8)	0.1	0.3	0.6
Orthogem	Bone graft material	130	35	-	3.3	14.6	0.5
Historic Futures	Traceability software	420	32	-	6.2	6.2	0.5
MirriAd Advertising	Virtual product placement	-	15	-	0.3	0.3	0.2
Metal Nanopowders	Production of metal powders	51	10	-	16.7	36.7	0.2
Superhard Materials	Production of hard materials	9	5	-	18.2	40.0	0.1
Total Investments		6,139	6,961	352			100%
Other Net Assets			701				
Net Assets			7,662				

Responsibility Statement of the Directors in respect of the half-yearly report

We confirm that to the best of our knowledge:

- the half-yearly financial statements have been prepared in accordance with the statement “Interim Financial Reporting” issued by the Financial Reporting Council;
- the half-yearly report includes a fair review of the information required by the Financial Services Authority Disclosure and Transparency Rules, being:
 - an indication of the important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements.
 - a description of the principal risks and uncertainties for the remaining six months of the year.
 - a description of related party transactions that have taken place in the first six months of the current financial year that may have materially affected the financial position or performance of the Company during that period and any changes in the related party transactions described in the last annual report that could do so.

On behalf of the Board:

David Livesley
Chairman
19 October 2016

Income Statement

	Six months to 31 Aug 2016			Six months to 31 Aug 2015			Year to 29 February 2016		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain on disposal of fixed asset investments	-	2	2	-	1,328	1,328	-	1,049	1,049
Gain/(loss) on valuation of fixed asset investments	-	32	32	-	733	733	-	1,355	1,355
Other income	-	-	-	3	-	3	94	-	94
Investment management fees	(10)	(28)	(38)	(10)	(28)	(38)	(19)	(58)	(77)
Other expenses	(27)	-	(27)	(26)	-	(26)	(55)	-	(55)
Return on ordinary activities before tax	(37)	6	(31)	(33)	2,033	2,000	20	2,346	2,366
Taxation on ordinary activities	-	-	-	-	-	-	-	-	-
Return on ordinary activities after tax	(37)	6	(31)	(33)	2,033	2,000	20	2,346	2,366
Earnings per share – basic and diluted	(0.3)p	0.0p	(0.3)p	(0.3)p	17.7p	17.4p	0.2p	20.4p	20.6p

- The 'Total' column of this statement is the profit and loss account of the Company; the supplementary Revenue return and Capital return 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 half-yearly report.
- The Company has only one class of business and derives its income from investments made in shares and securities and from bank and money market funds.

The Company has no recognised gains or losses other than the results for the period as set out above. Accordingly a Statement of Comprehensive Income is not required.

Balance Sheet

	As at 31 Aug 2016		As at 31 Aug 2015		As at 29 February 2016	
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed asset investments *		6,961		7,544		6,619
Current assets:						
Debtors	18		320		26	
Creditors:						
Amounts falling due within one year	(32)		(41)		(36)	
Cash at Bank	729		697		1,111	
Net current assets		715		976		1,101
Creditors:						
Amounts falling due in more than one year		(14)		(41)		(27)
Net assets		7,662		8,479		7,693
Called up equity share capital		1,152		1,152		1,152
Share premium		813		813		813
Unrealised capital reserve		821		899		600
Profit and Loss account reserve		4,876		5,615		5,128
Total equity shareholders' funds		7,662		8,479		7,693
Net asset value per share		66.5p		73.6p		66.8p

* At fair value through profit and loss

Statement of Changes in Equity

	Share Capital £'000	Share Premium £'000	Unrealised Capital Reserve £'000	Profit & Loss Reserve £'000	Total £'000
As at 1 March 2015	1,152	813	255	5,411	7,631
Revenue return on ordinary activities after tax	-	-	-	(33)	(33)
Expenses charged to capital	-	-	-	(28)	(28)
Current period gains on disposal	-	-	-	1,328	1,328
Current period gains on fair value of investments	-	-	733	-	733
Prior years' unrealised gains now realised	-	-	(89)	89	-
Dividends paid	-	-	-	(1,152)	(1,152)
Balance as at 31 August 2015	1,152	813	899	5,615	8,479
As at 1 March 2015	1,152	813	255	5,411	7,631
Revenue return on ordinary activities after tax	-	-	-	20	20
Expenses charged to capital	-	-	-	(58)	(58)
Current period gains on disposal	-	-	-	1,049	1,049
Current period gains on fair value of investments	-	-	1,355	-	1,355
Prior years' unrealised gains now realised	-	-	(654)	654	-
Movement in reserves	-	-	(356)	356	-
Dividends paid	-	-	-	(2,304)	(2,304)
Balance as at 29 February 2016	1,152	813	600	5,128	7,693
As at 1 March 2016	1,152	813	600	5,128	7,693
Revenue return on ordinary activities after tax	-	-	-	(37)	(37)
Expenses charged to capital	-	-	-	(28)	(28)
Current period gains on disposal	-	-	-	2	2
Current period gains on fair value of investments	-	-	32	-	32
Prior years' unrealised losses now realised	-	-	189	(189)	-
Balance as at 31 August 2016	1,152	813	821	4,876	7,662

