



EDGE

PERFORMANCE VCT

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Financial Summary

2015

Year ended 28 February	2015 C	2015 D	2015 E	2015 F	2015 G	2015 H	2015 I	2015 Total
Net assets £'000	725	5,666	3,602	15,822	15,272	7,345	12,534	60,966
Net asset value per Share, p	7.77	29.55	36.74	53.86	63.49	77.53	79.49	n/a
Net asset value total return per Share, p*	75.77	88.55	80.74	81.86	84.49	84.53	93.49	n/a
Investment income £'000	21	88	180	631	495	68	193	1,676

Return on ordinary activities before tax £'000

- Revenue	(9)	7	116	404	258	(58)	23	741
- Capital	(1,578)	(1,420)	(897)	(3,375)	(869)	(968)	(60)	(9,167)
- Total	(1,587)	(1,413)	(781)	(2,971)	(611)	(1,026)	(37)	(8,426)

Return per Share, p

- Revenue	(0.08)	0.03	0.93	1.08	0.84	(0.50)	0.11	n/a
- Capital	(16.86)	(7.33)	(9.03)	(11.35)	(3.47)	(10.31)	(0.20)	n/a
- Total	(16.94)	(7.30)	(8.10)	(10.27)	(2.63)	(10.81)	(0.09)	n/a

Dividend per Share paid/recommended in respect of the year, p

- Revenue	-	-	-	-	-	0.74**	-	n/a
- Capital	-	-	16.0	7.0	7.0	2.76**	7.0	n/a
- Total	-	-	16.0	7.0	7.0	3.5	7.0	n/a

Share price at end of year, p	7.0	26.0	30.0	55.5	59.0	85.5	74.5	n/a
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* i.e. net asset value plus total dividends

** reflects blended allocation between revenue and capital

2014

Year ended 28 February	2014 C	2014 D	2014 E	2014 F	2014 G	2014 H	2014 I	2014 Total
Net assets £'000	2,305	7,066	5,965	20,894	17,586	6,417	13,651	73,884
Net asset value per Share, p	24.71	36.85	60.85	71.11	73.11	92.68	86.58	n/a
Net asset value total return per Share, p*	92.71	95.85	88.85	92.11	87.11	96.18	93.58	n/a
Investment income £'000	(112)	987	585	1,254	1,053	155	676	4,598

Return on ordinary activities before tax £'000

- Revenue	(149)	860	521	989	809	73	514	3,617
- Capital	(471)	(862)	2	(674)	(1,428)	191	(42)	(3,284)
- Total	(620)	(2)	523	315	(619)	264	472	333

Return per Share, p

- Revenue	(1.47)	2.76	3.46	2.14	2.28	0.99	2.16	n/a
- Capital	(4.55)	(3.93)	0.56	(1.68)	(5.28)	3.56	0.32	n/a
- Total	(6.02)	(1.17)	4.02	0.46	(3.00)	4.55	2.48	n/a

Dividend per Share paid/recommended in respect of the year, p

- Revenue	-	-	-	-	-	0.10**	-	n/a
- Capital	-	31.00	7.00	7.00	7.00	3.40**	7.00	n/a
- Total	-	31.00	7.00	7.00	7.00	3.50	7.00	n/a

Share price at end of year, p	27.50	33.00	56.50	70.50	76.00	88.00	84.50	n/a
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* i.e. net asset value plus total dividends

** reflects blended allocation between revenue and capital

Investment Policy

Edge Performance VCT plc ("Edge Performance VCT" or the "Company") offers the opportunity to invest in the entertainment and media industry in a broad range of companies (thereby diversifying risk), and seeks to allow investors to take advantage of VCT tax reliefs while combining the features listed below.

C, D, E, F, G and I Share Funds

Edge Performance VCT is seeking to achieve: high targeted returns, downside risk protection and liquidity.

The Company will balance VCT-qualifying investments with a high level of capital protection with other VCT-qualifying investments where the potential for significantly higher returns justifies a lower level of capital protection; the intention is that the investor's risk is thereby minimised, underpinning the return to the investor of up to 70p per Share (i.e. the investor's net cost of investment, assuming 30% income tax relief).

