

# THAMES VENTURES VCT 1 PLC

UNAUDITED HALF-YEARLY  
FINANCIAL REPORT

30 SEPTEMBER 2022

**Foresight**

FOR A SMARTER FUTURE

# Shareholder Information

## Financial Summary

	30 Sep 2022	31 Mar 2022	30 Sep 2021	Nov 2013
	pence	pence	pence	pence
	Unaudited	Audited	Unaudited	Unaudited
Net Asset Value per share ("NAV")	58.80	61.60	61.30	100.40
Cumulative dividends paid since Nov 2013	43.00	41.25	40.00	-
Total Return (NAV plus cumulative dividends paid per share)	101.80	102.85	101.30	100.40

## Dividend Policy

The Company has a stated target of paying a dividend of at least 4% of net assets per annum.

## Forthcoming Dividends

	Date payable	Pence per share
Interim dividend	18 January 2023	1.5p

Dividends will be paid by the Company's registrar, The City Partnership, on behalf of the Company. Shareholders who wish to have dividends paid directly into their bank account, rather than by cheque to their registered address, can update their instructions at the Investor Hub currently at:

**[downing-vct.cityhub.uk.com](mailto:downing-vct.cityhub.uk.com)**

A Dividend Mandate Form is also available from this site that can be completed and emailed to [registrars@city.uk.com](mailto:registrars@city.uk.com) or sent to The City Partnership (UK) Limited, The Mending Room, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH. If you have any queries, The City Partnership can be contacted by the email address above or on 01484 240910

The Company operates a Dividend Reinvestment Scheme to allow Shareholders to reinvest their dividends in new shares and obtain income tax relief on that new investment. Shareholders can opt-in to the Dividend Reinvestment Scheme through the Investor Hub using the details shown above.

## Share Scam Warning

We are aware that a significant number of shareholders of VCTs managed by Foresight and other VCT managers continue to receive unsolicited telephone calls from a company purporting to be acting on behalf of a client who is looking to acquire their VCT shares at an attractive price. We believe these calls to be a "Boiler Room Scam". **Shareholders are warned to be very suspicious if they receive any similar type of telephone call.**

The FCA has published information about such scams at **[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)**

If you have any concerns, please contact Foresight at [investorrelations@foresightgroup.eu](mailto:investorrelations@foresightgroup.eu) on 020 3667 8181.

# Chairman's Statement

I present the Company's half-yearly report for the six-month period ended 30 September 2022.

## Net asset value and results

As at 30 September 2022, the Company's NAV stood at 58.8p, a decrease of 1.05p (or 1.7%) compared to the 31 March 2022 year-end position, after adding back the 1.75p dividend paid during the period.

The return attributable to equity shareholders for the period was a loss of £2.0 million, comprising a revenue gain of £1.9 million and a capital loss of £3.9 million. The reduction in value of the Company's investments over the period is broadly reflective of the general market conditions for the types of businesses in which the Company invests.

## Investment Advisory Arrangements and Change of name

As noted in the Annual Report, Foresight Group LLP ("Foresight") was appointed as Investment Adviser to the Company following agreement by the Company's former Investment Adviser, Downing LLP ("Downing") to sell its non-healthcare ventures division to Foresight in a transaction that completed on 4 July 2022.

As part of the transaction, under a subcontract with Foresight, Downing continues to provide investment advisory services for the non-ventures portfolio (quoted growth and yield focused investments), as well as administration services for a handover period.

On 2 September 2022, the Company changed its name from Downing ONE VCT plc to Thames Ventures VCT 1 plc to recognise the change of Investment Adviser.

## Investment activity and performance

Over the last six months the Company has made a number of new and follow-on investments totalling £5.7 million, as well as completing full and partial exits from a number of portfolio companies, generating total proceeds of £6.8 million.

Following a review of valuations by the Board, net unrealised losses across the whole portfolio over the period were £3.5 million. In addition, the realisations noted above resulted in net realised losses in the period of £218,000, although there was a gain over cost of £1.6 million.

At the period end, the Company held a portfolio of 87 active investments, with 54% in unquoted growth (by value), 27% held in quoted growth and 19% in unquoted yield focused investments.

34 investments are held in the quoted growth category which are either quoted on AIM, the Main Market or the AQSE Growth Market and have a value of £22.0 million. The 53 unquoted investments have a value of £59.1 million.

Further details of the investment activities of the Company are included in the Investment Adviser's Report on pages 4 to 7.

# Chairman's Statement (continued)

## Dividends

The Company has a stated policy of seeking to pay dividends equivalent to at least 4% of NAV each year. The Board has declared an interim dividend of 1.5p (equivalent to 2.6% of NAV) which will be paid on 18 January 2023 to Shareholders on the register as at 16 December 2022.

