

TP70 2010 VCT PLC

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 13 OCTOBER 2009
TO 31 AUGUST 2010

TP70 2010



TriplePoint

GENERAL INFORMATION

Directors

Charles Metcalfe
Simon Acland
Chris Tottle

Secretary and Registered Office

Triple Point Investment Management LLP
("TPIMLLP")
4-5 Grosvenor Place
London
SW1X 7HJ

Solicitors

Howard Kennedy
19 Cavendish Square
London, W1A 2AW

Bankers

Royal Bank of Scotland PLC
54 Lime Street
London, EC3M 7NQ

Investment Manager and Administrator

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

VCT Tax Advisor

PricewaterhouseCoopers
1 Embankment Place
London, WC2N 6RH

Independent Auditor

Grant Thornton UK LLP
1 Westminster Way
Oxford, OX2 0PZ

Registrars

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

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

CONTENTS

FINANCIAL SUMMARY	2
CHAIRMAN'S STATEMENT	2-3
INVESTMENT MANAGERS' REPORT	4-5
INVESTMENT PORTFOLIO REVIEW	6
DIRECTORS' RESPONSIBILITY STATEMENT	6
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME	7
UNAUDITED BALANCE SHEET	8
UNAUDITED STATEMENT OF CHANGES IN EQUITY	9
UNAUDITED CASH FLOW STATEMENT	10
NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT	11 - 16

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

FINANCIAL SUMMARY

	<i>£'000</i>
Net assets	8,170
Net asset value per share	93.41p
Net loss before tax	(142)
Loss per share	(4.34p)*
Loss per share	(1.62p)**

* Based on the weighted average number of shares in issue during the period (See note 9)

** Based on the shares in issue at the period end.

CHAIRMAN'S STATEMENT

I am writing to present the unaudited interim report for TP70 2010 VCT plc ("the Company") for the period 13th October 2009 (the date of the Company's incorporation) to 31st August 2010.

The first note is one of great sadness in that David Dick, who was appointed to the Board on the Company's incorporation, and was Managing Partner of the Investment Manager, died on 5 September 2010. The Board's condolences go to David's family. He will be sadly missed.

Following David's death, Chris Tottle was appointed as a director of the company with immediate effect. Chris oversees the development and distribution of Triple Point's investment products. He joined TPIM in 2008 from GAM. Chris has 16 years investment experience and, prior to GAM, spent six years with Schroders Private Bank specialising in portfolio management.

REPORTING

This Unaudited Interim Financial Report is the first produced for your Company and covers the period from incorporation until 31 August 2010. The Company's first audited Financial Statements will cover the long period from incorporation to 28 February 2011. Thereafter annual audited Financial Statements will be prepared, the next being for the year ended 28 February 2011. In the meantime quarterly interim management statements will be produced up to 30 November and 31 May which will be posted on the website www.triplepoint.co.uk, the first made up to 30 November 2010.

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

CHAIRMAN'S STATEMENT *(continued)*

INVESTMENT STRATEGY

The Company's strategy is to offer combined exposure to a GAM managed portfolio of hedge funds through its Trading II (GAM Trading) fund and to Triple Point managed VCT-qualifying investments. This strategy was intended to provide substantial exposure to a market-leading fund of hedge funds within a Venture Capital Trust.

When the Company was launched, the intention outlined in the Prospectus was to have an exposure of up to 30% of the Fund (the portion which does not require to be in VCT-Qualifying Investments) to GAM Trading with 2.5 times leverage, giving an effective 75% exposure to GAM Trading.

Due to the investment trust rules and the current credit shortage, which means that potential counterparties are unwilling to provide leverage, it has not been possible to achieve this exposure. However, the GAM Trading exposure has been partly implemented and, as discussed in more detail in the Investment Manager's Report, TPIM has proposed a solution recommended by the Board as the best way of providing shareholders with an investment that mirrors the Company's intention as set out in the prospectus.

A circular was issued on 14 September 2010 recommending a change in the Company's investment policy, and I am pleased to report that the amended investment policy was approved at the Shareholders Meeting held on the 14 October 2010.

RESULTS

The offer for subscription for shares closed on 31 May 2010 with subscriptions having been received for 8,746,340 shares, with net share proceeds of £8.3 million.

