



TriplePoint

FINANCIAL STATEMENTS  
TP70 2010  
VCT PLC

FOR THE YEAR ENDED  
28 FEBRUARY  
2014



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## Financial Summary

For the year ended 28 February 2014

## Strategic Report

	Year ended 28 February 2014	Year ended 29 February 2013
	<i>£'000</i>	<i>£'000</i>
<b>Net assets</b>	7,563	7,601
<b>Profit before tax</b>	(38)	69

### Movement in net asset value per share (p)

Opening net asset value per share	86.91p	86.12p
Earnings per share	(0.44p)	0.79p
Closing net asset value per share	86.47p	86.91p

For a £1 investment per share investors, with a sufficient income tax liability in the relevant year, will have already received 30p tax relief which, taken together with the current NAV of 86.47, totals 116.47p.

TP70 2010 VCT plc ("the Company") is a Venture Capital Trust ("VCT"). The Investment Manager is Triple Point Investment Management LLP ("TPIM"). The Company was launched in October 2009 and raised £8.3 million (net of expenses), through an offer for subscription which closed on 31 May 2010.

The Strategic Report on pages 2 to 13, the Directors' Report on pages 14 to 21 and the Directors' Remuneration Report on pages 22 to 23 have each been drawn up in accordance with the requirements of English law and liability in respect thereof is also governed by English law. In particular, the responsibility of the Directors for these reports is owed solely to TP70 2010 VCT plc.

The Directors submit to the members their Annual Report and Financial Statements for the Company for the year ended 28 February 2014.

The Strategic Report, on pages 2 to 13, has been prepared in accordance with the requirements of section 414c of the Companies Act 2006. Its purpose is to inform the members of the Company and help them to assess how the Directors have performed their duty to promote the success of the Company, in accordance with section 172 of the Companies Act 2006.

I am writing to present the Financial Statements for TP70 2010 VCT plc ("the Company") for the year ended 28 February 2014.

### Portfolio Construction

The Company's funds are 99% invested in a portfolio of qualifying and non-qualifying unquoted investments. The qualifying investments include companies which generate renewable electricity and a company which provides cinema digitisation. These investments were selected for their ability to yield high quality, predictable cash flows.

The Company's portfolio of qualifying investments accounts for 79% of its net assets, thus maintaining its VCT qualifying status by satisfying the test of being at least 70% invested in VCT qualifying investments. More information on the Company's investment portfolio is given in the Investment Manager's Review.

### Net Asset Value

During the year the Company made a loss of £38,000 or 0.44p per share. This resulted from the Company's investments in GAM making a loss during the year; and general running expenses also being higher than income. These losses were partly offset by the uplift in the value of some VCT qualifying investments. As at 28 February 2014 the NAV per share stood at 86.47p.

### Risks

The Board believes that the principal risks facing the Company are:

- investment risk associated with exposure to GAM;
- investment risk associated with VCT qualifying investments;
- failure to maintain approval as a VCT; and
- ability to realise investments in order to return funds to investors after the five year holding period.

The Board believes these risks are manageable and, with the Investment Manager, continues to work to minimise both the likelihood or potential impact of these risks, within the scope of the Company's established investment strategy. Further details of how these risks are managed are provided within the Directors' Report and the notes to the Financial Statements.

### Outlook

The Company has maintained its VCT qualifying status and has in place a diversified portfolio of stable investments.

If you have any queries or comments, please do not hesitate to telephone Triple Point Investment Management LLP on 020 7201 8989.



**CHARLES METCALFE**

Chairman

14 May 2014

## Strategic Report / Company Strategy and Business Model

For the year ended 28 February 2014

The Directors assess the Company's success in meeting its objectives in relation to returns, stability, VCT qualification and, ultimately, exit.

### Performance Update

At launch the Company targeted a post-tax return of 9% to 12% pa, to be delivered from a combined exposure to a leveraged version of GAM Trading II and unquoted qualifying investments. That delivery strategy was later modified when the continuing liquidity crunch meant that the planned leverage could not be secured.

On a weighted average share price a target 9% return is broadly equivalent to a net asset value at exit of 111.1p. This compares to a net asset value per share at 28 February 2014 of 86.47p.

The disappointing return experienced by the Company's exposure to GAM strategies has not been sufficient to cover either the cost of the leverage secured by the Company or the Company's expenses. On the other hand the Company's unquoted qualifying investments have met the Company's objective of capital preservation, but not delivered a return sufficient to cover the Company's expenses.

The Company reported an income loss of 0.48p per share and a capital return of 0.04p per share for the year to 28 February 2014. This compared with an aggregate return for the previous year of 0.79p per share. Some of the unquoted investments are showing small appreciation in line with market valuations, whilst the remainder of that portfolio has maintained its value and is valued at cost. The non-qualifying investment in GAM underperformed and resulted in a loss of 1.8 pence per share, offset by an appreciation in value of qualifying investments of 2.3 pence per share. The Company's income less overheads resulted in an overall loss of 1p per share.

A review of the performance of the Company's investments during the financial year, the position of the Company at the year end and the outlook for the coming year is contained within the Chairman's statement on page 2 and the Investment Manager's Review on pages 6 to 7.

### Dividend Policy

The Board's dividend policy is to pay shareholders the required distribution for VCT status. No more than 15% of income from shares and securities may be retained. To date there have been no dividend payments as there are no distributable profits.

### Investment Policy

To comply with VCT rules, the Company must within a three year period have (and subsequently maintain) at least 70% value of its investments represented by qualifying investments. The Company's objective was to invest at least 70% of the net proceeds of the offers in qualifying investments, typically in investments ranging between £500,000 and £2,000,000, in less

than three years. Prior to investment in qualifying investments, approximately 70% of the value of its investments was to be held in cash, liquid investments and investments similar to the qualifying investments. No single investment by the Company represents more than 15% by value of the Company's investments at the time of the investment.

### Qualifying Investments

The Company has pursued investments in a range of businesses but those targeted were subject to the specific investment criteria discussed below. The objective was to build a reasonably diversified portfolio of young, unquoted companies which are cash generative and, therefore, capable of producing income and capital repayments to the Company prior to their disposal by the Company.

Although invested in diverse businesses, the Company's portfolio comprises companies with certain characteristics, for example, clear, commercial and financial objectives, strong customer relationships and where possible tangible assets with value. TPIM focused on identifying businesses typically with contractual revenues from financially sound counterparties or a stream of predictable transactions with multiple clients. Businesses with assets providing valuable security were also considered. The objective is to reduce the risk of losses through reliability of cash flow or quality of asset backing and to provide investors with a potentially attractive income stream and modest but accessible capital growth.

### Non-Qualifying Investments

Prior to the third anniversary after which the Company may have no more than 30% of the net proceeds of the offers in non-qualifying investments, the Company invested up to 49% of the net asset value in a portfolio comprising directly or indirectly, GAM Trading 1.25x GBP, GAM Multi-Focused Macro SP USD Open, GAM Multi-Systematic Trading USD Open and a derivative in respect of GAM Trading II GBP Open with 2.5 times leverage (the "Index"). The Index, through its components, provides exposure similar to that of GAM Trading II Inc.'s fund of hedge funds, GAM Trading II- GBP Open, leveraged one and a half times with the objective of providing capital appreciation with diversification of risk.

The non-qualifying investments not invested in the above portfolio consist of cash and liquid investments.

TPIM aimed to achieve the Company's objectives (relatively low risk of capital loss, low correlation to traditional asset classes and a rapid exit after five years) in part by investing on the basis of certain conservative principles in both fund of hedge funds and venture capital investments:

Fund of hedge funds ("non-qualifying" investments under the tax rules applying to VCTs):

- in appointing GAM as its sub-adviser to select funds of hedge funds, TPIM selected one of the acknowledged leaders in the fund of hedge fund management industry.

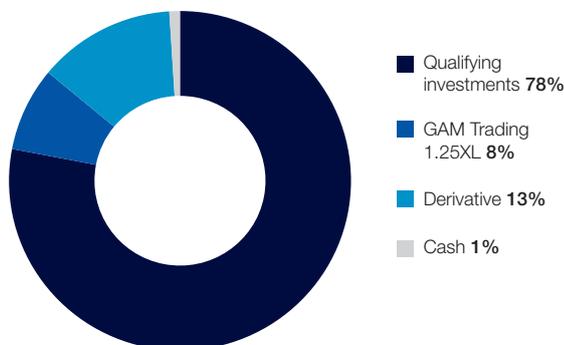
In respect of Venture Capital Investments (which represent qualifying investments under the tax rules applying to VCTs) TPIM sought:

- investments in which robust due diligence has been undertaken into target investments;
- investments in which there is a high level of access to regular material financial and other information;
- investments in which the risk of capital losses is minimised through careful analysis of the collateral available to investee companies; and
- investments in which there is a strong relationship with the key decision makers.

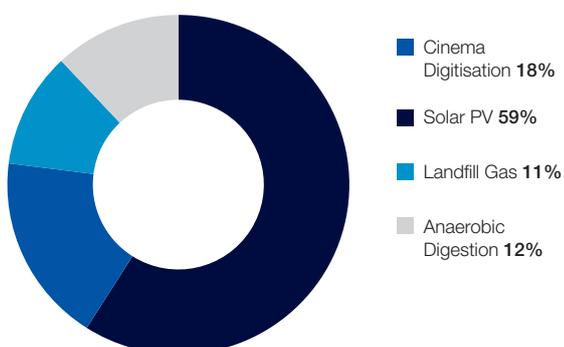
The Directors intend to return cash raised from exits promptly to shareholders, who will be given the opportunity to vote for the Company's discontinuation after six years from 30 April 2010.

Investment classification by asset value and sector value is shown below.

#### Investment Portfolios



#### Qualifying Investments by Sector



#### Tax Benefits

Investing in a VCT brings the benefit of tax-free dividends, as well as up-front income tax relief. The Company has over 70% of its net asset value invested in VCT qualifying investments and continues to meet the VCT qualification requirements which are continuously monitored by the Investment Manager and reviewed by the Directors.

#### VCT Regulation

VCTs were introduced in the Finance Act 1995 to provide a means for private individuals to invest in unquoted companies in the UK. The Finance Act 2004 introduced changes to VCT legislation designed to make VCTs more attractive to investors. The tax benefits available to eligible investors in VCTs include:

- up-front income tax relief of 30%;
- exemption from income tax on dividends received; and
- exemption from capital gains tax on disposals of shares in VCTs.

The Company was provisionally approved as a VCT by Her Majesty's Revenue and Customs. In order to secure final approval the Company must comply with certain requirements on a continuing basis. Within three years from the effective date of provisional approval or later allotment at least 70% of the Company's investments must comprise "qualifying holdings" of which at least 30% must be in eligible ordinary shares. This investment criterion has now been achieved.

**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 Investment Manager keeps the Company's VCT qualifying status under continual review and reports to the Board on a quarterly basis. The Board has also retained PricewaterhouseCoopers LLP to undertake an independent VCT status monitoring role.

#### Exit Programme

The Company is committed to realising its investments and returning funds to shareholders as soon as practicable after the end of the five year holding period, which will be 30 April 2015. During 2014 the Directors and the Manager will develop a plan for implementation of an investment realisation programme for 2015. The valuation and potential exit routes for the Company's portfolio of investments are reviewed and discussed at each Board meeting. The Manager has successfully implemented exit plans for other VCTs under its management.

## Strategic Report / Company Strategy and Business Model (continued)

For the year ended 28 February 2014

### Principal Risks and Risk Management

The Directors carry out a regular review of the environment in which the Company operates. The main areas of risk identified by them, along with the risks to which the Company is exposed through its operational and investing activities, are detailed below.

**Investment risk:** the Company's VCT qualifying investments will be held in small and medium-sized unquoted investments which, by their nature, entail a higher level of risk and lower liquidity than investments in large quoted companies. The Directors and Investment Manager aim to limit the risk attached to the portfolio as a whole by careful selection and timely realisation of investments, by carrying out rigorous due diligence procedures and by maintaining a spread of holdings in terms of industry sector and geographical location. The Board reviews the investment portfolio with the Investment Manager on a regular basis.