The above interim dividend will take the total dividends paid since the merger in November 2013 to 44.5p per share.

## Running costs

Shareholders are reminded that as part of the change of adviser, Foresight and Downing agreed to waive the investment advisory fee for the quarter ended June 2022, which was equivalent to approximately £548,000. As a reminder, the Company also benefits from a running cost cap provided by the Investment Adviser, whereby any costs above 2.6% of net assets per annum are met by the Adviser by way of a reduction in their fees.

## Fundraising

The Company launched a non-Prospectus top-up offer in November 2021, seeking to raise up to £6.7 million. The offer closed at the end of April 2022 having raised £1.9 million.

At the end of October 2022, the Company launched a new offer for subscription, the first to be promoted for the Company by Foresight, seeking to raise up to £10 million (plus an over-allotment facility). Funds raised will support further investment activity in supporting and expanding the portfolio.

Shareholders who may be interested in further investment in the Company, benefiting from the upfront VCT tax reliefs, can find full details of the new offer on the Foresight's website:

**[www.foresightgroup.eu/products/thames-ventures-vct-1-plc](http://www.foresightgroup.eu/products/thames-ventures-vct-1-plc)**

Existing Shareholders in any Foresight VCTs, including Thames Ventures VCT 1 plc, should note that they will benefit from the upfront promoter fee being waived under this new offer.

Investors are recommended to consult their financial adviser before making any investment decisions.

## Share buybacks

The Company operates a policy of buying in its own shares that become available in the market at a 5% discount to NAV (subject to liquidity and any regulatory restrictions).

During the period, the Company purchased 1,323,068 shares (equal to 0.7% of the opening number of shares in issue) at an average price of 56.9p per share.

# Chairman's Statement (continued)

## Directorate

Following the successful transfer of the Investment Advisory contract from Downing to Foresight, Stuart Goldsmith, the remaining founding director of the Company, has indicated that he will not stand for re-election at the next Annual General Meeting, which is expected to be in August 2023.

As a result, the Board undertook a process with a head-hunter to identify suitable individuals to join the Board. I can report that the process was successful and has produced an excellent candidate.

We are pleased to announce that Atul Devani has today joined the Board as a non-executive director of the Company. Atul is currently the chairman of another VCT and has held a number of senior positions in software technology companies operating in a number of sectors. Previously he was the founder and CEO of AIM-quoted company, United Clearing plc, which was sold to a trade buyer in 2006. The Directors believe that, with his experience within the technology sector as well as in the VCT world, he will be a welcome and invaluable addition to the Board. My fellow directors and I look forward to working with him.

## Outlook

With the investment team now settled in their new home at Foresight, we are expecting to see more investment activity in the second half of the year as we seek to invest existing and newly raised funds.

Businesses in general now face multiple challenges including inflation, recession and the wide-ranging impact of the war in Ukraine. Having successfully negotiated the impact of the coronavirus pandemic, the investment team will once again be monitoring the existing portfolio companies closely to ensure management address these challenges appropriately and have the support that they need.

While this climate does not make us optimistic that significant improvements to the NAV will be seen in the short term, this point in the economic cycle can often provide good value investment opportunities which go on to be some of the most successful investments in the future. We will be looking to our Investment Adviser to identify and secure such potential opportunities for the Company in order to drive long term performance.



**Chris Kay**  
Chairman

12 December 2022

# Investment Adviser's Report

We are pleased to present our first Investment Adviser's Report as Foresight Group LLP, following the acquisition by Foresight of Downing LLPs' non-healthcare ventures investment team in the summer.

## Introduction to the Foresight Group

Foresight is a leading private equity and infrastructure investment manager with its parent company, Foresight Group Holdings Limited, listed on the London Stock Exchange. Established in 1984, Foresight has a track record of over 35 years of investing into and growing small companies. Foresight and companies and undertakings within the same group (together, Foresight Group) now have more than £12.5 billion of assets under management and a wide and varied investor base of private and institutional investors. Foresight Group's vision is to be a leader in investing in trends ahead of the curve through its dynamic and entrepreneurial values of flexibility, innovation, problem solving and a commitment to attracting and retaining high quality and experienced staff.

We are pleased to report that the team that transferred from Downing is now well settled and is recruiting in line with expansion plans. We are also now starting to benefit from working with other teams within Foresight to generate new deal flow.

## Investment focus

In line with the current VCT regulations, the Company focus has for some years now been on young unquoted growth businesses. This focus will continue and other areas of Thames Ventures VCT 1's portfolio are expected to reduce in size as suitable exit opportunities arise and proceeds are reinvested in the core area.

## Investment Activity

During the period, the Company invested a total of £3.9 million as further funding for nine existing portfolio companies.