The net asset value (NAV) per share after taking into account the initial costs of the offer, stood at 95.03p per share. Combined with a loss of 1.62p per share (as a result of running costs), this accounts for the NAV per share at the period end of 93.41p.

RISKS

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

- Investment risk associated with the exposure to the GAM Trading;
- Investment risk associated with VCT qualifying investments;
- Failure to continue to satisfy the requirements to qualify as a VCT;

The Board believes that these risks are manageable and, with the Investment Manager, continues to work to minimise either their likelihood or potential impact, within the scope of the Company's investment strategy.

OUTLOOK

The Company's primary focus is to deploy funds into VCT qualifying investments and on implementing the investment strategy for GAM Trading approved by the Shareholders at the General Meeting held on 14 October 2010.

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
15 October 2010

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

INVESTMENT MANAGER'S REPORT

INVESTMENT STRATEGY

When the Company was launched the intention outlined in the prospectus for the fund was to have an exposure of up to 30% of the fund (the portion which does not require to be in VCT qualifying investments) to GAM Trading with 2.5 times leverage, giving an effective 75% exposure to GAM Trading.

Due to the investment trust rules and the current credit shortage, the potential counterparties are unwilling to provide leverage and therefore, it has not been possible to fully achieve this exposure.

The solution proposed by TPIM, and recommended by the Board, is to proceed

with a leveraged security instrument which is intended to achieve half the originally intended exposure, and this is expected to be put in place by the end of November 2010. A further half of the originally intended exposure has already been achieved through a direct holding in GAM Trading 1.25XL.

To gain the remaining exposure, it is intended, that up to 19% of the Company's NAV will be invested in two GAM funds, which pursue the same two sub strategies followed by GAM Trading, namely their Multi-Focussed Macro Fund and their Multi-Systematic Trading Fund. The table below compares the original strategy with its proposed replacement:

Fund	Leverage	Original Strategy		Proposed Strategy	
		% of NAV	Gross % NAV	% of NAV	Gross % NAV
Trading leveraged note - Counterparty 1	2.5	15%	38%	15%	38%
Trading leveraged note - Counterparty 2	2.5	15%	38%	0%	0%
GAM Trading 1.25XL	1.25	0%	0%	15%	19%
Total Leveraged Exposure		30%	75%	30%	56%
GAM Multi-Focussed Macro SP - USD Open	0	0%	0%	15%	15%
GAM Multi-Systematic Trading - USD Open	0	0%	0%	4%	4%
Total Unleveraged Exposure		0%	0%	19%	19%
Grand Total Exposure		30%	75%	49%	75%

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

INVESTMENT MANAGER'S REPORT *(continued)*

This revised strategy will use up to 49% of the Company's NAV, which will be reduced over time to ensure that the Company meets the VCT test of being 70% invested in Qualifying Investments by the end of its third year. By this time, we expect to have sourced a second leveraged note to enable the Company to revert to its original investment strategy. In the meantime, the Company will benefit from reduced leveraged costs, which will add to performance.

In the opinion of the Directors, in the current situation this is the best way of providing shareholders with an investment that mirrors as closely as possible the Company's original intention.

GAM TRADING REVIEW

Since exposure was gained to GAM Trading 1.25XL through a direct holding on 30 June 2010, it has risen by 0.86%. GAM report that the Managers within the portfolio continued to trade tactically in the volatile market environment with risk levels running at below average.

OUTLOOK

Over the next six months our focus will be on implementing the investment strategy for GAM Trading approved by Shareholders at the General Meeting.



CLAIRE AINSWORTH

Managing Partner
Triple Point Investment Management LLP
15 October 2010

ABOUT TRIPLE POINT INVESTMENT MANAGEMENT LLP

Triple Point is a specialist in tax-efficient investments. As well as managing several market-leading VCTs, Triple Point offers investors a range of investment products that qualify for government sponsored tax reliefs including the Enterprise Investment Scheme (EIS) and Business Property Relief (BPR).

The Triple Point investment model – focused on capital security, liquidity and tax-enhanced returns – has been built around the group's capabilities in taxation, structured finance and investment to the benefit of every Triple Point product.

For more information on Triple Point Investment Management LLP please call 020 7201 8990.