H Share Fund

Edge Performance VCT is seeking to achieve: growth, an annual yield for investors, risk reduction and liquidity.

The Company is targeting building to a consistent tax-free annual dividend yield for investors. To align the interests of Edge Investments (the "Investment Manager") with this objective, the Investment Manager's performance fee is payable only if cumulative dividends are at least 7p per H Share per year on average (i.e. a yield of at least 10% of the investor's net cost of investment) and the net asset value per H Share grows. In the early years of the H Share Fund, the Company is seeking to pay out annual dividends of 3.5p per H Share per year (a 5% yield), while the anticipated returns from VCT-qualifying investments start to grow.

The Company will invest at least 70% of the H Share Fund in VCT-qualifying investments, using risk reduction strategies wherever available; the intention is that the majority of any gain made from realisation of VCT-

qualifying investments will be distributed to H shareholders, to maintain and improve the H shareholders' yield, with the remaining proceeds of realisation being reinvested in further VCT-qualifying investments, in order to drive compound growth for the H shareholders.

Asset allocation

Each of the Share Funds will initially be invested in a range of fixed income securities, cash and cash equivalent assets, offering a high degree of capital preservation. Up to 30% of each Share Fund will remain in such investments, while the balance will be realised to fund the making of VCT-qualifying investments.

In instances where more than one of the Company's Share Funds invests in a given portfolio business, the Company will, where practicable, arrange or rearrange the structure of the investment, so that each of the participating Share Funds holds, pro-rata to the amount invested by it, the same investment instruments. This approach is intended to ensure that, where the value of a portfolio business changes, that change is reflected, proportionately, to the same extent across all of the participating Share Funds, where appropriate.

In relation to the H Share Fund, the Company will seek to make VCT-qualifying investments which the Company believes are capable of generating an appropriate level of growth or return.

In relation to the C, D, E, F, G and I Share Funds, the Company will balance investments with a high level of capital protection, ideally with contractual revenues or capital guarantees from financially sound counter-parties, with other investments where lower capital protection offers significantly higher potential returns. Through the use of this blended investment strategy:

- the intention is that the shareholder's risk is thereby minimised, underpinning the return to the shareholder of up to 70p per Share (i.e. the shareholder's net cost of investment, assuming 30% income tax relief); and

- the targeted tax-free return is 130p per 70p invested (assuming tax relief at 30%, equivalent to a return of 160p per 100p invested).

VCT-qualifying investments will normally be made up of ordinary shares or other eligible shares (as defined under VCT rules) in the investee company, together with, wherever practicable, loan stock or other loan finance and/or preference shares.

Risk mitigation

Wherever possible, the portfolio investments will be made through loan finance as far as is permitted under VCT rules, which should provide additional capital protection.

Borrowings

It is not intended that the Company will incur borrowings to fund its operations, although the Company may, under its articles of association, borrow in aggregate an amount up to 50% of its 'Adjusted Capital and Reserves' (as defined in the Company's articles of association, being the aggregate of the Company's paid up share capital and the amount standing to the credit of the consolidated capital and revenue reserves of the Company, after adjustments, including for tax and distributions, and such other adjustments as the Company's auditor may consider appropriate).

VCT status and maximum exposures

The Company must be approved by HM Revenue and Customs in order to retain its venture capital trust status. The conditions which must be satisfied to retain such status include the restriction on the maximum exposure of the Company that not more than 15% by value of the Company's investments can be held in a single company or group (other than a VCT). The Company will not exceed this level even in the event of an increase in the limit imposed by VCT rules.

The year ended 28 February 2015 has been a period of mixed fortunes for the Company. The continued growth and prospects of Coolabi Group are particularly exciting; at the other end of the scale, the need for the Company to revalue its investments in Intent HQ and Mirriad is unwelcome.

Portfolio realisations and distributions

During the year, three VCT-qualifying investments held by the E Share Fund were fully realised, resulting in proceeds of £2.5 million, and enabling a dividend of 16p per E Share which was paid in December 2014. With the F Share Fund now having reached its fifth anniversary, the Investment Manager has started the process of realising a number of its investments, with the aim of the proceeds of those realisations being distributed to F shareholders later in 2015.