In addition to the above, a new company joined the portfolio as part of the consideration from the exit of E-Fundamentals (Group) Limited in July 2022, with a cost of £1.7 million, CommercelQ, Inc. CommercelQ, Inc provides e-commerce management tools for the management of retail media, sales and operations.

The follow-on investments are summarised as follow:

A further £825,000 was invested into current portfolio company, StorageOS, Inc, a cloud-based storage management software system in a new funding round that was undertaken at a lower price than the previous round, thus resulting in a lower valuation for our holding.

£789,000 was invested into Vivacity Labs Limited, who provide artificial intelligence sensors to monitor and control traffic flows, in order to facilitate international expansion.

A further investment of £587,000 was made in Glisser Limited, an award-winning event hosting platform for virtual and in-person events. Although we believe that the company still has the potential to deliver on its plan, latest fundraising was undertaken at a lower valuation than the previous round which has resulted in an unrealised loss for the period.

FVRVS Limited, trading as Fundamental VR, provides surgery simulation software for enterprise clients and hospitals. A total of £537,000 further investment was made following a loan note conversion and equity addition.

# Investment Adviser's Report (continued)

## Investment Activity (continued)

£320,000 of further investment was made into Maestro Media Limited, who have developed an online streaming platform in collaboration with the BBC, that offers consumers personal and insightful lessons from leading creative talents.

FundingXchange Limited, who are a SME funding platform, closed a £3 million funding round in July 2022, with the VCT investing a further £285,000.

Two smaller investments were also made during the period into Upp Technologies Group Limited (£59,000) and Channel Mum Limited (£20,000).

One quoted investment was made in the period into existing investment, Downing Strategic Micro-Cap Investment Trust plc. The company seeks to provide investors with long term growth through a concentrated portfolio of UK listed companies. Following a well-priced opportunity, a further investment of £502,000 was made.

Realisations of unquoted investments in the six months generated proceeds of £6.8 million and gains over cost of £1.6 million.

A summary of the most significant realisations is shown below:

E-Fundamentals (Group) Limited, a Software as a Service (SaaS) analytics company was fully exited during the period with consideration made up of cash proceeds (£1.6 million), shares in CommerceIQ, Inc (£1.7m) and deferred consideration (£340,000), generating total proceeds of £3.6 million, resulting in a gain over cost of £2.1 million.

Unquoted yield focussed investee company, Harrogate Street LLP, a property developer, was fully exited in June 2022, generating cash proceeds of £2.75 million, resulting in a gain over cost of £1.3 million.

One disappointing exit during the period related to Rockhopper Renewables Limited, one of the Indian solar farm companies. Following a series of setbacks, the company was disposed of in full for nil consideration, resulting in a loss over cost of £738,000.

## Portfolio valuation

There were net unrealised valuation losses of £3.5 million over the period, which included £2.3 million of unrealised foreign exchange gains. The largest unrealised valuation loss related to StorageOS, Inc, (£2.0 million) which has been revalued based on the recent fundraising round.

The other notable unrealised losses on investments in the period were as follows:

A full provision of £1.7 million was made against the investment in Hummingbird Technologies Limited, the crop analytics platform. The business had failed to make satisfactory progress and attempts to find new funding failed. Ultimately, parts of the business were sold but the proceeds were insufficient to provide any return for the Company.

Baron House Developments LLP, which was created to fund the purchase of a property opposite Newcastle railway station, was reduced in value by £1.0 million in line with anticipated exit proceeds. However, it should be noted that the investment is still valued at £474,000 above cost.

# Investment Adviser's Report (continued)

## Portfolio valuation (continued)

The quoted investment, Downing Strategic Micro-Cap Investment Trust plc incurred an unrealised loss of £875,000 which is broadly in line with the trend of small cap share prices.

The losses were partially offset by a number of unrealised gains in the period. Cornelis Networks, Inc provides purpose-built interconnects focused on high performance computing, data analytics and artificial intelligence. During the period, the company closed a \$29 million round to provide further cash runway. The investment has been valued at a 10% discount to the latest funding round, resulting in an unrealised gain of £1.6 million. The business continues to perform well and is developing the next generation 400G product, which is expected to launch in the first quarter of 2024.

Hackajob Limited, the owner of an online marketplace for hiring technical talent, has continued to progress well during the period. The business has seen recurring revenues continuing to grow, and a signed term sheet by a new US growth fund to invest \$20 million as part of a \$25 million round, expected to close imminently. As a result, the valuation was uplifted by £1.4 million.

Maestro Media Limited has been valued in line with the June 2022 equity raise, led by new investor BGF, resulting in an uplift of £617,000.

Since the period end, we have seen Sterling regain strength against the US Dollar, which has resulted a reversal of some of the exchange gains we saw over the period. However, we have also seen improving share prices within the AIM portfolio which has offset most of the negative foreign exchange movement since the period end.