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

INVESTMENT PORTFOLIO REVIEW

SECURITY

	Cost		Valuation	
	£'000	%	£'000	%
Non-qualifying holdings				
GAM Trading 1.25 XL	1,237	15.05	1,248	15.15
Uninvested funds	6,989	84.95	6,989	84.85
	<u>8,226</u>	<u>100.00</u>	<u>8,237</u>	<u>100.00</u>

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors have chosen to prepare the interim report for the Company in accordance with International Financial Reporting Standards ("IFRS").

In preparing the interim report for the period to 31 August 2010, the Directors confirm that to the best of their knowledge:

- a) the interim report has been prepared in accordance with international accounting standard IAS34, "Interim Financial Reporting" issued by the International Accounting Standards board;
- b) the interim report includes a fair review of important events during the period and their effect on the financial statements and a description of principal risks and uncertainties for the remainder of the accounting period;

- c) the interim report gives a true and fair view in accordance with IFRS of the assets, liabilities, financial position and of the results of the Company for the period and comply with IFRS and the Companies Act 2006; and

- d) the interim report includes a fair review of related party transactions and changes therein. Other than detailed in note 14 there are no related party transactions.

This Interim report has not been audited or reviewed by the auditors.



CHARLES METCALFE
Chairman
15 October 2010

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

	Note	Revenue £'000	Capital £'000	Total £'000
Investment income	6	10	-	10
Unrealised gain on investments		-	11	11
Investment return		10	11	21
Investment management fees	7	21	62	83
Financial and regulatory costs		10	-	10
General administration		1	-	1
Legal and professional fees		43	-	43
Directors' remuneration		26	-	26
Operating expenses		101	62	163
Loss before taxation		(91)	(51)	(142)
Taxation	8	-	-	-
Loss after taxation		(91)	(51)	(142)
Total comprehensive income		(91)	(51)	(142)
Basic & diluted loss per share	9	(2.77p)	(1.57p)	(4.34p)

The loss per share shown above is both basic and diluted as there are no potentially dilutive financial instruments in issue.

The total column of this statement is the company's statement of comprehensive income prepared in accordance with International Financial Reporting Standards ("IFRS"). The supplementary revenue return and capital return columns have been prepared under guidance published by the Association of Investment Companies.

The accompanying notes on pages 11 to 16 form an integral part of this interim report.

UNAUDITED BALANCE SHEET
AT 31 AUGUST 2010

	Note	£'000
Non current assets		
Financial assets at fair value through profit and loss		1,248
Current assets		
Receivables		13
Cash and cash equivalents	10	6,989
		<u>7,002</u>
Total assets		<u><u>8,250</u></u>
Current liabilities		
Payables		65
Current taxation payable		-
Accrued expenses		15
		<u>80</u>
Net assets		<u><u>8,170</u></u>
Equity attributable to equity holders		
Share capital	11	87
Share premium		8,225
Capital reserve		(51)
Revenue reserve		(91)
Total equity		<u><u>8,170</u></u>
Net asset value per share (pence)	12	<u><u>93.41p</u></u>

The accompanying notes on pages 11 to 16 form an integral part of this interim report.

UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

	Issued Capital £'000	Share Premium £'000	Capital Reserve £'000	Revenue Reserve £'000	Total £'000
Issue of share capital	87	8,659	-	-	8,746
Cost of issue of shares	-	(434)	-	-	(434)
Transactions with owners	87	8,225	-	-	8,312
Loss before tax	-	-	(51)	(91)	(142)
Total comprehensive income for the year	-	-	(51)	(91)	(142)
Balance at 31 August 2010	87	8,225	(51)	(91)	8,170

The accompanying notes on pages 11 to 16 form an integral part of this interim report.

UNAUDITED CASH FLOW STATEMENT
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

	£'000
Cash flows from operating activities	
Loss before taxation	(142)
Unrealised gain on investments	(11)
Cash absorbed by operations	(153)
Increase in receivables	(13)
Increase in payables and accruals	80
Net cash outflow from operating activities	(86)
Cash flow from investing activities	
Purchase of financial assets at fair value through profit and loss account	(1,237)
Net cash flows from investing activities	(1,237)
Cash flows from financing activities	
Issue of shares	8,312
Net cash flows from financing activities	8,312
Net increase in cash and cash equivalents	6,989
Reconciliation of net cash flow to movements in cash and cash equivalents	
Net increase in cash and cash equivalents	6,989
Cash and cash equivalents at 31 August 2010	6,989

The accompanying notes on pages 11 to 16 form an integral part of this interim report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

1. CORPORATE INFORMATION

The interim report of the Company for the period from 13 October 2009 to 31 August 2010 was authorised for issue in accordance with a resolution of the directors on 15 October 2010.