**Financial instrument risk:** Financial Instrument risks are described in note 15.

**Financial risk:** as most of the Company's investments will involve a medium to long-term commitment and will be relatively illiquid, the Directors consider that it is inappropriate to finance the Company's activities through borrowing.

**Internal control risk:** the Board regularly reviews the system of internal controls, both financial and non-financial, operated by the Company and the Investment Manager. These include controls designed to ensure that the Company's assets are safeguarded and that proper accounting records are maintained.

### Share Price Discount Policy

The Company has a share buy-back facility, committing to buy back shares at no more than a 10% discount to the prevailing NAV, subject to the Directors' discretion. We will be asking shareholders at the Annual General Meeting to extend the facility for the Company to purchase shares in the market for cancellation.

Shareholders should note that if they sell their shares within five years of subscription they forfeit any tax relief obtained. If you are considering selling your shares please contact TPIM on 020 7201 8989.

### Environmental, Social, Employee and Human Rights Issues

Due to the nature of the Company's activities, there being no employees and only 3 Non-Executive Directors, there are no Human Rights Issues to report. Its investment in companies engaged in the energy generation from renewable sources means it will contribute to the reduction in carbon emissions.

### Gender Diversity

The Board of Directors comprises 3 male Directors. The Investment Manager has a female managing partner and has 5 members of whom 20 are men and 15 are women.

At 28 February 2014, qualifying investments represented 78% of net assets, ensuring that the Company continues to satisfy the requirement to be 70% invested in qualifying investments.

The overall portfolio comprises investments in 14 small, unquoted companies which operate in two sectors: cinema digitisation and renewable electricity generation from solar PV, anaerobic digestion and landfill gas.

Each of these investments meets Triple Point's investment criteria, with projected revenues generated by good quality customers and the potential for steady returns. Investments in both sectors have been made with the benefit of rigorous selection criteria, including extensive due diligence and expert technical assessment and are subject to continuous stringent review.

### Sector Analysis

The unquoted qualifying investment portfolio can be analysed as follows:

Industry Sector	Electricity Generation				Total Qualifying Investments
	Cinema Digitisation	Solar PV	Anaerobic Digestion	Landfill Gas	
	£'000	£'000	£'000	£'000	£'000
Investments at 28 February 2013	1,000	3,392	725	640	5,757
Investment revaluations during the year	79	116	-	10	205
<b>Investments at 28 February 2014</b>	<b>1,079</b>	<b>3,508</b>	<b>725</b>	<b>650</b>	<b>5,962</b>
<b>Qualifying Investments %</b>	<b>18.10%</b>	<b>58.84%</b>	<b>12.16%</b>	<b>10.90%</b>	<b>100.00%</b>

### VCT Sector Review

#### Solar PV

The Company's investment portfolio includes 10 holdings in businesses generating renewable electricity from residential solar PV panels. We are pleased to report that the solar investment portfolio continues to perform in line with expectations for generating revenues, which are derived from the receipt of index-linked Feed-in Tariffs (FiTs). We continue to monitor closely the performance of each of these businesses.

#### Cinema Digitisation

The cinema digitisation portfolio continues to perform as intended, with the investee companies benefitting from reliable revenues. The majority of these revenues come from the six major investment grade Hollywood Studios under the globally recognised Virtual Print Fee model, through which film studios pay for the cost of the deployment of digital conversion over a number of years. The company in TP70 2010's portfolio owns, maintains and operates digital equipment in cinemas in the UK, Italy and Ireland.

#### Anaerobic Digestion

Since the publication of the last report, we are pleased that the anaerobic digestion plant has continued to perform well and has operated for a full season post start-up in line with expectations. This is as a result of a good maize harvest in 2013 providing new feed stock improving the quality of the plants' 'fuel'. The renewable energy generating company operates a 1 MW plant which generates electricity for sale to a utility company. The electricity generation also attracts Feed-in Tariffs which provide RPI linked revenues for a 20 year period from commissioning.

#### Landfill Gas

The Company has invested in Craigahulliar Energy Ltd and Aeris Power Ltd, which are both small ventures which have taken advantage of the opportunity to generate renewable electricity from landfill gas from sites owned by public bodies in Northern Ireland. This business line gives access to long term, reliable cash flows generated from strong counterparties through Government promoted legislation (ROCs), the sale of electricity to a utility company and the potential for sale of electricity to local authorities. Craigahulliar Energy Ltd's plant has been generating electricity for export to the National Grid since 2012 and Aeris Power Ltd's began earlier this year.

## Strategic Report / Investment Manager's Review (continued)

For the year ended 28 February 2014

### GAM Review

Over the year to 28 February 2014, GAM Trading 1.25XL declined by 4.87%, the HFRX Global Hedge Fund Index increased 5.69% and the FTSE all Share increased by 13.29%.

GAM reported as follows for the period under review:

"2013 was a challenging year for active investment management strategies with a focus outside of equities.

The fund's underlying managers continued to express the bulk of their risk in fixed income and currencies with the majority of equity exposure in Japan. Since managers remained optimistic on the opportunity set, this largely meant that they held on to their views throughout the summer. As US-centric issues became more uncertain, namely the potential for the government to default on its debt, this translated into not only a reversal of previous gains, but also moved the portfolio into negative territory heading into the last quarter of 2013.

As the year came to a close, the fund recovered as managers were able to regain some of their prior losses, with all sub-strategies generating gains. The strongest performer during Q4 was managed futures, due to the sustained trend in equities and the managers' higher targeted risk levels combined with their willingness to ride through prior market reversals. Discretionary macro managers also generated gains, but overall returns were lower. At the start of 2014 managers experienced significant reversals in many markets, with regular bouts of market volatility translating into a difficult environment,

GAM are disappointed by the fund's negative start to the year but remain confident that the portfolio will be able to generate positive returns and expect that managers who have performed well thus far will continue to leverage those gains, while more directional managers gradually climb out of their drawdowns and seek new opportunities."

Source GAM

### Outlook

We continue to work closely with the management of all portfolio businesses to ensure that they continue to meet the Company's investment strategy and objectives for shareholders. This combined with GAM Trading forms the investment strategy for the Company.

If you have any questions, please do not hesitate to call us on 020 7201 8989.



**CLAIRE AINSWORTH**  
Managing Partner

for Triple Point Investment Management LLP

14 May 2014

## Strategic Report / Investment Portfolio Summary

For the year ended 28 February 2014

	Year ended 28 February 2014				Year ended 28 February 2013			
	Cost		Valuation		Cost		Valuation	
	£'000	%	£'000	%	£'000	%	£'000	%
<b>Unquoted Investments</b>								
Qualifying Holdings	5,665	74.97	5,962	78.36	5,665	73.94	5,757	75.18
Non-Qualifying Holdings	-	-	-	-	-	-	-	-
<u>GAM Exposure</u>								
GAM Trading II GBP 1.25XL	608	8.04	605	7.95	711	9.28	743	9.70
Derivative	1,230	16.27	988	12.98	1,230	16.06	1,104	14.42
Financial Assets at fair value through profit or loss	7,503	99.28	7,555	99.29	7,606	99.28	7,604	99.30
Cash and cash equivalents	55	0.72	55	0.71	52	0.72	52	0.70
	7,558	100.00	7,610	100.00	7,658	100.00	7,656	100.00

### Unquoted Qualifying Holdings

#### Cinema Digitisation

DLN Digital Ltd	1,000	13.23	1,079	14.18	1,000	13.06	1,000	13.06
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#### Electricity Generation

##### Solar

AH Power Ltd	400	5.29	401	5.27	400	5.22	385	5.03
Arraze Ltd	500	6.62	542	7.12	500	6.53	523	6.83
Bandspace Ltd	500	6.62	564	7.41	500	6.53	542	7.08
Bridge Power Ltd	250	3.31	269	3.53	250	3.26	261	3.41
Core Generation Ltd	250	3.31	270	3.55	250	3.26	261	3.41
Druman Green Ltd	250	3.31	267	3.51	250	3.26	259	3.38
Fellman Solar Ltd	250	3.31	266	3.50	250	3.26	256	3.34
Haul Power Ltd	250	3.31	265	3.48	250	3.26	264	3.45
Helioflair Ltd	400	5.29	398	5.23	400	5.22	383	5.00
Trym Power Ltd	250	3.31	266	3.50	250	3.26	258	3.37

#### Anaerobic Digestion

Katharos Organic Ltd	725	9.59	725	9.53	725	9.47	725	9.47
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#### Landfill Gas

Aeris Power Ltd	400	5.29	400	5.26	400	5.22	400	5.22
Craigahulliar Energy Ltd	240	3.18	250	3.29	240	3.13	240	3.13

	5,665	74.97	5,962	78.36	5,665	73.94	5,757	75.18
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Financial Assets are measured at fair value through profit or loss. The initial best estimate of fair value of these investments that are either quoted or not quoted on an active market is the transaction price (i.e. cost). The fair value of these investments is subsequently measured by reference to the enterprise value of the investee company, which is best deemed to reflect the

fair value. Where the Board considers the investee company's enterprise value to remain unchanged since acquisition, investments continue to be held at cost less any loan repayments received. Where the Board considers the investee company's enterprise value has changed since acquisition, investments are held at a value measured using a discounted cash flow model.

## Strategic Report / Investment Portfolio's Ten Largest VCT Unquoted Investments

For the year ended 28 February 2014

### AERIS POWER LTD

Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
04 April 2012	400,000	400,000	Cost	2	19.64	98.19

**Summary of Information from Investee Company Financial Statements ending in 2013:** £'000

Turnover	0
Earnings before interest, tax, amortisation and depreciation (EBITDA)	(28)
Profit/(loss) before tax	(29)
Net Assets before VCT loans	1,970
Net Assets	780

**Aeris Power Ltd** was established to take advantage of the opportunity to generate renewable electricity by extracting landfill gas at former local authority landfill sites in Northern Ireland, with revenues supported by ROCs. Aeris Power Limited has provided Drumanakelly Power Limited, its wholly owned subsidiary, with a loan facility enabling it to construct and operate these landfill sites.

### AH POWER LTD

Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
05 Dec 2011	400,000	401,000	Discounted cashflow	14	19.61	98.05

**Summary of Information from Investee Company Financial Statements ending in 2013:** £'000

Turnover	171
Earnings before interest, tax, amortisation and depreciation (EBITDA)	134
Profit/(loss) before tax	(3)
Net assets before VCT loans	1,921
Net assets	521

**AH Power Ltd** is a small venture capital funded business with an established portfolio of roof mounted, residential solar PV system which has been generating electricity since 2011. Its revenues are generated from the sale of the electricity and the receipt of the Feed-in Tariffs. It expanded its business with the purchase of additional solar PV systems in 2013.

**ARRAZE LTD**

Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
30 March 2011	500,000	542,000	Discounted cashflow	17	15.92	98.7

**Summary of Information from Investee Company Financial Statements ending in 2013:** £'000

Turnover	301
Earnings before interest, tax, amortisation and depreciation (EBITDA)	227
Profit/(loss) before tax	11
Net assets before VCT loans	2,974
Net assets	1,044

**Arraze Limited** generates renewable electricity from its portfolio of residential roof mounted solar PV system which it owns and operates at sites across the UK. It has a reliable, long term index-linked revenue stream supported by receipt of the Feed-in Tariffs. After its initial purchase in November 2011, the business expanded its portfolio of solar PV systems in both 2012 and in 2013.

**BANDSPACE LTD**

Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
30 March 2011	500,000	564,000	Discounted cashflow	18	15.43	98.75

**Summary of Information from Investee Company Financial Statements ending in 2013:** £'000

Turnover	327
Earnings before interest, tax, amortisation and depreciation (EBITDA)	265
Profit/(loss) before tax	35
Net assets before VCT loans	3,164
Net assets	924

**Bandspace Ltd** is a small business that owns a portfolio of roof mounted solar PV system which has generated renewable electricity since 2011. It has a reliable, long term index-linked revenue stream supported by receipt of the Feed-in Tariffs. It expanded its business with the purchase of additional solar PV systems in 2012 and in 2013.