## Quoted Investments

The Company continues to hold a portfolio of quoted investments, most of which are quoted on the AIM market. The team at Downing LLP continue to provide management services in respect of these investments under a subcontract agreement with Foresight.

At 30 September 2022, the quoted portfolio comprised 34 investments with a value of £22.0 million. There was very limited investment activity in the portfolio in the period, with the challenging market conditions ensuring there were almost no VCT-qualifying IPOs or secondary offers. The existing quoted portfolio saw falls in prices across almost all investments, very much following the general trend of the AIM market, producing unrealised losses of £5.2 million. The underlying companies continued to trade resiliently, albeit this was not reflected in share prices. Since the period end, share prices have begun to recover.

The coming months are likely to remain challenging and it is difficult to be hugely positive in the short-term. However, the quoted portfolio contains good quality companies, with plenty of scope for self-help, strong balance sheets, and significant prospects for growth over the long-term which we hope will translate into an improved share price performance.



# Investment Adviser's Report (continued)

## **Outlook**

The six months to 30 September 2022, our first as investment adviser, has been against a backdrop of increasingly challenging market conditions, with inflation and global interest rates rising, having an inevitable impact on the portfolio.

Despite these challenges, the Company has funds to invest, as well as the new funds being raised, which we believe can be invested in attractive new growth opportunities which can drive performance in the future. We expect the Company to be an active investor over the remainder of the year.

**Thames Ventures Team**  
**Foresight Group LLP**

12 December 2022

# Unaudited Balance Sheet

as at 30 September 2022

	Note	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
<b>Fixed assets</b>				
Investments		81,130	94,932	85,954
<b>Current assets</b>				
Debtors		5,896	1,630	3,300
Cash at bank and in hand		20,051	13,732	20,856
		25,947	15,362	24,156
<b>Creditors: amounts falling due within one year</b>		(1,298)	(510)	(637)
<b>Net current assets</b>		24,649	14,852	23,519
<b>Net assets</b>		105,779	109,784	109,473
<b>Capital and reserves</b>				
Called up share capital	8	1,799	1,790	1,776
Capital redemption reserve	9	1,711	1,675	1,697
Share premium account	9	81,236	78,561	79,035
Funds held in respect of shares not yet allotted	9	16	30	78
Special reserve	9	15,873	17,435	16,328
Revaluation reserve	9	6,024	13,863	11,303
Revenue reserve	9	(880)	(3,570)	(744)
<b>Equity shareholders' funds</b>		105,779	109,784	109,473
<b>Basic and diluted net asset value per share</b>	7	58.8p	61.3p	61.6p

# Unaudited Income Statement

For the six months ended 30 September 2022

	Six months ended 30 September 2022			Six months ended 30 September 2021			Year ended 31 March 2022
	Revenue	Capital	Total	Revenue	Capital	Total	Total
Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	2,710	-	2,710	732	-	732	4,584
Gains/(losses) on investments							
- realised (losses)/gains on disposal	-	(218)	(218)	-	808	808	3,722
- unrealised valuation (losses)/gains	-	(5,811)	(5,811)	-	7,313	7,313	4,386
- unrealised foreign exchange gains	-	2,301	2,301	-	224	224	511
	2,710	(3,728)	(1,018)	732	8,345	9,077	13,203
Investment management fees	(275)	(275)	(550)	(490)	(490)	(980)	(2,102)
Other expenses	(388)	-	(388)	(401)	-	(401)	(705)
<b>Gain/ (loss) on ordinary activities before tax</b>	2,047	(4,003)	(1,956)	(159)	7,855	7,696	10,396
Tax on total comprehensive income and ordinary activities	(78)	78	-	(140)	140	-	-
<b>Return/(loss) attributable to equity shareholders</b>	5	1,969	(3,925)	(299)	7,995	7,696	10,396
<b>Basic and diluted return per share</b>	<b>1.1p</b>	<b>(2.2p)</b>	<b>(1.1p)</b>	<b>(0.2p)</b>	<b>4.5p</b>	<b>4.3p</b>	<b>5.9p</b>

The total column within the Income Statement represents the Statement of Total Comprehensive Income of the Company prepared in accordance with Financial Reporting Standards ("FRS102"). There are no other items of comprehensive income. The supplementary revenue and capital return columns are prepared in accordance with the Statement of Recommended Practice issued in November 2014 and updated July 2022 by the Association of Investment Companies ("AIC SORP").