Investment activity

During the year under review, the Company invested a total of £1.25 million from the H Share Fund, in two new portfolio companies, Lean Forward and deltaDNA. Additionally, a total of approaching £526,000 was invested from the H Share Fund by way of follow-on in existing portfolio companies.

The C, D, E, F, G and I Share Funds are all fully invested. As at the date of this report, the Investment Manager is pursuing a number of investment opportunities for the H Share Fund, which will result in the H Share Fund being at, or close to, full investment.

Portfolio

The Company now holds investments in businesses across a wide spread of the creative industries sector, such as children's entertainment, live event promotion, digital marketing, book publishing, mobile application and games development, analytics and gaming.

Details of the Company's largest portfolio holdings are contained in the Investment Manager's review on pages 9 to 12.

As mentioned above, the growth strategy adopted by Coolabi Group is now reaping rewards, with the launch on UK and US television of the brand new series of *Clangers*, the publication of much-anticipated new titles created by Coolabi's book division, and the company's successful expansion into games. All of this has contributed to a strong financial performance over the year, and is expected to form the stepping stone to continued growth. As with any overnight success, this has been a long time in the planning, and Coolabi's team are to be commended for their hard work and diligence over the past few years to enable the business to reach this point.

The Company's half-yearly report for the six months ended 31 August 2014 explained the reason for the significant reduction in the valuation as at the half-year mark of its investment in Intent HQ Holdings. That valuation has been retained as at 28 February 2015 primarily because the company's last investment round is still relatively recent. The coming months will be a key period for Intent HQ in seeking to establish its platform.

As explained in the Investment Manager's review on page 11, events after the end of the year have resulted in a significant reduction in the valuation as at 28 February 2015 of its investment in Mirriad.

It is therefore now a particular area of focus for the Investment Manager and the Board that both Intent HQ and Mirriad do everything within their power to recover this lost ground, and the Investment Manager will therefore work closely with both companies to try to achieve that.

Financial performance

Despite increases in some areas, the revaluation of the Company's investments in Intent HQ and Mirriad has resulted in a negative return of all Share Funds over the year.

Fundraising

The Company's fundraising efforts during and beyond the year under review have seen the cumulative total amount raised for the H Share Fund increase to more than £10 million, of which some £2.4 million is still available for investment in VCT-qualifying investments in line with the Company's investment policy.

Dividends

In November 2014, the Company paid dividends of 7p per F Share, 7p per G Share and 7p per I Share. In December 2014, the Company paid a dividend of 16p per E Share. Dividends of 3.5p per H Share were paid in each of June 2014 and May 2015. These payments once again demonstrate the Board's commitment to the philosophy of the payment of regular dividends to shareholders.

The Board is now recommending that the shareholders approve, at the forthcoming annual general meeting, the payment of further dividends of 7p per G Share and 7p per I Share. If these are approved at the AGM, this will mean that the cumulative total dividends paid by the Company since it began in 2006 will be approaching £48 million.

The anticipated dividend to F shareholders later this year, following the initial realisations of the F Share Fund's portfolio, is covered in the Investment Manager's review.

Outlook

With the C, D, E, F, G and I Share Funds, the emphasis is now on positioning the investee companies in the best way for eventual exit, so as to maximise the potential returns to the Company's shareholders. The Investment Manager has been tasked with achieving that and will continue to work towards that aim as a priority.

The H Share Fund is not yet fully invested, and the Investment Manager's target is the creation of a balanced and maturing suite of investments capable of providing longer-term yield and growth for shareholders.

I thank you for your continued support of the Company, and look forward to seeing you at this year's annual general meeting, on 6 August.

Sir Robin Miller
Chairman

30 June 2015

The Directors and Investment Manager

Directors

The collective experience of the Directors and the Investment Manager's team - which covers VCT fund management, venture capital, investment banking, live event promotion, corporate finance, private equity, artist management, legal and business affairs, accountancy, tax and deal structuring skills - will be employed in the selection and management of the Company's investments.