## Strategic Report / Investment Portfolio's Ten Largest VCT (continued)

For the year ended 28 February 2014

### Unquoted Investments

#### BRIDGE POWER LTD

Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
04 April 2011	250,000	269,000	Discounted cashflow	9	9.04	98.53

**Summary of Information from Investee Company Financial Statements ending in 2013:** £'000

Turnover	264
Earnings before interest, tax, amortisation and depreciation (EBITDA)	192
Profit/(loss) before tax	3
Net assets before VCT loans	2,614
Net assets	946

**Bridge Power Ltd** generates renewable electricity from its portfolio of residential roof mounted solar PV system which it owns and operates at sites across the UK. It has a reliable, long term index-linked revenue stream supported by receipt of the Feed-in Tariffs. After its initial purchase in November 2011, the business expanded its portfolio of solar PV systems in both 2012 and 2013.

#### CORE GENERATION LTD

Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
04 April 2011	250,000	270,000	Discounted cashflow	9	9.47	98.46

**Summary of Information from Investee Company Financial Statements ending in 2013:** £'000

Turnover	258
Earnings before interest, tax, amortisation and depreciation (EBITDA)	192
Profit/(loss) before tax	11
Net assets before VCT loans	2,498
Net assets	918

**Core Generation Ltd** has been operating in the residential solar PV market since 2011, when it purchased a portfolio of roof mounted solar PV system which provide it with a reliable, long term index-linked revenue stream supported by receipt of the Feed-in Tariffs. It augmented its original asset base in both 2012 and 2013, purchasing additional solar PV systems.

## Unquoted Investments

<b>DLN DIGITAL LTD</b>						
Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
30 March 2012	1,000,000	1,079,000	Discounted cashflow	35	22.67	97.71
<b>Summary of Information from Investee Company Financial Statements ending in 2013:</b>				£'000		
Turnover				1,673		
Earnings before interest, tax, amortisation and depreciation (EBITDA)				951		
Profit/(loss) before tax				422		
Net assets before VCT loans				6,444		
Net assets				2,027		
<p><b>DLN Digital Ltd</b> owns, maintains and operates digital equipment at cinemas in the UK, Ireland and Italy, covering 190 screens. It continues to perform in line with its objectives. Digital cinema projection conversion is paid for under the globally recognised Virtual Print Fee model, through which film studios pay for the cost of the deployment over a number of years with the majority of the company's revenues deriving ultimately from the six major investment grade Hollywood Studios.</p>						

<b>DRUMAN GREEN LTD</b>						
Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
14 November 2011	250,000	267,000	Discounted cashflow	9	12.25	98.03
<b>Summary of Information from Investee Company Financial Statements ending in 2013:</b>				£'000		
Turnover				183		
Earnings before interest, tax, amortisation and depreciation (EBITDA)				135		
Profit/(loss) before tax				0		
Net assets before VCT loans				1,912		
Net assets				512		
<p><b>Druman Green Ltd</b> generates renewable electricity from its portfolio of residential roof mounted solar PV system which it owns and operates at sites across the UK. It has a reliable, long term index-linked revenue stream supported by receipt of the Feed-in Tariffs. It expanded its business with the purchase of additional solar PV systems in 2013.</p>						

## Strategic Report / Investment Portfolio's Ten Largest VCT (continued)

For the year ended 28 February 2014

### Additional Information on the Ten Largest VCT Unquoted Investments

#### HELIOFLAIR LTD

Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
05 December 2011	400,000	398,000	Discounted cashflow	14	19.61	98.04

#### Summary of Information from Investee Company Financial Statements ending in 2013: £'000

Turnover	186
Earnings before interest, tax, amortisation and depreciation (EBITDA)	139
Profit/(loss) before tax	(8)
Net assets before VCT loans	1,923
Net assets	523

**Helioflair Ltd** generates renewable electricity from its portfolio of residential roof mounted solar PV system which it owns and operates at sites across the UK. It has a reliable, long term index-linked revenue stream supported by receipt of the Feed-in Tariffs. Helioflair established its network of solar PV systems in 2011, since when the business has expanded with further purchases in both 2012 and 2013.

#### KATHAROS ORGANIC LTD

Date of first investment	Cost	Valuation	Valuation Method	Income recognised by TP70 2010 for the year	Equity Held by TP70 2010	Equity Held by TPIM managed funds*
	£	£		£'000	%	%
30 March 2012	725,000	725,000	Cost	25	19.38	98.68

#### Summary of Information from Investee Company Financial Statements ending in 2013: £'000

Turnover	3
Earnings before interest, tax, amortisation and depreciation (EBITDA)	(353)
Profit/(loss) before tax	(544)
Net assets before VCT loans	3,253
Net assets	453

**Katharos Organic Ltd** has funded the construction of a farm based Anaerobic Digestion plant in Essex. The plant is fully operational and utilises agricultural feed stocks which are converted into a methane rich biogas in order to produce green electricity using a 1 MW Jenbacher CHP engine. The business derives its revenues from both the export and sale of the electricity it produces, as well as from Feed-in Tariffs that it is entitled to for the production of green electricity; these provide the company with 20 years of RPI linked cash flows. At the current time, having been operational through a full season post start up and with new harvest feedstock having been delivered, the plant is operating well.

- The investments are a combination of debt and equity.
- Equity holding is equal to the voting rights.

The Strategic Report has been approved by the Board and signed on their behalf by the Chairman.



**CHARLES METCALFE, Chairman**

14 May 2014

TP70 2010 VCT PLC

The Directors present their Report and the audited Financial Statements for the year ended 28 February 2014.

#### Details of Directors

**Charles Metcalfe** started his career at JPMorgan, first within the commodities area and then emerging markets corporate finance. After nine years he moved to investment management, first at Merrill Lynch and later Goldman Sachs, focusing on institutional clients in Europe and the Middle East. After an entrepreneurial spell running a start up e-commerce investment firm, he was appointed as Deputy CEO of Hermes Investment Management and later became CEO of First State Investments, the Emerging Market specialist house. Until recently he was the CEO of Nikko Asset Management Europe, an Asia focused investment business. Charlie is a Trustee to Leukaemia & Lymphoma Research and to the Sainsbury family Kay Kendal Leukaemia Fund. He is also an adviser to Auden Capital, a boutique corporate finance firm within the investment industry. He is a graduate of Yale University.

**Simon Acland** has over twenty-five years' experience in venture capital, primarily at Quester, where he became Managing Director. When Quester was sold in 2007 it had £200m under management and was one of the leading UK venture capital and VCT investment managers. Simon was a director of over 20 companies in Quester's portfolio, many of which achieved successful exits through flotation or trade sales. Simon is also a director of Triple Point Income VCT plc, and various other private companies and charities, and a member of the investment committee of the British Business Bank's Angel Co-Fund.

**Professor Elroy Dimson** is Professor of Finance at Cambridge Judge Business School and Emeritus Professor of Finance at London Business School. He is Chairman of the Strategy Council for the Norwegian Government Pension Fund and Chairman of the FTSE Policy Group. He previously served London Business School in a variety of senior positions. He has held board and investment committee positions in listed investment companies, pension funds, and charitable endowments.

Simon Acland being a Director of another TPIM managed VCT is not considered independent. Therefore he will retire and offer himself for re-election at the Annual General Meeting to be held on 24 July 2014. Professor Elroy Dimson having not been re-elected for 3 years must also retire and offer himself for re-election at the forthcoming Annual General Meeting.

The Board has considered provision B.7.2 of the UK Corporate Governance Code (September 2012) and believes that all the Directors continue to be effective and to demonstrate commitment to their roles, the Board and the Company. The Directors are discussed further within the Corporate Governance report on page 17 which demonstrates the Boards compliance with the UK Corporate Governance code.

#### Activities and Status

The Company is a Venture Capital Trust and its main activity is investing.

The Company has been provisionally approved as a VCT by HMRC.

The Company is registered in England as a Public Limited Company (Registration number 7039066). The Directors have managed, and intend to continue to manage, the Company's affairs in such a manner as to comply with Section 274 of the Income Tax Act 2007 which grants approval as a VCT.

The Company was not at any time up to the date of this report a close company within the meaning of S439 of the Corporation Tax Act 2010.

#### Post Balance Sheet Events

There have been no significant post balance sheet events.

#### Directors' and Officers' Liability Insurance

The Company has, as permitted by S233 of the Companies Act 2006, maintained insurance cover on behalf of the Directors and Company Secretary, indemnifying them against certain liabilities which may be incurred by them in relation to their offices with the Company.

#### Matters Covered in the Strategic Report

Dividends and financial risk management have both been discussed within the Strategic Report on pages 2 and 5

#### Management

TPIM acts as Investment Manager to the Company. The principal terms of the Company's management agreement with TPIM are set out in note 5 to the Financial Statements.

The Board has evaluated the performance of the Investment Manager based on the returns generated since taking on the management of the Fund and a review of the management contract and the services provided in accordance with its terms. As required by the Listing Rules, the Directors confirm that in their opinion the continuing appointment of TPIM as Investment Manager is in the best interests of the shareholders as a whole. In reaching this conclusion the Directors have taken into account the performance of other VCTs managed by TPIM and the service provided by TPIM to the Company.

#### Substantial Shareholdings

As at the date of this report no disclosures of major shareholdings had been made to the Company under Disclosure and Transparency Rule 5 (Vote Holder and Issuer Notification Rules).

## Report of the Directors (continued)

For the year ended 28 February 2014

### Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from the operations of its Company, nor does it have responsibility for any other emission producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

### Annual General Meeting

Notice convening the 2014 Annual General Meeting of the Company and a form of proxy in respect of that meeting can each be found at the end of this document.

### Share Capital, Rights Attaching to the Shares and Restrictions on Voting and Transfer

The Company's share capital is £600,000 divided into 60,000,000 shares of 1p each, of which 8,746,340 shares were in issue at 28 February 2014. As at that date none of the issued shares was held by the Company as treasury shares. Subject to any suspension or abrogation of rights pursuant to relevant law or the Company's articles of association, the shares confer on their holders (other than the Company in respect of any treasury shares) the following principal rights:

a) the right to receive out of profits available for distribution such dividends as may be agreed to be paid (in the case of a final dividend in an amount not exceeding the amount recommended by the Board as approved by shareholders in general meeting or in the case of an interim dividend in an amount determined by the Board). All dividends unclaimed for a period of 12 years after having become due for payment are forfeited automatically and cease to remain owing by the Company;

b) the right, on a return of assets on a liquidation, reduction of capital or otherwise, to share in the surplus assets of the Company remaining after payment of its liabilities *pari passu* with other holders of ordinary shares; and

c) the right to receive notice of and to attend and speak and vote in person or on a poll by proxy at any general meeting of the Company. On a show of hands every member present or represented and voting has one vote and on a poll every member present or represented and voting has one vote for every share of which that member is the holder; the validly executed appointment of a proxy must be received not less than 48 hours before the time of the holding of the relevant meeting or adjourned meeting or, in the case of a poll taken otherwise than at or on the same day as the relevant meeting or adjourned meeting, be received after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll.

These rights can be suspended. If a member, or any other person appearing to be interested in shares held by that member, has failed to comply within the time limits specified in the Company's articles of association with a notice pursuant to S793 of the Companies Act 2006 (notice by a Company requiring information

about interests in its shares), the Company can until the default ceases suspend the right to attend and speak and vote at a general meeting and if the shares represent at least 0.25% of their class the Company can also withhold any dividend or other money payable in respect of the shares (without any obligation to pay interest) and refuse to accept certain transfers of the relevant shares.

Shareholders, either alone or with other shareholders, have other rights as set out in the Company's articles of association and in company law (principally the Companies Act 2006).