# Statement of Changes in Equity

For the six months ended 30 September 2022

	Share Capital £'000	Capital redemption reserve £'000	Share premium account £'000	Funds held in respect of shares not yet allotted £'000	Special reserve £'000	Capital reserve -realised £'000	Revaluation reserve £'000	Revenue reserve £'000	Total £'000
<b>For the six months ended 30 September 2022</b>									
<b>At 1 Apr 2022</b>	1,776	1,697	79,035	78	16,328	-	11,303	(744)	109,473
Total comprehensive income	-	-	-	-	-	(415)	(3,510)	1,969	(1,956)
Transfer between reserves*	-	-	-	-	301	1,468	(1,769)	-	-
<i>Transactions with owners</i>									
Utilised in share issue	-	-	-	(78)	-	-	-	-	(78)
Unallotted shares	-	-	-	16	-	-	-	-	16
Dividends paid	-	-	-	-	-	(1,053)	-	(2,105)	(3,158)
Issue of new shares	37	-	2,201	-	-	-	-	-	2,238
Purchase of own shares	(14)	14	-	-	(756)	-	-	-	(756)
<b>At 30 Sept 2022</b>	1,799	1,711	81,236	16	15,873	-	6,024	(880)	105,779

\* A transfer of £1,769,000 representing previously recognised unrealised gains on disposal of investments during the period ended 30 September 2022 (year ended 31 March 2022: £794,000) has been made from the Revaluation reserve to the Capital Reserve-realised.

A transfer of £301,000 representing realised gains on disposal of investments, less the excess of capital expenses over capital income and capital dividends in the year (year ended 31 March 2022: losses £738,000) has been made from the Capital Reserves – realised to the Special reserve.

# Statement of Changes in Equity

For the year ended 31 March 2022

	Share Capital £'000	Capital redemption reserve £'000	Share premium account £'000	Funds held in respect of shares not yet allotted £'000	Special reserve £'000	Capital reserve -realised £'000	Revaluation reserve £'000	Revenue reserve £'000	Total £'000
<b>For the year ended 31 March 2022</b>									
<b>At 1 Apr 2021</b>	1,611	1,649	66,430	7,545	20,238	-	6,409	(2,529)	101,353
Total comprehensive income	-	-	-	-	-	2,971	4,897	2,528	10,396
Realisation of revaluations from previous years*	-	-	-	-	-	794	(794)	-	-
Realisation of impaired valuations	-	-	-	-	-	(791)	791	-	-
Transfer between reserves	-	-	-	-	(738)	738	-	-	-
<i>Transactions with owners</i>									
Dividends paid	-	-	-	-	-	(3,712)	-	(743)	(4,455)
Utilised in share issue	-	-	-	(7,545)	-	-	-	-	(7,545)
Unallotted shares	-	-	-	78	-	-	-	-	78
Issue of new shares	213	-	12,605	-	-	-	-	-	12,818
Share issue costs	-	-	-	-	(360)	-	-	-	(360)
Purchase of own shares	(48)	48	-	-	(2,812)	-	-	-	(2,812)
<b>At 31 Mar 2022</b>	1,776	1,697	79,035	78	16,328	-	11,303	(744)	109,473

# Unaudited Cash Flow Statement

For the six months ended 30 September 2022

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
<b>Cash flow from operating activities</b>			
(Loss)/profit on ordinary activities before taxation	(1,956)	7,696	10,396
Loss/(gain) on investments	3,728	(8,345)	(8,619)
(Increase)/decrease in debtors	(2,596)	371	(1,298)
Increase/(decrease) in creditors	635	(38)	72
<b>Cash from operations</b>			
Corporation tax paid	-	-	-
<b>Net cash (utilised)/generated from operating activities</b>	(189)	(316)	551
<b>Cash flow from investing activities</b>			
Purchase of investments	(5,673)	(708)	(4,619)
Proceeds from disposal of investments	6,769	3,277	16,441
<b>Net cash generated from investing activities</b>	1,096	2,569	11,822
<b>Cash flows from financing activities</b>			
Proceeds from share issue	2,289	12,336	12,121
Funds held in respect of shares not yet allotted	(63)	(7,515)	(7,467)
Share issue costs	(51)	(357)	(360)
Purchase of own shares	(729)	(1,496)	(2,791)
Equity dividends paid	(3,158)	(2,227)	(3,758)
<b>Net cash (utilised)/generated from financing activities</b>	(1,712)	741	(2,255)
<b>(Decrease)/increase in cash</b>	(805)	2,994	10,118
<b>Net movement in cash</b>			
Beginning of period	20,856	10,738	10,738
Net cash (outflow)/inflow	(805)	2,994	10,118
<b>End of period</b>	<b>20,051</b>	<b>13,732</b>	<b>20,856</b>