As at the date of this report, the Company has the following Directors, all non-executive, who are responsible for overseeing investment policy and will have overall responsibility for the Company's activities. The Directors are, with the exception of David Glick, independent of the Investment Manager.

Sir Robin Miller (Chairman of Edge Performance VCT)

Sir Robin Miller was formerly Chief Executive (1985-98 and 2001-03) and Chairman (1998- 2001) of Emap plc, one of the UK's leading media groups with businesses including consumer and trade publishing, commercial radio and music TV channels and events.

In 2003, Sir Robin became senior media adviser to HgCapital, and was involved in the successful disposals of Boosey & Hawkes and Clarion Events Limited. He was previously a non-executive director of Channel 4 Television (1999-2006), and was Chairman of their New Business Board, was Non-Executive Chairman of the HMV Group (2004-2005), Senior Non-Executive Director at Mecom Group plc (2005-2009), and Chairman of Entertainment Rights plc (2008-2009) and Setanta Sports Holdings Limited in 2009.

Sir Robin is currently also a non-executive director of The Racing Post, Chairman of IBIS Media VCT plc, Golf Club Network, Crash Media Group, a director of Bikesportnews.com and a Trustee of the Golf Foundation and Riders for Health.

Kevin Falconer

Kevin Falconer has spent most of his professional life as a senior private banker specialising in the entertainment and media sector. Until 2005, he was the Head of HSBC Private Bank's global media practice. Since leaving the banking industry, he has devoted his time to providing strategic advice to a small group of highly successful media entrepreneurs, including Chris Blackwell (founder of Island Records) and Pete Waterman. He is currently a non-executive director of Pete Waterman Entertainment Limited and Audiotube Limited.

Frank Presland

Frank Presland practised as a solicitor for 25 years, specialising in music and copyright. He advised numerous musicians including The Beatles, Dusty Springfield, The Troggs, Terence Trent D'Arby and Elton John as well as music publishing companies including BMG Music Publishing Limited and record companies including RCA Records. He became senior partner of law firm Frere Cholmeley Bischoff and later became joint Chairman of the national law firm Eversheds.

In 1999, he established Twenty-First Artists, a music management company, of which he was Chief Executive Officer until 2010. From May 2006 to April 2008, he was Chief Executive Officer of The Sanctuary Group plc, in which role he brokered the sale of the group to Universal Music in 2007.

David Glick

David Glick is an experienced venture capital investor in the creative industries sector who has been involved in investment in, mentoring of, and the sale and purchase of, multi-million pound entertainment and media assets, with a particular emphasis on music, television, film, sport, theatre and fashion, and enabling technologies.

A former solicitor, he co-founded Eatons, a leading music and entertainment law firm, in 1990; in 2000, Eatons merged with law firm Mishcon de Reya where he became head of the entertainment and media group. In 2004, he formed the Edge group of companies as a specialist investment and advisory business for the entertainment and media sector, before selling the advisory business in 2011 in order to concentrate on venture capital investing.

Investment Manager

At Edge, he has brokered and advised clients on the sale and purchase of a range of entertainment and media related assets and businesses. He has also been both an executive and a non-executive director of Entertainment Rights (now part of DreamWorks), the UK media business which was quoted on the Official List and which, during the period of his involvement, grew from a startup to a market capitalisation of approximately £213 million, and subsequently to £380 million. He is the founder of Edge Performance VCT.

Lord Flight

Lord Flight has worked in the financial services industry for over 40 years and co-founded Guinness Flight Global Asset Management. In 1998, upon Guinness Flight's acquisition by Investec, he became Joint Chairman of Investec Asset Management Limited. He was the MP for Arundel and South Downs from 1997 to 2005 and was Shadow Chief Secretary to the Treasury between 2000 and 2004 and a member of the Shadow Cabinet. He was appointed to the House of Lords in January 2011. He is Chairman of the EIS Association and CIM Investment Management Limited and is a director of Metro Bank plc, Marechale Capital Limited, Investec Asset Management Limited and of a number of other companies in the financial services sector. He is also a Commissioner of the Guernsey Financial Services Commission and has been a member of the House of Lords EU Finance and Economics Committee since 2010.