A member may choose whether his or her shares are evidenced by share certificates (certificated shares) or held in electronic (uncertificated) form in CREST (the UK electronic settlement system). Any member may transfer all or any of his or her shares, subject in the case of certificated shares to the rules set out in the Company's articles of association or in the case of uncertificated shares to the regulations governing the operation of CREST (which allow the Directors to refuse to register a transfer as therein set out); the transferor remains the holder of the shares until the name of the transferee is entered in the register of members. The Directors may refuse to register a share transfer if it is in respect of a certificated share which is not fully paid up or on which the Company has a lien provided that, where the share transfer is in respect of any share admitted to the Official List maintained by the UK Listing Authority, any such discretion may not be exercised so as to prevent dealings taking place on an open and proper basis, or if in the opinion of the Directors (and with the concurrence of the UK Listing Authority) exceptional circumstances so warrant, provided that the exercise of such power will not disturb the market in those shares. Whilst there are no squeeze-out and sell-out rules relating to the shares in the Company's articles of association, shareholders are subject to the compulsory acquisition provisions in S974 to S991 of the Companies Act 2006.

### Amendment of Articles of Association

The Company's articles of association may be amended by the members of the Company by special resolution (requiring a majority of at least 75% of the persons voting on the relevant resolution).

### Appointment and Replacement of Directors

A person may be appointed as a Director of the Company by the shareholders in general meeting by ordinary resolution (requiring a simple majority of the persons voting on the relevant resolution) or by the Directors; no person, other than a Director retiring by rotation or otherwise, shall be appointed or re-appointed a Director at any general meeting unless he or she is recommended by the Directors or, not less than 7 nor more than 42 clear days before the date appointed for the meeting, notice is given to the Company of the intention to propose that person for appointment or re-appointment in the form and manner set out in the Company's articles of association.

Each Director who is appointed by the Directors (and who has not been elected as a Director of the Company by the members at a general meeting held in the interval since his appointment as a Director of the Company) is to be subject to election as a Director of the Company by the members at the first Annual General Meeting of the Company following his or her appointment. At each Annual General Meeting of the Company one third of the Directors for the time being, or if their number is not three or an integral multiple of three the number nearest to but not exceeding one third, are to be subject to re-election.

The Companies Act allows shareholders in general meeting by ordinary resolution (requiring a simple majority of the persons voting on the relevant resolution) to remove any Director before the expiring of his or her period of office, but without prejudice to any claim for damages which the director may have for breach of any contract of service between him or her and the Company.

A person also ceases to be a Director if he or she resigns in writing, ceases to be a Director by virtue of any provision of the Companies Act, becomes prohibited by law from being a Director, becomes bankrupt or is the subject of a relevant insolvency procedure, or becomes of unsound mind, or if the Board so decides following at least six months' absence without leave or if he or she becomes subject to relevant procedures under the mental health laws, as set out in the Company's articles of association.

### **Powers of the Directors**

Subject to the provisions of the Companies Act, the memorandum and articles of association of the Company and any directions given by shareholders by special resolution, the articles of association specify that the business of the Company is to be managed by the Directors, who may exercise all the powers of the Company, whether relating to the management of the business or not. In particular, the Directors may exercise on behalf of the Company its powers to purchase its own shares to the extent permitted by shareholders.

### **Auditor**

Grant Thornton UK LLP offers itself for reappointment as auditor. In accordance with S489(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP as auditor and to authorise the Directors to fix their remuneration will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board.



**CHARLES METCALFE**

**Chairman**

14 May 2014

## Corporate Governance

For the year ended 28 February 2014

The Board of TP70 2010 VCT plc has considered the principles and recommendations of the Association of Investment Companies Code of Corporate Governance (AIC Code) by reference to the Association of Investment Companies Corporate Governance Guide for Investment Companies (AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code (September 2012), as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company. The Board considers that reporting against principles and recommendations of the AIC Code, by reference to the AIC Guide, which incorporates the UK Corporate Governance Code (September 2012), will provide improved reporting to shareholders.

The Company is committed to maintaining high standards in corporate governance and has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code (September 2012), except as set out at the end of this report in the Compliance Statement.

The Corporate Governance Report forms part of the Report of the Directors.

### Board of Directors

The Company has a Board of three Non-Executive Directors. Since all Directors are Non-Executive and day-to-day management responsibilities are sub-contracted to the Investment Manager, the Company does not have a Chief Executive Officer. The Directors have a range of business and financial skills which are relevant to the Company; these are described on page 14 of this report. Directors are provided with key information on the Company's activities, including regulatory and statutory requirements, by the Investment Manager. The Board has direct access to company secretarial advice and compliance services provided by the Manager which is responsible for ensuring that Board procedures are followed and applicable regulations complied with. All Directors are able to take independent professional advice in furtherance of their duties.

Any appointment of new Directors to the Board is conducted, and appointments made, on merit and with due regard for the benefits of diversity on the Board, including gender. All Directors are able to allocate sufficient time to the Company to discharge their responsibilities.

The Board meets regularly on a quarterly basis, and on other occasions as required, to review the investment performance and monitor compliance with the investment policy laid down by the Board. There is a formal schedule of matters reserved for Board decision and the agreement between the Company and the Manager has authority limits beyond which Board approval must be sought.

The Investment Manager has authority over the management of the investment portfolio, the organisation of custodial services, accounting, secretarial and administrative services. In practice the Investment Manager makes investment recommendations for the Board's approval. In addition all investment decisions involving other VCTs managed by the Investment Manager are taken by the Board rather than the Investment Manager. Other matters reserved for the Board include:

- the consideration and approval of future developments or changes to the investment policy, including risk and asset allocation;
- consideration of corporate strategy;
- approval of any dividend or return of capital to be paid to the shareholders;
- the appointment, evaluation, removal and remuneration of the Investment Manager;
- the performance of the Company, including monitoring the net asset value per share; and
- monitoring shareholder profiles and considering shareholder communications.

The Chairman leads the Board in the determination of its strategy and in the achievement of its objectives. The Chairman is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda, and has no involvement in the day to day business of the Company. He facilitates the effective contribution of the Directors and ensures that they receive accurate, timely and clear information and that they communicate effectively with shareholders. The Chairman does not have significant commitments conflicting with his obligations to the Company.

The Company Secretary is responsible for advising the Board on all governance matters. All of the Directors have access to the advice and services of the Company Secretary which has administrative responsibility for the meetings of the Board and its committees. Directors may also take independent professional advice at the Company's expense where necessary in the performance of their duties. As all of the Directors are Non-Executive, it is not considered appropriate to identify a member of the Board as the senior Non-Executive Director of the Company.

The Company's articles of association and the schedule of matters reserved to the Board for decision provide that the appointment and removal of the Company Secretary is a matter for the full Board.

The Company's articles of association require that one third of the Directors should retire by rotation each year and seek re-election at the Annual General Meeting and that Directors newly appointed by the Board should seek re-appointment at

the next Annual General Meeting. The Board complies with the requirement of the UK Corporate Governance Code (September 2012) that all Directors are required to submit themselves for re-election at least every three years.

During the period covered by these Financial Statements the following meetings were held:

Directors present	4 Full Board Meetings	2 Audit Committee Meetings
Charles Metcalfe, Chairman	4	2
Simon Acland	4	2
Professor Elroy Dimson	2 (of 4)	1 (of 2)

#### Audit Committee

The Board has appointed an audit committee of which Charles Metcalfe is Chairman, which deals with matters relating to audit, financial reporting and internal control systems. The Committee meets as required and has direct access to Grant Thornton UK LLP, the Company's auditor.

The audit committee safeguards the objectivity and independence of the auditor by reviewing the nature and extent of non-audit services supplied by the external auditor to the Company. The audit committee has reviewed the non-audit service provided by the external auditor, being corporation tax, and does not believe it is sufficient to influence their independence or objectivity due to the fee being an immaterial expense.

When considering whether to recommend the reappointment of the external auditor the audit committee takes into account their current fee tender compared to the external audit fees paid by other similar companies. The audit committee will then recommend to the Board the appointment of an external auditor which is ratified at the Annual General Meeting.

The Auditing Practices Board requires the audit partner to rotate every five years. The audit partner rotated this year, which is a year ahead of the five year requirement. No audit tender has been undertaken since the Company was incorporated.

The effectiveness of the external audit is assessed as part of the Board evaluation conducted annually and by the quality and content of the audit plan provided to the audit committee by the external auditor and the discussions then held on topics raised. The audit committee will challenge the external auditor at the audit committee meeting if appropriate.

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

- reviewing and making recommendations to the Board in relation to the Company's published Financial Statements and other formal announcements or regulatory returns

relating to the Company's financial performance, reviewing significant financial reporting judgements contained in them;

- reviewing and making recommendations to the Board in relation to the Company's internal control (including internal financial control) and risk management systems;
- periodically considering the need for an internal audit function;
- making recommendations to the Board in relation to the appointment, re-appointment and removal of the external auditor and approving the remuneration and terms of engagement of the external auditor;
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional regulatory requirements;
- monitoring the extent to which the external auditor is engaged to supply non-audit services; and
- 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.

The committee reviews its terms of reference and effectiveness annually and recommends to the Board any changes required as a result of the review. The terms of reference are available on request from the Company Secretary.

The Board considers that the members of the committee collectively have the skills and experience required to discharge their duties effectively, and that the Chairman of the committee meets the requirements of the UK Corporate Governance Code (September 2012) as to relevant financial experience.

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 there were, would recommend it be established.

In respect of the year ended 28 February 2014, the audit committee discharged its responsibilities by:

- reviewing and approving the external auditor's terms of engagement and remuneration and independence;
- reviewing the external auditor's plan for the audit of the Financial Statements, including identification of key risks and confirmation of auditor independence;
- reviewing TPIM's statement of internal controls operated in relation to the Company's business and assessing those controls in minimising the impact of key risks;
- reviewing periodic reports on the effectiveness of TPIM's compliance procedures;

## Corporate Governance (continued)

For the year ended 28 February 2014

- reviewing the appropriateness of the Company's accounting policies;
- reviewing the Company's half-yearly results and draft annual Financial Statements prior to Board approval;
- reviewing the external auditor's audit plan document to the audit committee on the annual Financial Statements; and
- reviewing the Company's going concern status.

The audit committee is responsible for considering and reporting on any significant issues that arise in relation to the Financial Statements.

The key areas of risk that have been identified and considered by the audit committee in relation to the business activities and the Financial Statements of the Company are as follows:

- valuation and existence of unquoted investments;
- compliance with HM Revenue & Customs conditions for maintenance of approved Venture Capital Trust status; and
- ability to realise unquoted investments.

The audit committee relies on the Investment Manager to assess the valuation of unquoted investments and the existence of those investments. The Investment Manager has a director on the board of all the investee companies and meets regularly with the other directors and hence has an oversight of all the investments made. The audit committee have reviewed the valuations and discussed them with both the Investment Manager and the external auditor to confirm the valuation of the unquoted investments and the existence of those investments.

The Investment Manager has confirmed to the audit committee that the conditions for maintaining the Company's status as an approved Venture Capital Trust had been complied with throughout the year. The position is also reviewed by PricewaterhouseCoopers LLP in its capacity as adviser to the Company on taxation matters.

The audit committee has considered the whole Report and Accounts for the year ended 28 February 2014 and has reported to the Board that it considers them to be fair, balanced and understandable providing the information necessary for shareholders to assess the Company's performance, business model and strategy.

### Internal Control

The Directors have overall responsibility for keeping under review the effectiveness of the Company's systems of internal controls. The purpose of these controls is to ensure that proper accounting records are maintained, the Company's assets are safeguarded and the financial information used within the business and for publication is accurate and reliable; such a system can only provide reasonable and not absolute assurance

against material misstatement or loss. The system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives. As part of this process an annual review of the internal control systems is carried out. The review covers all material controls including financial, operational and risk management systems. The Directors regularly review financial results and investment performance with the Investment Manager.

The Directors have established an ongoing process designed to meet the particular needs of the Company in identifying, evaluating and managing risks to which it is exposed. The process adopted is one whereby the Directors identify the risks to which the Company is exposed including, among others, market risk, VCT qualifying investment risk and operational risks which are recorded on a risk register. The controls employed to mitigate these risks are identified and the residual risks are rated taking into account the impact of the mitigating factors. The risk register is updated twice a year.