# Summary of Investment Portfolio

as at 30 September 2022

	Cost £'000	Valuation £'000	Valuation movement in period† £'000	% of portfolio by value
<b>Top twenty venture capital investments (by value)</b>				
Tracsis plc*	1,443	7,013	(539)	6.9%
Cornelis Networks, Inc	2,102	4,276	2,220	4.2%
Doneloans Limited	3,631	4,170	(42)	4.1%
Carbice Corporation	3,020	3,499	532	3.5%
Ayar Labs, Inc	1,280	3,482	888	3.5%
Baron House Developments LLP	2,695	3,169	(1,008)	3.1%
Downing Strategic Micro-Cap Investment Trust plc**	5,699	3,125	(875)	3.1%
Hackajob Limited	784	2,885	1,362	2.9%
Trinny London Limited	443	2,778	270	2.8%
Anpario plc*	1,448	2,536	(804)	2.5%
Virtual Class Limited	1,164	2,489	578	2.5%
Data Centre Response Limited	557	2,362	575	2.3%
Cadbury House Holdings Limited	3,082	2,161	474	2.1%
Maestro Media Limited	1,320	2,096	617	2.1%
StorageOS, Inc	3,795	2,026	(1,720)	2.0%
Rated People Limited	1,382	1,917	22	1.9%
Imagen Limited	1,000	1,763	-	1.7%
CommerceIQ, Inc	1,749	1,749	-	1.7%
Parsable Inc	1,532	1,677	255	1.7%
Glisser Limited	1,887	1,533	(355)	1.5%
	40,013	56,706	2,450	56.1%
<b>Other venture capital investments</b>	47,706	24,424	(5,960)	24.1%
	87,719	81,130	(3,510)	80.2%
<b>Cash at bank and in hand</b>		20,051		19.8%
<b>Total investments</b>		101,181		100%

All venture capital investments are unquoted unless otherwise stated.

\* Quoted on AIM

\*\* Listed and traded on the Main Market of the London Stock Exchange

† The valuation movement in the period includes unrealised foreign exchange gains of £2,301,000.

# Summary of Investment Movements

For the six months ended 30 September 2022

## Additions

	£'000
<i>Quoted growth investments</i>	
Downing Strategic Micro-Cap Investment Trust plc	502
	502
<i>Unquoted growth investments</i>	
Commerce IQ, Inc	1,749
StorageOS, Inc	825
Vivacity Labs Limited	789
Glisser Limited	587
FVRVS Limited*	537
Maestro Media Limited	320
FundingXchange Limited	285
Upp Technologies Group Limited	59
Channel Mum Limited	20
	5,171
<b>Total additions</b>	<b>5,673</b>

\* The addition related to FVRVS Limited includes a loan note to equity conversion equal to £135,000.

## Disposals

	Cost £'000	Value at 31/03/22* £'000	Disposal proceeds £'000	(Loss)/gain against cost £'000	Realised (loss)/gain in period £'000
<i>Quoted growth investments</i>					
MI Downing UK Micro-Cap Growth Fund	2	2	2	-	-
	2	2	2	-	-
<i>Unquoted yield focused investments (including loan note redemptions)</i>					
Harrogate Street LLP	1,400	2,778	2,750	1,350	(28)
Rockhopper Renewables Limited	738	156	-	(738)	(156)
	2,138	2,934	2,750	612	(184)
<i>Unquoted growth investments (including loan note redemptions)</i>					
StreetHub Limited	1,446	80	194	(1,252)	114
Avid Technology Group Limited	-	-	91	91	91
FVRVS Limited**	125	125	125	-	-
E-fundamentals (Group) Limited	1,508	3,846	3,607	2,099	(239)
	3,079	4,051	4,017	938	(34)
	5,219	6,987	6,769	1,550	(218)

\* adjusted for purchases in the period. \*\* conversion of loan notes into further equity



# Notes to the Unaudited Financial Statements

For the six months ended 30 September 2022

## 1. General information

Thames Ventures VCT 1 plc ("the Company") is a Venture Capital Trust established under the legislation introduced in the Finance Act 1995 and is domiciled in the United Kingdom and incorporated in England and Wales.

## 2. Basis of accounting

The unaudited half-yearly financial results cover the six months to 30 September 2022 and have been prepared in accordance with the accounting policies set out in the statutory accounts for the year ended 31 March 2022, which were prepared in accordance with the Financial Reporting Standard 102 ("FRS102") and in accordance with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" issued in November 2014 and updated in July 2022 ("SORP").

3. The Company has only one class of business and derives its income from investments made in shares, securities and bank deposits.

4. The comparative figures were in respect of the six months ended 30 September 2021 and the year ended 31 March 2022 respectively.