The directors of the Investment Manager, who, other than Alison McCarthy, are all members of its investment committee, are listed below:

Charles Miller Smith (Chairman of Edge Investments)

Charles Miller Smith is chairman of the Investment Manager. Charles is a senior business figure who has worked across a range of blue-chip businesses, in the UK and internationally. He was Finance Director of Unilever plc, CEO and then Chairman of ICI, Deputy Chairman and subsequently Chairman of Scottish Power, director of HSBC Holdings plc and an international adviser at Goldman Sachs International. He is currently a non-executive director of Premier Foods plc, a consultant to Warburg Pincus and also serves as independent director of Firstsource Solutions Limited.

Gordon Power (Chairman of the Investment Committee)

Gordon Power has 30 years of venture capital and private equity experience and is a private equity investor in his own right, founding a joint family office investment business focussing on sustainable investing. Prior to this he founded and was CEO of the private equity business, ProVen Private Equity (now renamed Beringea), and led its buy-out from Guinness Mahon in 1997. By 2002 ProVen, which specialised in media and intellectual property rights investments, had funds under management of US \$370 million including a highly successful range of VCTs. From 1984 he has achieved an overall return in excess of 29% on 240 realised (i.e. sale, flotation or administration/liquidation) investments and unrealised investments.

Harvey Goldsmith CBE

Harvey Goldsmith is one of the UK's best known music industry impresarios, having since the 1960s produced and promoted shows with leading artists such as The Rolling Stones, The Who, Bruce Springsteen, The Eagles, Led Zeppelin and Sting. He formed Artiste Management Productions in 1973 to produce and manage music artists, and Harvey Goldsmith Entertainments Limited in 1976, which became the UK's leading promoter of concerts and events. He became involved in the Prince's Trust in 1982, producing the first Prince's Trust Rock Gala, and joining the Trust's board. In 1985, he produced the Live Aid concert with Sir Bob Geldof, raising £140 million for famine relief in Africa and the more recent Live 8 concert in 2005. He has also produced major operatic productions and was the worldwide tour producer for Pavarotti. He is responsible for the annual Cirque du Soleil shows in the UK. Harvey was the instigator and producer of the Led Zeppelin reunion concert at the O2 Arena in London in December 2007. From 2008 until 2012, he managed Grammy award-winning guitarist, Jeff Beck. Harvey is Chairman of The British Music Experience. Harvey is producing the highly regarded On Blackheath Festival which takes place each September. He is also the producer of the Hunger Games in Stage Around Production which will open in June 2016 at the new Wembley Theatre.

David Glick

See above.

Alasdair George

Alasdair George is a former solicitor who has 30 years of experience of legal, strategic, commercial and operational management in the creative industries sector. He has worked in the sector since 1985, including as a private practice lawyer for artists, managers and corporate clients. For 13 years, he was a managing executive of Sony Music, one of the world's largest music companies, where he became Senior Vice President of Legal & Business Affairs for the UK & Ireland, sitting on its management board and on the Council of the UK record trade association, the BPI. During his time at Sony Music, he handled, amongst other transactions: the merger of Sony Music and Warner Music's distribution businesses, which created a joint venture business with sales approaching US\$750 million in its first year of trading; the UK and Irish aspects of Sony Music's global merger with Bertelsmann's BMG; and the US\$500 million Sony-Michael Jackson joint venture (which created Sony/ATV Music Publishing). Since 2007, he has been a director of the Investment Manager

Alison McCarthy ACA

Alison McCarthy began her career with the BBC in 1987, working in TV post-production, before becoming part of the television commissioning team responsible for purchasing entertainment programming for the BBC and subsequently moving into television technical strategy for the corporation. In 2005, she moved to Shipleys, chartered accountants, where she specialised in media and entertainment, and in particular in relation to film tax credits, working with producers on over 50 films, with a total production budget of more than £200 million. In 2008, she joined Disney as finance manager for worldwide post-production, specialising in dubbing of Disney's TV product into foreign languages. She joined the Investment Manager in 2010 and was appointed as a director of the Investment Manager in 2015.