TPIM is engaged to provide administrative including accounting services and retains physical custody of the documents of title relating to investments.

The Directors regularly review the system of internal controls, both financial and non-financial, operated by the Company and the Investment Manager. These include controls designed to ensure that the Company's assets are safeguarded and that proper accounting records are maintained.

Internal control systems include the production and review of quarterly bank reconciliations and management accounts. The VCT is subject to a full annual audit. The auditors are the same auditors as used by other VCTs managed by the Investment Manager. The Investment Manager's procedures are subject to internal compliance checks.

### Going Concern

After making the necessary enquiries, the Directors confirm that they are satisfied that the Company has adequate resources to continue in business for the foreseeable future. The Board receives regular reports from the Manager and the Directors believe that, as no material uncertainties leading to significant doubt about going concern have been identified, it is appropriate to continue to apply the going concern basis in preparing the Financial Statements. There are no borrowings or banking facilities in place nor are they anticipated to be required in future.

The Company is committed to realising its investments and returning funds to shareholders as soon as practicable after the end of the five year holding period, which will be 30 April 2015. The Directors intend to return cash from exits promptly to shareholders who will be given the opportunity to vote for the Company's discontinuation after six years.

### Relations with Shareholders

The Board recognises the value of maintaining regular communications with shareholders. In addition to the formal business of the Annual General Meeting, an opportunity is given to all shareholders to question the Board and the Investment Manager on matters relating to the Company's operation and performance. The Board and the Investment Manager will also respond to any written queries made by shareholders during the course of the year and both can be contacted at 4-5 Grosvenor Place, London, SW1X 7HJ or on 020 7201 8989.

### Compliance Statement

The Listing Rules require the Board to report on compliance with the UK Corporate Governance Code (September 2012) provisions throughout the accounting period. With the exception of the limited items outlined below, the Directors consider that the Company has complied throughout the period under review with the provisions set out in the UK Corporate Governance Code (September 2012).

1. New Directors do not receive a full, formal and tailored induction on joining the Board. Such matters are addressed on an individual basis as they arise (B.4.1).
2. Due to the size of the Board and the nature of the Company's business, a formal performance evaluation of the Board, its committees, the individual Directors and the Chairman has not been undertaken. Specific performance issues are dealt with as they arise (B.6.1, B.6.3).

3. The Company does not have a senior Independent Director. The Board does not consider such an appointment appropriate for the Company (A.4.1).
4. The Company conducts a formal review as to whether there is a need for an internal audit function. The Directors do not consider that an internal audit would be an appropriate control for a Venture Capital Trust (C.3.6).
5. As all the Directors are Non-Executive, it is not considered appropriate to appoint a Nomination or Remuneration Committee (B.2.1 and D.2.1).
6. The Audit committee includes three Non-Executive Directors, one of whom is not considered independent. The Board regularly reviews the independence of its Directors but does not consider it appropriate to appoint an additional Director to the Audit committee (C.3.1).

On behalf of the Board



**CHARLES METCALFE**  
Chairman

14 May 2014

## Directors' Responsibility Statement

For the year ended 28 February 2014

The Directors are responsible for preparing the Strategic Report, the Directors' Report, 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 the Financial Statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. 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 and profit or loss of the Company for that year. In preparing these Financial Statements, the Directors are required to:

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

The Directors are responsible for keeping 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 Remuneration report comply with the Companies Act 2006. 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 confirm that:

- so far as each of the Directors is aware there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for preparing the Annual Report in accordance with applicable law and regulations. The Directors consider the Annual Report and the Financial Statements, taken as a whole, provide the information necessary to assess the Company's performance, business model and strategy and are fair balanced and understandable.

The Company's Financial Statements are published on the TPIM website, [www.triplepoint.co.uk](http://www.triplepoint.co.uk). The maintenance and integrity of this website is the responsibility of TPIM and not of the Company. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

To the best of our knowledge:

- the Financial Statements, prepared in accordance with IFRSs as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

On behalf of the Board



**CHARLES METCALFE**  
Chairman  
14 May 2014

## Directors' Remuneration Report

For the year ended 28 February 2014

### Introduction

This report is submitted in accordance with schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008, in respect of the year ended 28 February 2014. This report also meets the Financial Conduct Authority's Listing Rules and describes how the Board has applied the principles relating to Directors' remuneration set out in UK Corporate Governance Code (issued September 2012). The new reporting requirements require two sections to be included, a Policy Report and an Annual Remuneration Report which are presented below.

### Directors' Remuneration Policy Report

This statement of the Directors' Remuneration Policy is intended to take effect following approval by shareholders at the Annual General Meeting on 8 July 2014. The Board currently comprises three Directors, all of whom are Non-Executive. The Board does not have a separate remuneration committee, as the Company has no employees or executive directors. The Board has not retained external advisers in relation to remuneration matters but has access to information about Directors' fees paid by other companies of a similar size and type. No views which are relevant to the formulation of the Directors' remuneration policy have been expressed to the Company by shareholders, whether at a general meeting or otherwise.

The Board's policy is that the remuneration of Non-Executive Directors should reflect the experience of the Board as a whole, be fair and be comparable with that of other relevant Venture Capital Trusts that are similar in size and have similar investment objectives and structures. Furthermore, the level of remuneration should be sufficient to attract and retain the Directors needed to oversee the Company properly and to reflect the specific circumstances of the Company, the duties and responsibilities of the Directors and the value and amount of time committed to the Company's affairs. The articles of association provide that the Directors shall be paid in aggregate a sum not exceeding £100,000 per annum. None of the Directors is eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits in respect of their services as Non-Executive Directors of the Company.

The articles of association provide that Directors shall retire and be subject to re-election at the first Annual General Meeting after their appointment and that any Director who has not been re-elected for three years shall retire and be subject to re-election at the Annual General Meeting. Also any Director not considered independent shall retire each year and offer himself for re-election at the Annual General Meeting. The Directors' service contracts provide for an appointment of twelve months, after which three months written notice must be given by either party. A Director who ceases to hold office is not entitled to receive any payment other than accrued fees (if any) for past services. The same policies will apply if a new Director is appointed.

Details of each Director's contract is shown below. The Chairman is paid more than the other Directors to reflect the additional responsibilities of that role. There are no other fees payable to the Directors for additional services outside of their contracts.

	<b>Date of Contract</b>	<b>Unexpired term of contract at 28 February 2014</b>	<b>Annual rate of Directors' fees £</b>
Charles Metcalfe, Chairman	02-Feb-10	none	15,000
Simon Acland	02-Feb-10	none	12,500
Professor Elroy Dimson	27-Apr-11	none	12,500

### Annual Remuneration Report

The remuneration policy described above will be implemented with effect from 8 July 2014 subject to approval at the Annual General Meeting and remain unchanged for a three year period. The Board will review the remuneration of the Directors in line with the VCT industry on an annual basis, if thought appropriate. Otherwise, only a change in role is likely to incur a change in remuneration of any one Director.

### Directors' Remuneration (audited information)

The fees paid to Directors in respect of the year ended 28 February 2014 and the prior year are shown below:

	<b>Emoluments for the year ended 28 February 2014</b>	<b>Emoluments for the year ended 28 February 2013</b>
	£	£
Charles Metcalfe, Chairman	15,000	15,000
Simon Acland	12,500	12,500
Prof. Elroy Dimson	12,500	12,500
	40,000	40,000
Employer's NI contributions	2,334	2,420
<b>Total Emoluments</b>	<b>42,334</b>	<b>42,420</b>

None of the Directors is eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits in respect of their services as Non-Executive Directors of the Company.

Information required on executive directors, including the Chief Executive Officer and employees has been omitted because the Company has neither and therefore it is not relevant.

Directors' emoluments compared to payments to shareholders:

	<b>28 February 2014</b>	<b>28 February 2013</b>
	£'000	£'000
Total Dividends paid	-	-
Total Directors' emoluments	42	42

## Directors' Remuneration Report (continued)

For the year ended 28 February 2014

### Directors' Share Interests (audited information)

At 28 February 2014 Charles Metcalfe held 100,000 ordinary shares of 1p each (2013: 100,000), Simon Acland and Professor Elroy Dimson did not hold any shares (2013: nil). At 28 February 2014 no connected parties to the Directors held any shares (2013: nil). There have been no changes in the holdings of the Directors between 28 February 2014 and the date of this report. There are no requirements or restrictions on Directors holding shares in the Company. Any shares owned by the Directors were purchased at the same price offered to investors.

### Company Performance

There have been no trades in the Company's shares to date. Therefore, no performance graph comparing the share price of the Company over the year ended 28 February 2014 with the total return from a notional investment in the FTSE All-Share index over the same period has been included.

No market maker has been appointed and therefore no current bid and offer price is available for the Company's shares. However the Board's policy is to buy back shares from shareholders at a 10% discount to net asset value. The Company will produce a graph of its share performance once there is sufficient activity that the graph would be meaningful to shareholders.

### Statement of Voting at the Annual General Meeting

The 2013 Remuneration Report was presented to the Annual General Meeting in July 2013 and received shareholder approval following a vote on a show of hands. There were no objections and no one abstained.

### Statement of the Chairman

The Directors' fees are fixed at £15,000 per annum for the Chairman and £12,500 per annum for other Directors. There have been no changes in their fees since the date of their appointment. The remuneration of the Directors reflects the experience of the Board as a whole, is fair and comparable with that of other relevant Venture Capital Trusts that are similar in size and have similar investment objectives and structures. The fees are sufficient to attract and retain the Directors needed to oversee the Company's affairs.

On behalf of the Board



**CHARLES METCALFE**  
Chairman

14 May 2014

We have audited the Financial Statements of TP70 2010 VCT plc for the year ended 28 February 2014 which comprise the Statement of Comprehensive income, the Balance Sheet, the Statement of Changes in Shareholders' Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditor's 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 auditor

As explained more fully in the Directors' Responsibility Statement set out on page 21, 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 and express an opinion on 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 Financial Reporting Council's website at [www.frc.org.uk/apb/scope/private.cfm](http://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 a third-party service provider. Accordingly, our audit work is focussed on obtaining an understanding of, and evaluating, internal controls at the Company and the third-party service provider, and inspecting records and documents held by the third-party service provider. 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 £76,000, which is 1% of the Company's net assets. For the income statement we determined that misstatements for a lesser amount 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 the revenue column of the income statement to be £19,000.

We have determined the threshold at which we communicate misstatements to the Audit Committee to be £950. In addition, we communicate misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

#### 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, account 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 IAS 39 '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 significant risk requiring special audit consideration.

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

# Independent Auditor's Report to the Members of TP70 2010VCT plc

For the year ended 28 February 2014

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 2, and its disclosures about unquoted investments held at the year end are included in note 10.

## Recognition of revenue from investments

Investment income is the Company's major source of revenue and consists of interest earned on loans to investee companies and cash balances. Revenue recognition is considered to be a significant risk requiring special audit consideration as it is often a key factor in demonstrating the performance of the portfolio.

Our audit work included, but was not restricted to, assessing whether the Company's accounting policy for revenue recognition is in accordance with IAS 18 'Revenue'; obtaining an understanding of management's process to recognise revenue in accordance with the stated accounting policy and the internal controls over that process; and, for a sample of income, determining that the income has been recognised in accordance with that policy by agreeing interest income to bank statements and loan interest income to loan agreements.

The accounting policy on the recognition of income is shown in note 2 and the components of that revenue are included in note 4.

## Management override of internal controls

Under ISAs (UK & Ireland), for all our audits we are required to consider the risk of management override of financial controls. Due to the unpredictable nature of this risk we are required to assess it as a significant risk requiring special audit consideration.

Our audit work included, but was not restricted to, specific procedures relating to this risk as required by ISA 240 'The auditor's responsibilities relating to fraud in an audit of Financial Statements'. This included tests of journal entries, the evaluation of judgements and assumptions in management's estimates and tests of significant transactions outside the normal course of business.