## 5. Return per share

	Weighted average number of shares in issue	Revenue return/(deficit) £'000	Capital (loss)/gain £'000
Period ended 30 September 2022	180,153,252	1,969	(3,925)
Period ended 30 September 2021	176,390,695	(299)	7,995
Year ended 31 March 2022	177,473,899	2,528	7,868

## 6. Dividends paid in the period

		Six months ended 30 September 2022			Year ended 31 March 2022
		Revenue £'000	Capital £'000	Total £'000	Total £'000
Date paid					
2022 Final	Aug 2022: 1.75p	2,105	1,053	3,158	-
2022 Interim	Feb 2022: 1.25p	-	-	-	2,227
2021 Final	Sept 2021: 1.25p	-	-	-	2,228
		2,105	1,053	3,158	4,455

# Notes to the Unaudited Financial Statements

For the six months ended 30 September 2022 (continued)

## 7. Basic and diluted net asset value per share

	Shares in issue	Net assets £'000	NAV per share pence
Period ended 30 September 2022	179,899,225	105,779	58.8
Period ended 30 September 2021	179,011,001	109,784	61.3
Year ended 31 March 2022	177,567,399	109,473	61.6

## 8. Called up share capital

	Shares in issue	£'000
Period ended 30 September 2022	179,899,225	1,799
Period ended 30 September 2021	179,011,001	1,790
Year ended 31 March 2022	177,567,399	1,776

## 9. Reserves

The Special reserve is available to the Company to enable the purchase of its own shares in the market without affecting its ability to pay dividends/capital distributions.

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Capital redemption reserve	1,711	1,675	1,697
Share premium account	81,236	78,561	79,035
Funds held in respect of shares not yet allotted	16	30	78
Special reserve	15,873	17,435	16,328
Revaluation reserve	6,024	13,863	11,303
Revenue reserve	(880)	(3,570)	(744)
Total reserves	103,980	107,994	107,697

Distributable reserves are calculated as follows:

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Special reserve	15,873	17,435	16,328
Revenue reserve	(880)	(3,570)	(744)
Unrealised (losses) (excluding unrealised unquoted gains)	(11,434)	(402)	(4,200)
	3,559	13,463	11,384

# Notes to the Unaudited Financial Statements

For the six months ended 30 September 2022 (continued)

## 10. Investments

The fair value of investments is determined using the detailed accounting policy as shown in the audited financial statements for the year ended 31 March 2022. The Company has categorised its financial instruments using the fair value hierarchy as follows:

- Level 1 Reflects financial instruments quoted in an active market (quoted companies and fixed interest bonds);
- Level 2 Reflects financial instruments that have prices that are observable either directly or indirectly; and
- Level 3 Reflects financial instruments that use valuation techniques that are not based on observable market data (investments in unquoted shares and loan note investments).

	Level 1	Level 2	Level 3	30 Sep 2022	Level 1	Level 2	Level 3	31 Mar 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Quoted on AIM	17,395	-	-	17,395	21,409	-	-	21,409
Quoted on Aquis	3	-	-	3	3	-	-	3
Quoted on main market	4,623	-	-	4,623	5,270	-	-	5,270
Unquoted loan notes	-	-	10,581	10,581	-	-	16,264	16,264
Unquoted equity	-	-	48,528	48,528	-	-	43,008	43,008
	22,021	-	59,109	81,130	26,682	-	59,272	85,954

11. The unaudited financial statements set out herein do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 and have not been delivered to the Registrar of Companies. The figures for the year ended 31 March 2022 have been extracted from the financial statements for that year, which have been delivered to the Registrar of Companies; the Auditor's report on those financial statements was unqualified.

## 12. Going concern

The Directors have reviewed the Company's financial resources at the period end and concluded that the Company is well placed to manage its business risks.

The Directors confirm that they are satisfied that the Company has adequate resources to continue to operate for the foreseeable future. For this reason, the Directors believe that the Company continues to be a going concern and that it is appropriate to apply the going concern basis in preparing the financial statements.

# Notes to the Unaudited Financial Statements

For the six months ended 30 September 2022 (continued)

## 13. Risks and uncertainties

Under the Disclosure and Transparency Rules, the Board is required, in the Company's half-year results, to report on principal risks and uncertainties facing the Company over the remainder of the financial year. The lingering impact of the coronavirus pandemic and the consequential behavioural changes still creates uncertainty for some businesses but has not changed the nature of these risks.

The Board has concluded that the key risks are:

- (i) compliance risk of failure to maintain approval as a VCT; and
- (ii) investment risk associated with investing in small and immature businesses.

The Company's compliance with the VCT regulations is continually monitored by the Investment Adviser, who regularly reports to the Board on the current position. The Company also retains Philip Hare & Associates LLP to provide regular reviews and advice in this area.