TP70 2010 VCT plc is incorporated and domiciled in Great Britain. 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 interim report is presented in Pounds Sterling (£) which is also the functional currency of the Company.

The financial information set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

The principal activity of the Company is investment.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The interim report of the Company for the period from 13 October 2009 to 31 August 2010 has been prepared in accordance with IAS 34: Interim Financial Reporting.

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

The preparation of interim reports 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 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.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT *(continued)*
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES *(continued)*

Basis of preparation *(continued)*

The Interim report has 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).

Presentation of income statement

In order to better reflect the activities of an investment trust company, and in accordance with the guidance issued by the Association of Investment Companies, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. In accordance with the Company's status as a UK Investment Company under section 832 of the Companies Act 2006, net capital returns may not be distributed by way of dividend.

Capital management

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 31 August 2010 was £8.17 million.

Income

Investment income includes interest earned on bank balances and money market securities 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.

Fixed returns on investment loans, debt and money market securities 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.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT *(continued)*
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES *(continued)*

Expenses *(continued)*

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 25% to the revenue account and 75% to the capital account 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 same basis as the particular item to which it relates, using the Company's effective rate of tax for the accounting period.

In accordance with IAS 12, deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax, with the exception that deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing can be deducted. 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 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.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT *(continued)*
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES *(continued)*

Cash and cash equivalents

Cash and cash equivalents represent cash available at less than 3 month's notice.

Receivables

Receivables are recognised at fair value on initial recognition and subsequently at amortised cost. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

Trade and other payables

Trade and other payables are recognised at fair value on initial recognition and subsequently at amortised cost.

Reserves

The revenue reserve (retained earnings) and capital reserve reflect the guidance published by the Association of Investment Companies. The share premium account represents the proceeds of share allotments in excess of the par values of shares issued and against which offer costs have been set. The capital reserve and share premium are non-distributable. The revenue reserve is distributable by way of dividend.

3. ESTIMATES

The preparation of interim report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

4. SEGMENTAL REPORTING

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

5. SEASONALITY

The Company's activities are not seasonal.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT *(continued)*
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

6. INVESTMENT INCOME

	Revenue £'000	Capital £'000	Total £'000
Interest receivable on bank balances	10	-	10
Total	10	-	10

7. 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 which 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 and which provides for an administration and investment management fee of 2.25% per annum of net assets calculated and payable quarterly in arrears.

8. TAXATION ON ORDINARY ACTIVITIES

	Revenue £'000	Capital £'000	Total £'000
Loss on ordinary activities before tax	(91)	(51)	(142)
UK Corporation tax at 28%	(25)	(14)	(39)
Tax value of unused tax losses	25	14	39
Total current tax charge	-	-	-

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

No provision has been made for a deferred tax asset in the balance sheet.

9. LOSS PER SHARE

The loss per share is based on a loss from ordinary activities after tax of £142,000 and on the weighted average number of shares in issue during the period of 3,286,458.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT *(continued)*
FOR THE PERIOD FROM 13 OCTOBER 2009 TO 31 AUGUST 2010

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise deposits with Royal Bank of Scotland plc, HSBC plc and Cater Allen.

11. SHARE CAPITAL

Ordinary Shares of 1p

Authorised

Number of shares	50,000,000
Par Value £'000	500

Issued & Fully Paid

Number of shares	8,746,340
Par Value £'000	87

12. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on net assets of £8,170,000 divided by the 8,746,340 shares in issue.

13. COMMITMENTS AND CONTINGENCIES

The company has no outstanding commitments or contingent liabilities.

14. RELATED PARTY TRANSACTIONS

David Dick, who was a director of the Company during the period, was also an equity Member of Triple Point LLP (TPLL) for the same period. TPLL in turn has a controlling interest in Triple Point Investment Management LLP (TPIMLLP). During the period, TPIMLLP earned £82,785 for providing management and administrative services to the Company.

15. POST BALANCE SHEET EVENTS

There have been no significant post balance sheet events, other than as disclosed elsewhere in this report.





4 - 5 Grosvenor Place
London SW1X 7HJ
United Kingdom

+44 (0)20 7201 8989
contact@triplepoint.co.uk
www.triplepoint.co.uk