## 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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Other reporting responsibilities

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 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 set out on page 17 with respect to internal control and risk management systems in relation to financial reporting processes 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:

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited Financial Statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or
- is otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that were communicated to the audit committee which we consider should have been disclosed.

Under the Companies Act 2006 we are required 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a Corporate Governance Statement has not been prepared by the Company.

## Independent Auditor's Report to the Members of TP70 2010 VCT plc (continued)

For the year ended 28 February 2014

Under the Listing Rules, we are required to review:

- the Directors' statement, set out on page 21, in relation to going concern;
- 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.

### **PAUL CREASEY**

#### **Senior Statutory Auditor**

for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants,  
Oxford  
14 May 2014

## Statement of Comprehensive Income

For the year ended 28 February 2014

	Note	Year ended 28 February 2014			Year ended 28 February 2013		
		Revenue	Capital	Total	Revenue	Capital	Total
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>							
Investment income	4	186	-	186	177	-	177
Loss arising on the disposal of investments during the year		-	(12)	(12)	-	(31)	(31)
Gain arising on the revaluation of investments at the year end		-	58	58	-	196	196
Investment return		186	46	232	177	165	342
<b>Expenses</b>							
Investment management fees	5	125	42	167	124	41	165
Financial and regulatory costs		24	-	24	20	-	20
General administration		9	-	9	11	-	11
Legal and professional fees	6	30	-	30	37	-	37
Directors' remuneration	7	40	-	40	40	-	40
Operating expenses		228	42	270	232	41	273
(Loss)/profit before taxation		(42)	4	(38)	(55)	124	69
Taxation	8	-	-	-	-	-	-
(Loss)/profit after taxation		(42)	4	(38)	(55)	124	69
Profit and total comprehensive (loss)/profit for the year		(42)	4	(38)	(55)	124	69
Basic & diluted (loss)/profit per share	9	(0.48p)	0.04p	(0.44p)	(0.62p)	1.40p	0.79p

The total column of this statement is the Statement of Comprehensive Income of the Company prepared in accordance with International Financial Reporting Standards (IFRS). The supplementary revenue return and capital columns have been prepared in accordance with the Association of Investment Companies Statement of Recommended Practice (AIC SORP).

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

This Statement of Comprehensive Income includes all recognised gains and losses.

The accompanying notes are an integral part of these statements.

Balance Sheet  
as at 28 February 2014

		Year ended 28 February 2014	Year ended 28 February 2013
	Note	£'000	£'000
<b>Non current assets</b>			
Financial assets at fair value through profit or loss	10	7,555	7,604
		7,555	7,604
<b>Current assets</b>			
Receivables	11	95	68
Cash and cash equivalents	12	55	52
		150	120
<b>Total assets</b>		<b>7,705</b>	<b>7,724</b>
<b>Current liabilities</b>			
Payables and accrued expenses	13	142	123
		142	123
<b>Net assets</b>		<b>7,563</b>	<b>7,601</b>
<b>Equity attributable to equity holders</b>			
Share capital	14	87	87
Special distributable reserve		8,225	8,225
Capital reserve		(441)	(445)
Revenue reserve		(308)	(266)
<b>Total equity</b>		<b>7,563</b>	<b>7,601</b>
Net asset value per share (pence)	16	86.47p	86.91p

The statements were approved by the Directors and authorised for issue on 14 May 2014 and are signed on their behalf by:



**CHARLES METCALFE**  
**Chairman**

14 May 2014

Company registration number 7039066.

The accompanying notes are an integral part of this statement

## Statement of Changes in Shareholders' Equity

For the year ended 28 February 2014

	Issued Capital	Special Distributable Reserve	Capital Reserve	Revenue Reserve	Total
	£'000	£'000	£'000	£'000	£'000
<b>Year ended 28 February 2014</b>					
Opening balance	87	8,225	(445)	(266)	7,601
Profit/(loss) after tax	-	-	4	(42)	(38)
Total comprehensive profit/(loss) for the year	-	-	4	(42)	(38)
<b>Balance at 28 February 2014</b>	<b>87</b>	<b>8,225</b>	<b>(441)</b>	<b>(308)</b>	<b>7,563</b>
Capital Reserve consists of:					
Investment holding gains			52		
Other realised losses			(493)		
			(441)		
<b>Year ended 28 February 2013</b>					
Opening balance	87	8,225	(569)	(211)	7,532
Profit/(loss) after tax	-	-	124	(55)	69
Total comprehensive profit/(loss) for the year	-	-	124	(55)	69
<b>Balance at 28 February 2013</b>	<b>87</b>	<b>8,225</b>	<b>(445)</b>	<b>(266)</b>	<b>7,601</b>
Capital Reserve consists of:					
Investment holding losses			(2)		
Other realised losses			(443)		
			(445)		

The capital reserve represents the proportion of Investment Management fees charged against capital and realised/unrealised gains or losses on the disposal/revaluation of investments. The capital reserve is not distributable. The special distributable reserve

was created on court cancellation of the share premium account. The revenue and special distributable reserve are distributable by way of dividend.

**Statement of Cash Flows**  
For the year ended 28 February 2014

	<b>Year ended 28 February 2014</b>	<b>Year ended 28 February 2013</b>
	<i>£'000</i>	<i>£'000</i>
<b>Cash flows from operating activities</b>		
(Loss)/profit before taxation	(38)	69
Loss arising on the disposal of investments during the year	12	31
(Gain) arising on the revaluation of investments at the year end	(58)	(196)
Cash absorbed by operations	(84)	(96)
(Increase) in receivables	(27)	(12)
Increase in creditors	19	69
Net cash flows from operating activities	(92)	(39)
<b>Cash flows from investing activities</b>		
Purchase of financial assets at fair value through profit or loss	-	(3,076)
Disposal proceeds of financial assets at fair value through profit or loss	95	2,613
Net cash flows from investing activities	95	(463)
Net increase/(decrease) in cash and cash equivalents	3	(502)
<b>Reconciliation of net cash flow to movements in cash and cash equivalents</b>		
Cash and cash equivalents at 1 March 2013	52	554
Net increase/(decrease) in cash and cash equivalents	3	(502)
Cash and cash equivalents at 28 February 2014	55	52

The accompanying notes are an integral part of this statement.

# Notes to the Financial Statements

For the year ended 28 February 2014

## 1. CORPORATE INFORMATION

The Financial Statements of the Company for the year ended 28 February 2014 were authorised for issue in accordance with a resolution of the Directors on 14 May 2014.

The Company applied for listing on the London Stock Exchange on 1 April 2010.

TP70 2010 VCT plc was incorporated and is domiciled in Great Britain and registered in England and Wales. The address of TP70 2010 VCT plc's registered office, which is also its principal place of business, is 4-5 Grosvenor Place, London, SW1X 7HJ.

TP70 2010 VCT plc's Financial Statements are presented in Pounds Sterling (£) which is also the functional currency of the Company, rounded to the nearest thousand.

The principal activity of the Company is investment. The Company's investment strategy is to offer combined exposure to GAM Trading strategy and venture capital investments focused on companies with contractual revenues from financially secure counterparties.

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

### Basis of preparation

After making the necessary enquiries, the Directors confirm that they are satisfied that the Company has adequate resources to continue in business for the foreseeable future. The Board receives regular reports from the Investment Manager and the Directors believe that, as no material uncertainties leading to significant doubt about going concern have been identified, it is appropriate to continue to apply the going concern basis in preparing the Financial Statements. There are no borrowings or banking facilities in place nor are they anticipated to be required in future.

The Financial Statements of the Company for the year to 28 February 2014 have been prepared in accordance with International Financial Reporting Standards ("IFRS") adopted for use in the European Union and complied with the Statement of Recommended Practice: "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (SORP) issued by the Association of Investment Companies (AIC) in January 2009, in so far as this does not conflict with IFRS.

The Financial Statements are prepared on a historical cost basis except that investments are shown at fair value through profit or loss.

The preparation of Financial Statements in conformity with IFRS

requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these judgements.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities relate to:

- the valuation of unlisted financial investments held at fair value through profit or loss, which are valued on the basis noted below (in the section headed non-current asset investments).
- the recognition or otherwise of accrued income on loan notes and similar instruments granted to investee companies which are assessed in conjunction with the overall valuation of unlisted financial investments as noted above.

The key judgements made by Directors are in the valuation of non-current assets. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period or in the period of revision and future periods if the revision affects both current and future periods. The carrying value of investments is disclosed in note 10.

The Directors do not believe that there are any further key judgements made in applying accounting policies or estimates in respect of the Financial Statements.

These Financial Statements have been prepared in accordance with the accounting policies set out below which are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union (EU).

These accounting policies have been applied consistently in preparing these Financial Statements.

### Standards Issued but not yet Effective

The following new standards, amendments to standards and interpretations are not yet effective for the year ended 28 February 2014, and have not been applied in preparing these Financial Statements.

- IFRS 9 Financial Instruments (no mandatory effective date);
- IAS 27 (revised), Separate Financial Statements (IASB effective date 1 January 2013);

- Investment Entities – Amendments to IFRS 10, IFRS 12 and IAS 27 (effective 1 January 2014);
- Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32 (effective 1 January 2014);
- Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36) (effective 1 January 2014);
- Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39) (effective 1 January 2014);
- Annual Improvements to IFRSs 2010-2012 Cycle (effective 1 July 2014);
- Annual Improvements to IFRSs 2011-2013 Cycle (effective 1 July 2014);

All of these changes will be applied by the Company from the effective date but none of them are expected to have a significant impact on the Company's Financial Statements.

#### Presentation of Statement of Comprehensive Income

In order better to reflect the activities of a Venture Capital Trust, and in accordance with the guidance issued by the Association of Investment Companies, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Income Statement.

#### Capital Management

Capital management is monitored and controlled using the internal control procedures set out on page 19. The capital being managed includes equity and fixed interest VCT qualifying investments, cash balances and liquid resources including debtors and creditors.

The Company's objectives when managing capital are:

- to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders;
- to ensure sufficient liquid resources are available to meet the funding requirements of its investments and to fund new investments where identified.

The Company has no external debt; consequently all capital is represented by the value of share capital, distributable and other reserves. Total Shareholder equity at 28 February 2014 was £7.6 million (2013: £7.6 million).

#### Non-Current Asset 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 in accordance with the investment policy detailed in the Strategic Report on page 3 and information about

the portfolio is provided internally on that basis to the Company's Board of Directors. Accordingly upon initial recognition the investments are designated by the Company as "at fair value through profit or loss" in accordance with IAS39 "Financial instruments recognition and measurement". They are included initially at fair value, which is taken to be their cost (excluding expenses incidental to the acquisition which are written off in the Statement of Comprehensive Income and allocated to "capital" at the time of acquisition). Subsequently the investments are valued at "fair value" which is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. This is measured as follows:

- unlisted investments are fair valued by the Directors in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Fair value is established by using measurements of value such as price of recent transactions, discounted cash flows, cost, and initial cost of investment.
- listed investments are fair valued at bid price on the relevant date.

Money market funds are valued based on the bid price quoted on the balance sheet date.

Where securities are designated upon initial recognition as at fair value through profit or loss, gains and losses arising from changes in fair value are included in the Statement of Comprehensive Income for the year as capital items in accordance with the AIC SORP. The profit or loss on disposal is calculated net of transaction costs of disposal.

Investments are recognised as financial assets on legal completion of the investment contract and are de-recognised on legal completion of the sale of an investment.

The derivative, providing leveraged exposure to GAM Trading is classified at fair value through profit or loss.

Whether gains or losses on derivative transactions fall to be treated as capital or revenue will depend on the nature of the transaction. Both the underlying motives for the transaction and its circumstances are considered to be important in determining whether changes in its value are of a capital or revenue nature. In some circumstances gains or losses may have to be apportioned between capital and revenue to reflect the nature of the transaction.

#### Income

Investment income includes interest earned on bank balances and money market funds and includes income tax withheld at source. Dividend income is shown net of any related tax credit and is brought into account on the ex-dividend date.