In order to make VCT qualifying investments, the Company has to invest in small businesses which are often immature. The impact of the coronavirus pandemic has been significant on some portfolio companies and, in many cases, the VCT regulations restrict the Company from making further investment into these businesses, so the Investment Adviser seeks to provide whatever other support they can to these businesses, including encouraging them to take advantage of Government support that may be available. The Company also has a limited period in which it must invest the majority of its funds into VCT qualifying investments. The Investment Adviser follows a rigorous process in vetting and careful structuring of new investments, including taking a charge over the assets of the business wherever possible and, after an investment is made, closely monitoring the business.

Increasing inflation, particularly on wages and other costs has developed into an emerging risk during the period. The Investment Adviser's close relationship with the investee companies allow it to ensure that the businesses properly assess the potential impact of increasing costs and the extent to which these may or may not be able to be passed on to the end customer.

The Board is satisfied that these approaches provide satisfactory management of the key risks.

# Notes to the Unaudited Financial Statements

For the six months ended 30 September 2022 (continued)

14. The Directors confirm that, to the best of their knowledge, the half yearly financial report has been prepared in accordance with the “Statement: Half-Yearly Financial Reports” issued by the UK Accounting Standards Board as well as in accordance with FRS 104 Interim Financial Reporting and the half-yearly financial report includes a fair review of the information required by:
- (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place during the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period, and any changes in the related party transactions described in the last annual report that could do so.
15. Copies of the unaudited half-yearly financial results will be sent to Shareholders shortly. Further copies can be obtained from the Company’s Registered Office and will be available for download from [www.foresightgroup.eu/products/thames-ventures-vct-1-plc](http://www.foresightgroup.eu/products/thames-ventures-vct-1-plc)

# Shareholder Information (continued from inside front cover)

## Share price

The Company's share price can be found on various financial websites.

TIDM/EPIC codes

Latest share price (12 December 2022):

TV1

56.0p per share

## Selling shares

Information on how to sell your shares can be found on Foresight's website:

**[www.foresightgroup.eu/products/thames-ventures-vct-1-plc](http://www.foresightgroup.eu/products/thames-ventures-vct-1-plc)**

If you have any queries, Foresight's Customer Team can be contacted at [investorrelations@foresightgroup.eu](mailto:investorrelations@foresightgroup.eu) or on 020 3667 8181.

Shareholders are advised to seek advice from their tax adviser before selling shares, particularly if they deferred capital gains in respect of shares acquired prior to 6 April 2004 or purchased shares within the last five years.

The Company is unable to buy back shares direct from Shareholders, so you will need to use a stockbroker to sell your shares. If you are considering selling your shares or wish to buy shares in the secondary market, your broker should contact the Company's Corporate Broker, Panmure Gordon (UK) Limited ("Panmure"). Panmure can be contacted as follows:

Chris Lloyd  
020 7886 2716  
[chris.lloyd@panmure.com](mailto:chris.lloyd@panmure.com)

Paul Nolan  
020 7886 2717  
[paul.nolan@panmure.com](mailto:paul.nolan@panmure.com)

## Notification of change of address

If you need to update the registered address on your shareholding, this can be done through The City Partnership's Investor Hub, currently at [downing-vct.cityhub.uk.com](http://downing-vct.cityhub.uk.com).

Alternatively, please complete a [Change of Address Form](#) (available from The City Partnership) and send it to The City Partnership (UK) Limited by email [registrars@city.uk.com](mailto:registrars@city.uk.com) or by post to The City Partnership (UK) Limited, The Mending Room, Park Valley Mills, Meltham Road, Huddersfield HD4 7BH.

## Other information for Shareholders

Up-to-date Company information (including net asset values and dividend history) may be obtained from Foresight's website at:

**[www.foresightgroup.eu/products/thames-ventures-vct-1-plc](http://www.foresightgroup.eu/products/thames-ventures-vct-1-plc)**

If you have any queries regarding your shareholding in Thames Ventures VCT 1 plc, please contact the registrar on the number shown on the back cover or visit the Investor Hub website currently at [downing-vct.cityhub.uk.com](http://downing-vct.cityhub.uk.com)

**Directors**

Chris Kay (Chairman)  
Chris Allner  
Barry Dean  
Stuart Goldsmith  
Atul Devani (appointed 12 December 2022)

**Company Secretary and Registered Office**

Grant Whitehouse  
6<sup>th</sup> Floor, St. Magnus House  
3 Lower Thames Street  
London EC3R 6HD  
Registered No. 3150868

**Investment Adviser**

Foresight Group LLP  
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32 London Bridge Street  
London SE1 9SG  
[www.foresightgroup.eu](http://www.foresightgroup.eu)  
[investorrelations@foresightgroup.eu](mailto:investorrelations@foresightgroup.eu)

**Administration Manager**

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3 Lower Thames Street  
London EC3R 6HD

**Registrar**

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# Foresight

FOR A SMARTER FUTURE

## **Thames Ventures VCT 1 plc**

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