Statement of Cash Flows

	Six months to 31 Aug 2016 £'000	Six months to 31 Aug 2015 £'000	Year to 29 February 2016 £'000
Cash flows from operating activities			
Return on ordinary activities before tax	(31)	2,000	2,366
Adjustments for:			
(Increase)/decrease in debtors	1	(161)	125
Decrease/(increase) in creditors	(17)	(15)	(33)
(Gain) on disposal of fixed asset investments	(2)	(1,328)	(1,049)
(Gain) on valuation of fixed asset investments	(32)	(733)	(1,355)
Net cash generated from operating activities	(81)	(237)	54
Cash flows from investing activities			
Purchase of fixed asset investments	(320)	(200)	(645)
Sale of fixed asset investments	19	1,577	3,297
Total cash flows from investing activities	(301)	1,377	2,652
Cash flows from financing activities			
Dividends paid	-	(1,152)	(2,304)
Total cash flows from financing activities	-	(1,152)	(2,304)
Increase/Decrease in cash and cash equivalents	(382)	(12)	402
Opening cash and cash equivalents	1,111	709	709
Closing cash and cash equivalents	729	697	1,111

Notes to the Half-Yearly Report

1. Basis of preparation

The unaudited half-yearly results which cover the six months to 31 August 2016 have been prepared in accordance with the Financial Reporting Council's (FRC) Financial Reporting Standard 104 Interim Financial Reporting ('FRS 104') and the Statement of Recommended Practice (SORP) for Investment Companies re-issued by the Association of Investment Companies in November 2014. Details of the accounting policies and valuation methodologies are included in the Annual Report.

2. Publication of non-statutory accounts

The unaudited half-yearly results for the six months ended 31 August 2016 do not constitute statutory accounts within the meaning of Section 415 of the Companies Act 2006. The comparative figures for the year ended 29 February 2016 have been extracted from the audited financial statements for that year, which have been delivered to the Registrar of Companies. The independent auditor's report on those financial statements, in accordance with chapter 3, part 16 of the Companies Act 2006, was unqualified. This half-yearly report has not been reviewed by the Company's auditor.

3. Earnings per share

The calculation of earnings per share for the period is based on the return attributable to shareholders divided by the weighted average number of shares in issue during the period. There are no potentially dilutive capital instruments in issue and, therefore, no diluted returns per share figures are relevant.

4. Net asset value per share

The net asset value per share is based on the net assets at the period end divided by the number of shares in issue at that date (11,516,946 in each case).

5. Principal risks and uncertainties

The Company's assets consist of equity and fixed interest investments, cash and liquid resources. Its principal risks are therefore market risk, credit risk and liquidity risk. Other risks faced by the Company include economic, loss of approval as a Venture Capital Trust, investment and strategic, regulatory, reputational, operational and financial risks. These risks, and the way in which they are managed, are described in more detail in the Company's Annual Report and Accounts for the year ended 29 February 2016. The Company's principal risks and uncertainties have not changed materially since the date of that report.

6. Related party transactions

OT4 Managers Ltd, a wholly owned subsidiary, provides investment management services to the Company for a fee of 1% of net assets per annum.

7. Copies of this statement are available from Oxford Technology Management, The Magdalen Centre, Oxford Science Park, Oxford OX4 4GA and on the Company's website – www.oxfordtechnology.com/vct4.

Board Directors: David Livesley, Alex Starling, Robin Goodfellow and Richard Roth.

Investment Manager: OT4 Managers Ltd with services contracted to Oxford Technology Management Ltd

Website: www.oxfordtechnology.com/vct4