## Notes to the Financial Statements (continued)

For the year ended 28 February 2014

Fixed returns on investment loans, debt and money market funds are recognised on a time apportionment basis so as to reflect the effective yield, provided there is no reasonable doubt that payment will be received in due course.

### Expenses

All expenses are accounted for on the accruals basis. Expenses are charged to revenue with the exception of the investment management fee which has been charged 75% to the revenue account and 25% to the capital account (2013: 75% revenue, 25% capital) to reflect, in the Directors' opinion, the expected long term split of returns in the form of income and capital gains respectively from the investment portfolio.

### Taxation

Corporation tax payable is applied to profits chargeable to corporation tax, if any, at the current rate in accordance with IAS 12 "Income Taxes". The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue on the "marginal" basis as recommended by the SORP.

In accordance with IAS 12, deferred tax is recognised using the balance sheet method providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. The Directors have considered the requirements of IAS 12 and do not believe that any provision should be made.

### Financial Instruments

The Company's principal financial assets are its investments and the accounting policies in relation to those assets are set out above. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

### Issued Share Capital

Ordinary shares are classified as equity because they do not contain an obligation to transfer cash or another financial asset. Issue costs associated with the allotment of shares have been deducted from the share premium account in accordance with IAS 32.

### Cash and Cash Equivalents

Cash and cash equivalents representing cash available at less than 3 months' notice are classified as loans and receivables under IAS 39.

### Reserves

The revenue reserve (retained earnings) and capital reserve reflect the guidance in the AIC SORP. The capital reserve represents the proportion of Investment Management fees charged against capital and realised/unrealised gains or losses on the disposal/revaluation of investments. The capital reserve is not distributable. The special distributable reserve was created on court cancellation of the share premium account. The revenue and special distributable reserve are distributable by way of dividend.

### Cash and Cash Equivalents

Cash and cash equivalents represent cash available at less than 3 months' notice are classified as loans and receivables under IAS 39.

### Reserves

The revenue reserve (retained earnings) and capital reserve reflect the guidance in the AIC SORP. The share premium represents the excess of the issue price net of issue costs over the par value of the shares. The capital reserve represents the proportion of Investment Management fees charged against capital and realised or unrealised gains or losses on investments credited/charged to capital reserve in the current or previous year. Neither the share premium or capital reserve are distributable. The special distributable reserve was created on court cancellation of the share premium account. The revenue and special distributable reserve are distributable by way of dividend.

## 3. SEGMENTAL REPORTING

The Company only has one class of business, being investment activity. All revenues and assets are generated and held in the UK.

**4. INVESTMENT INCOME**

	Year ended 28 February 2014			Year ended 28 February 2013		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Interest receivable on bank balances	-	-	-	1	-	1
Loan interest receivable	186	-	186	175	-	175
Dividends on money market funds	-	-	-	1	-	1
	186	-	186	177	-	177

**5. INVESTMENT MANAGEMENT FEES**

Triple Point Investment Management LLP provides investment management and administration services to the Company under an Investment Management Agreement effective 2 February 2010. The agreement provides for an administration and investment management fee of 2.25% per annum of net assets, subject to a cap of 3.50% per annum on overall running costs as a percentage of net assets. It is calculated and payable quarterly in arrear and runs for a period of 5 years and may be terminated at any time thereafter by not less than twelve months' notice given by either party. Should such notice be given, the Investment Manager would perform its duties under the Investment Management Agreement and receive its contracted fee during the notice period.

**6. LEGAL AND PROFESSIONAL FEES**

Legal and professional fees include remuneration paid to the Company's auditor, Grant Thornton UK LLP as shown in the following table:

	Year ended 28 February 2014			Year ended 28 February 2013		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fees payable to the Company's auditor:						
for the audit of the Company accounts	18	-	18	19	-	19
for taxation compliance services	2	-	2	4	-	4
	20	-	20	23	-	23

**7. DIRECTORS' REMUNERATION**

The only remuneration received by the Directors was their Directors' fees. The Company has no employees other than the Non-Executive Directors. The average number of Non-Executive Directors in the year was three. Full disclosure of Directors' remuneration is included in the Directors' Remuneration report.

	Year ended 28 February 2014			Year ended 28 February 2013		
	Revenue	Capital	Total	Revenue	Capital	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Charles Metcalfe, Chairman	15	-	15	15	-	15
Simon Acland	13	-	13	13	-	13
Professor Elroy Dimson	12	-	12	10	-	10
	40	-	40	40	-	40

## Notes to the Financial Statements (continued)

For the year ended 28 February 2014

### 8. TAXATION

Capital gains and losses are exempt from corporation tax due to the Company's status as a Venture Capital Trust.

	Year ended 28 February 2014			Year ended 28 February 2013		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Loss)/profit on ordinary activities before tax	(42)	4	(38)	(55)	124	69
Corporation tax @ 20%	(8)	1	(7)	(11)	25	14
Effect of:						
Utilisation of tax losses brought forward	-	-	-	-	(25)	(25)
Capital (gains)/losses not taxable	-	(9)	(9)	-	(33)	(33)
Unrelieved tax losses arising in the year	8	8	16	11	33	44
Tax charge/credit for the period	-	-	-	-	-	-

Excess management charges of £642,000 (2013: £558,000) have been carried forward at 28 February 2014 and are available for offset against future taxable income subject to agreement with HM Revenue & Customs.

### 9. EARNINGS/(LOSS) PER SHARE

The earnings per share is based on a loss from ordinary activities after tax of £38,231 (2013: profit of £69,081), and on the

weighted average number of shares in issue during the period of 8,746,340 (2013: 8,746,340).

### 10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS INVESTMENTS

#### Fair Value Hierarchy

**Level 1:** quoted prices on active markets for identical assets or liabilities. The fair value of financial instruments traded on active markets is based on quoted market prices at the balance sheet date. A market is regarded as active where the market in which transactions for the asset or liability takes place with sufficient frequency and volume to provide pricing information on an ongoing basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

**Level 2:** the fair value of financial instruments that are not traded on active markets is determined by using valuation techniques. These valuation techniques maximise the use of observable inputs including market data where it is available either directly or indirectly and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** the fair value of financial instruments that are not traded on an active market (for example, investments in unquoted companies) is determined by using valuation techniques such as discounted cash flows. If one or more of the significant inputs is based on unobservable inputs including market data, the instrument is included in level 3.

There have been no transfers between these classifications in the period. Any change in fair value is recognised through the

Statement of Comprehensive Income.

Further details of these investments are provided in the Investment Manager's Review and Investment Portfolio.

The Company's Investment Manager performs valuations of financial items for financial reporting purposes, including Level 3 fair values. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

Level 3 valuations include assumptions based on non-observable data with the majority of investments being valued on discounted cashflows or price of recent transactions.

Consideration has been given whether the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. Each unquoted portfolio company has been reviewed in order to identify the sensitivity of the valuation methodology to using alternative assumptions. Where discount rates have been applied alternative discount rates have been considered. Two alternative scenarios for each investment have been modelled, a more prudent assumption (downside case) and a more optimistic assumption (upside case). Applying the downside alternative the aggregate value of the unquoted investment would be £0.3 million or 4.3 per cent lower. Using

## Notes to the Financial Statements (continued)

For the year ended 28 February 2014

the upside alternative the aggregate value of unquoted investments would be £0.6million or 10.2 per cent higher.

The Company's derivative is not traded on an active market. It is a leveraged note that tracks the performance of the fund GAM Trading II and it has been fair valued using data from the leveraged index for that fund. The effects of non-observable inputs are not significant.

Movements in investments held at fair value through the profit or loss during the year to 28 February 2014 were as follows:

### Year ended 28 February 2014

	Level 1 Quoted Investments	Level 2 Derivative	Level 3 Unquoted Investments	Total
	£'000	£'000	£'000	£'000
Opening cost	711	1,230	5,665	7,606
Opening investment holding gains/(losses)	32	(126)	92	(2)
	743	1,104	5,757	7,604
Purchases at cost	-	-	-	-
Disposal proceeds	(100)	-	5	(95)
Losses arising from the disposal of investments	(7)	-	(5)	(12)
Investment holding (losses)/gains	(31)	(116)	205	58
<b>Closing fair value at 28 February 2014</b>	<b>743</b>	<b>1,104</b>	<b>5,757</b>	<b>7,604</b>
Closing cost	608	1,230	5,665	7,503
Closing investment holding (losses)/gains	(3)	(242)	297	52

### Year ended 28 February 2013

	Level 1 Quoted Investments	Level 2 Derivative	Level 3 Unquoted Investments	Total
	£'000	£'000	£'000	£'000
Opening cost	900	1,230	5,111	7,241
Opening investment holding losses	-	(198)	(67)	(265)
	900	1,032	5,044	6,976
Purchases at cost	711	-	2,365	3,076
Disposal Proceeds	(900)	-	(1,713)	(2,613)
Losses arising from the disposal of investments	-	-	(31)	(31)
Investment holding gains	32	72	92	196
<b>Closing fair value at 28 February 2013</b>	<b>900</b>	<b>1,032</b>	<b>5,044</b>	<b>6,976</b>
Closing cost	900	1,230	5,111	7,241
Closing investment holding losses	-	(198)	(67)	(265)

## Notes to the Financial Statements (continued)

For the year ended 28 February 2014

### 11. RECEIVABLES

	28 February 2014	28 February 2013
	£'000	£'000
Accrued income	-	-
Prepaid expenses	8	5
Other debtors	87	63
	95	68

### 12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise deposits with The Royal Bank of Scotland plc.

### 13. PAYABLES AND ACCRUED EXPENSES

	28 February 2014	28 February 2013
	£'000	£'000
Payables	46	1
Taxation	6	7
Deferred income	17	16
Accrued expenses	73	99
	142	123

### 14. SHARE CAPITAL

	28 February 2014	28 February 2013
Ordinary Shares of 1p		
<b>Authorised</b>		
Number of shares	60,000,000	60,000,000
Par Value £'000	600	600
<b>Issued &amp; Fully Paid</b>		
Number of shares	8,746,340	8,746,340
Par Value £'000	87	87

**15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company's financial instruments comprise VCT qualifying investments, cash balances and liquid resources including debtors and creditors. The Company holds financial assets in accordance with its investment policy detailed in the Strategic Report on page 3.

The following table discloses the financial assets and liabilities of the Company in the categories defined by IAS 39, "Financial Instruments; Recognition & Measurement."

	Total value	Loan and receivables	Financial liabilities held at amortised cost	Fair value through profit or loss
<b>Year ended 28 February 2014</b>				
<b>Assets:</b>				
Financial assets at fair value through profit or loss	7,555	-	-	7,555
Receivables	87	87	-	-
Cash and cash equivalents	55	55	-	-
	7,697	142	-	7,555
<b>Liabilities:</b>				
Other payables	46	-	46	-
Taxation	7	-	7	-
Accrued expenses	73	-	73	-
	126	-	126	-
<b>Period ended 28 February 2013</b>				
<b>Assets:</b>				
Financial assets at fair value through profit or loss	7,604	-	-	7,604
Receivables	63	63	-	-
Cash and cash equivalents	52	52	-	-
	7,719	115	-	7,604
<b>Liabilities:</b>				
Other payables	1	-	1	-
Taxation	7	-	7	-
Accrued expenses	99	-	99	-
	107	-	107	-

Fixed Asset Investments (see note 10) 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. The fair value of all other financial assets and liabilities is represented by their carrying value in the balance sheet. The Directors believe that where an investee company's enterprise value, which is equivalent to fair value, remains unchanged since acquisition, that investment should continue to be held at cost less any loan repayments received. Where they consider the

investee company's enterprise value has changed since acquisition, that should be reflected by the investment being held at a value measured using a discounted cash flow model.

In carrying out its investment activities, the Company is exposed to various types of risk associated with the financial instruments and markets in which it invests. The Company's approach to managing its risks is set out below together with a description of the nature of the financial instruments held at the balance sheet date.

## Notes to the Financial Statements (continued)

For the year ended 28 February 2014

### Market Risk

The Company's VCT qualifying investments are held in small and medium-sized unquoted investments which, by their nature, entail a higher level of risk and lower liquidity than investments in large quoted companies. The Directors and Investment Manager aim to limit the risk attached to the portfolio as a whole by careful selection and timely realisation of investments by carrying out rigorous due diligence procedures and by maintaining a spread of holdings in terms of industry sector and geographical location. The Board reviews the investment portfolio with the Investment Manager on a regular basis. Details of the Company's investment portfolio at the balance sheet date are set out on pages 8 to 13.

An increase of 1% in the value of investments would increase the capital profits for the period and the net asset value at 28 February 2014 by £76,000. A decrease of 1% would reduce the capital profits and net asset value by the same amount. A movement of 1% is used as a multiple to demonstrate the impact of varying changes on the capital profits and net asset value of the Company.

### Interest Rate Risk

Some of the Company's financial assets are interest bearing, of which some are at fixed rates and some at variable rates. As a result, the Company is exposed to interest rate risk arising from fluctuations in the prevailing levels of market interest rates.

Investments made into qualifying holdings are part equity and part loan. The loan element of investments totals £3,966,000 (2013: £3,966,000) and is subject to fixed interest rates for the five year loan terms and as a result there is no cashflow interest rate risk. As the loans are held in conjunction with equity and are valued in combination as part of the enterprise value, fair value risk is considered part of market risk.

The amounts held in variable rate investments at the balance sheet date are as follows:

	28 February 2014	28 February 2013
	£'000	£'000
Cash on Deposit	55	52
	55	52

An increase in interest rates of 1% per annum would not have a material effect either on the revenue for the year or the net asset value at 28 February 2014. The Board believes that in the current economic climate a movement of 1% is a reasonable expectation.

### Credit Risk

Credit risk is the risk that a counterparty will fail to discharge an obligation or commitment that it has entered into with the Company. The Investment Manager and the Board carry out a regular review of counterparty risk. The carrying value of the financial assets represent the maximum credit risk exposure at the balance sheet date.

	28 February 2014	28 February 2013
	£'000	£'000
Qualifying Investments - loans	3,966	3,966
Cash on Deposit	55	52
Receivables	87	63
GAM Trading II GBP 1.25XL	605	743
Exane Note	988	1,104
	5,701	5,928

The Company's bank accounts are maintained with Royal Bank of Scotland plc ("RBS"). Should the credit quality or financial position of RBS deteriorate significantly, the Investment Manager will move the cash holdings to another bank.

Credit risk arising on unquoted loan stock held within unlisted investments is considered to be part of market risk as disclosed above.

### Liquidity Risk

The Company's financial assets include investments in unquoted equity securities which are not traded on a recognised stock exchange and which are illiquid. As a result the Company may not be able to realise some of its investments in these instruments quickly at an amount close to their fair value in order to meet its liquidity requirements.

The Company's liquidity risk is managed on a continuing basis by the Investment Manager in accordance with policies and procedures laid down by the Board. The Company's overall liquidity risks are monitored by the Board on a quarterly basis.

The Board maintains a liquidity management policy where cash and future cashflows from operating activities and realisation of investments will be sufficient to pay expenses. At 28 February 2014 cash held by the Company amounted to £55,000 (28 February 2013: £52,000).

### Foreign Currency Risk

The Company does not have exposure to material foreign currency risks.

#### **16. NET ASSET VALUE PER SHARE**

The calculation of net asset value per share is based on net assets of £7,563,000 (2013: £7,601,000) divided by the 8,746,340 (2013: 8,746,340) shares in issue.

#### **17. COMMITMENTS AND CONTINGENCIES**

The Company has no outstanding commitments or contingent liabilities.

#### **18. RELATIONSHIP WITH INVESTMENT MANAGER**

During the period, TPIM received £166,893 which has been expensed (2013: £162,668) for providing management and administrative services to the Company. At 28 February 2014 £90,557 was owing to TPIM (2013: £69,450).

#### **19. RELATED PARTY TRANSACTIONS**

There are no related party transactions which require disclosure.

#### **20. POST BALANCE SHEET EVENTS**

There have been no post balance sheet events since the year end.

## General Information / Details of Advisers

For the year ended 28 February 2014

### Secretary and Registered Office

Triple Point Investment Management LLP  
4-5 Grosvenor Place  
London  
SW1X 7HJ

### Registered Number

7039066

### Investment Manager and Administrator

Triple Point Investment Management LLP  
4-5 Grosvenor Place  
London  
SW1X 7HJ  
Tel: 020 7201 8989

### Independent Auditor

Grant Thornton UK LLP  
Chartered Accountants and Statutory Auditor  
3140 Rowan Place  
John Smith Drive  
Oxford Business Park South  
Oxford  
OX4 2WB

### Solicitors

Howard Kennedy FSI LLP  
19a Cavendish Square  
London  
W1A 2AW

### Registrars

Neville Registrars Limited  
Neville House  
18 Laurel Lane  
Halesowen  
West Midlands  
B63 3DA

### VCT Taxation Advisers

PriceWaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RN

### Bankers

The Royal Bank of Scotland plc  
54 Lime Street  
London  
EC3M 7NQ

### The Company

TP70 2010 VCT plc is a Venture Capital Trust. The Investment Manager is Triple Point Investment Management LLP ("TPIM"). The Company was incorporated on 13 October 2009. A Prospectus offering for subscription up to 50,000,000 Ordinary Shares of £1 each was issued on 2 February 2010. The offer closed on 31 May 2010 with £8.3m having been raised after initial costs.

The Company's strategy is to offer combined exposure to a GAM managed portfolio of hedge funds and to venture capital investments focused on companies with contractual revenues from financially secure counterparties. By the end of the third year it was intended that at least 70% of the fund would be committed to VCT qualifying holdings with up to 30% remaining exposed to GAM funds.

### Financial Calendar

The Company's financial calendar is as follows:

8 July 2014	Annual General Meeting
October 2014	Interim report for the six months ending 31 August 2014 despatched
June 2015	Results for the year to 28 February 2015 announced; Annual Report and Financial Statements published.

## Notice of Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of TP70 2010 VCT plc will be held at 18 Swithin's Lane, London, EC4N 8AD at 9.45 am on Tuesday, 8 July 2014 for the following purposes:

### Ordinary Business

1. To receive, consider and adopt the Report of the Directors and Financial Statements for the year ended 28 February 2014 (*Ordinary Resolution*).
2. To approve the Directors' Remuneration Report for the year ended 28 February 2014 (*Ordinary Resolution*).
3. To approve the Directors' Remuneration Policy (*Ordinary Resolution*).
4. To re-elect Simon Acland as a Director (*Ordinary Resolution*).
5. To re-elect Professor Elroy Dimson as a Director (*Ordinary Resolution*).
6. To re-appoint Grant Thornton UK LLP as auditor and authorise the Directors to agree their remuneration (*Ordinary Resolution*).

### Special Business

7. That the Company be and is hereby authorised in accordance with S701 of the Companies Act 2006 (the "Act") to make one or more market purchases (as defined in S693(4) of the Act) of Ordinary shares of 1 pence each in the Company provided that:  
(i) the maximum aggregate number of Ordinary shares authorised to be purchased is an amount equal to 10% of the issued capital as at the date hereof;  
(ii) the minimum price which may be paid for an Ordinary share is 1 pence; and  
(iii) the maximum price, exclusive of expenses, that may be paid for an Ordinary share shall not be more than 105% of the average of the middle market prices for the Ordinary shares as derived from the Daily Official List of the UK Listing Authority for the five business days immediately preceding the day on which the Ordinary share is purchased.

This authority shall expire at the conclusion of the next Annual General Meeting of the Company or 15 months following the date of the passing of this Resolution, whichever is the first to occur (unless previously renewed, varied or revoked by the Company in general meeting), provided that the Company may, before such expiry, make a contract to purchase its own shares which would or might be executed wholly or partly after such expiry, and the Company may make a purchase of its own shares in pursuance of such contract as if the authority hereby conferred had not expired (*Special Resolution*).

8. That in addition to existing authorities, the Directors of the Company be and hereby are generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to allot and issue shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £30,200, provided that the authority conferred by this Resolution 8 shall expire on the conclusion of the Annual General Meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in a general meeting) but so that this authority shall allow the Company to make before the expiry of this authority offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry (*Special Resolution*).
9. That the Directors of the Company be and hereby are empowered pursuant to Sections 570 and 573 of the Act to allot or make offers to or agreements to allot equity securities (which expression shall have the meaning ascribed to it in Section 560(1) of the Act) for cash pursuant to the authority given pursuant to Resolution 8, as if Section 561(1) of the CA 2006 did not apply to such allotment, provided that the power provided by this resolution 9 shall expire on the conclusion of the Annual General Meeting of the Company to be held in 2015 (unless renewed, varied or revoked by the Company in general meeting) (*Special Resolution*).

By Order of the Board



**CHARLES METCALFE**  
Director

Registered Office:  
4-5 Grosvenor Place  
London, SW1X 7HJ

14 May 2014

#### Notes:

- (i) A member entitled to vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his or her behalf. A proxy need not be a member of the Company.
- (ii) A form of proxy is enclosed. To be effective, the instrument appointing a proxy (together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority) must be deposited at or posted to the office of the registrars of the Company, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA, so as to be received not less than 48 hours before the time fixed for the Meeting. Completion and return of the form of proxy will not preclude a member from attending or voting at the Meeting in person if he or she so wishes.
- (iii) Members who hold their shares in uncertificated form must be entered in the Company's register of Members 48 hours before the Meeting to be entitled to attend or vote at the Meeting. Such shareholders may only cast votes in respect of Ordinary Shares held by them at such time.
- (iv) Copies of the service contracts of each of the Directors, the register of Directors' interests in shares of the Company kept in accordance with the Listing Rules and a copy of the Memorandum and Articles of Association of the Company, will be available for inspection at the registered office of the Company during usual business hours on any week day (Saturdays, Sundays and public holidays excepted) from the date of this notice until the date of the Annual General Meeting and at the place of the Annual General Meeting from at least 15 minutes prior to and until the conclusion of the Annual General Meeting.

Relating to the 2014 Annual General Meeting of TP70 2010 VCT plc

I/We \_\_\_\_\_

BLOCK CAPITALS PLEASE – Name in which shares registered

of \_\_\_\_\_

hereby appoint \_\_\_\_\_

or failing him/her the Chairman of the meeting to be my/our proxy and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 9.45 am on Tuesday 8 July 2014, notice of which was sent to shareholders with the Directors' Report and the accounts for the period ended 28 February 2014, and at any adjournment thereof. The proxy will vote as indicated below in respect of the resolutions set out in the notice of meeting:

Resolution	For	Against	Witheld
1. To receive, consider and adopt the report of the Directors and the Financial Statements for the year ended 28 February 2014.			
2. To approve the Directors' Remuneration Report for the year ended 28 February 2014			
3. To approve the Directors' Remuneration Policy.			
4. To re-elect Simon Acland as a Director.			
5. To re-elect Professor Elroy Dimson as a Director.			
6. To re-appoint Grant Thornton UK LLP as auditor and authorise the Directors to agree their remuneration.			
7. To authorise the Directors to make market purchases of the Company's own shares (Special Resolution).			
8. To authorise the Directors to allot and issue shares in the capital of the Company (Special Resolution).			
9. To disapply pre-emption rights in relation to the issue of shares (Special Resolution).			

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

2014

**Notes:**

1. A member wishing to appoint a person other than the Chairman of the meeting as proxy should insert the name and address of such person in the space provided.
2. Use of the proxy form does not preclude a member from attending and voting in person.
3. Where this form of proxy is executed by a corporation it must be either under its seal or under the hand of an officer or attorney duly authorised.
4. If the proxy form is signed and returned without any indication as to how the proxy shall vote, the proxy will exercise his/her discretion as to whether and how he/she votes.
5. To be valid, the proxy form must be received by Neville Registrars at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA no later than 48 hours before the commencement of the meeting.



Triple Point

**TP70 2010 VCT plc**

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United Kingdom  
(Registered Office)

Company number: 7039066

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