Aside from the directors listed above, the further members of the Investment Manager's investment team collectively have a wealth of direct experience in venture capital, private equity, venture capital trusts, corporate finance, accountancy and tax. The other members of the investment team of the Investment Manager are as follows.

David Fisher

David Fisher has over 20 years' experience in consulting, corporate finance, private equity, venture capital and VCTs, including investing in innovative UK companies in media and media technology. Between 1993 and 2000, he worked in strategy consulting and corporate finance at Deloitte and KPMG, following which he moved into venture capital fund management at Elderstreet Investments, where he invested in a range of technology, services, telecoms and new media companies. In 2004, he joined the South East Growth Fund, where he invested in similar small enterprises, including businesses in areas such as embedded advertising in video and mobile content management for the music industry. The investments with which he has personally been involved have to date generated an overall money multiple return of 2.33. He joined the Investment Manager in 2010.

Dan Tubb

Dan Tubb started his career in wealth management in 2000, before moving in 2002 to become a fund manager for Unicorn Asset Management, which operated their AIM-based VCT. In 2005, he left to set up his own marketing and design business focused on the corporate market in the City, successfully building the business and selling it in 2008. He then joined wealth managers, Bestinvest, where he was instrumental in rolling out a new financial trading platform for retail clients; he subsequently headed up Bestinvest's VCT department, where he covered the entirety of the VCT market. He joined the Investment Manager in early 2013.

Investment Manager's Review

In relation to the Company's "planned exit" classes of Share (i.e. the C, D, E, F, G and I Shares), the Investment Manager employs a "blended" investment strategy, under which each Share class's VCT-qualifying portfolio entails a mix of:

- investments in businesses with a high level of underpinning of the amount invested by the Company; and
- investments in businesses which have the potential for significant growth.

With this strategy, and also with the retention in non-qualifying investments of up to 30% of the net proceeds of each offer for subscription for Shares, the Investment Manager looks to:

- facilitate the return to shareholders of as much of their net cost of investment as possible through the timely realisation of those higher-underpinned investments; and
- work closely with the other portfolio companies, with the aim of delivering returns for shareholders through realisation of the investment once appropriate value can be achieved.

Dividends

An important component of this overall strategy is the payment of regular dividends, and the timely distribution to shareholders of the proceeds of realisation of the Company's VCT-qualifying investments. The further dividends recommended for payment to holders of G Shares and I Shares in November 2015 will result in the Company having paid approaching £48 million in total to shareholders since it began in 2006.

Portfolio investments realised during the year

In working towards the overall strategy explained above:

- during the year, the Company realised the three higher-underpinned investments held by the E Share Fund, Pepper

Promotions Limited, Lads On Tour Limited and Cloudroom Music Limited, for a total of £2.5 million, with the proceeds of these realisations forming part of the dividend of 16p per E Share which was paid by the Company in December 2014; and

- the Investment Manager has now begun the process of looking to realise the higher-underpinned VCT-qualifying investments held by the F Share Fund, with the aim of distributing the net proceeds of those realisations later in 2015.

Portfolio investments made during the year

Intent HQ Holdings Limited

In September 2014, Edge Performance VCT invested £225,000 from the H Share Fund in Intent HQ Holdings Limited, as part of an overall investment round of £3.6 million. Further information on Intent HQ Holdings Limited is provided on page 10.

Mirriad Limited

Edge Performance VCT invested £192,832 in Mirriad Limited in October 2014 and a further £108,147 in January 2015. Both investments were made from the H Share Fund and were for ordinary shares in Mirriad Limited; as a result, Edge Performance VCT held 11.02% of Mirriad Limited's issued share capital as at 28 February 2015, with that holding subsequently reducing to 10.98% as further shares were issued to another investor. Further information on Mirriad Limited is provided on page 11.

deltaDNA Limited

The video games industry is currently estimated to be worth £43 billion globally, and growing at 6.5% per annum. The traditional model of the industry, with games being sold to consumers for a one-off purchase price of up to £50 per game, is being superseded by the 'free-to-play' (F2P) model, where players pay little or nothing to acquire the game, but are then encouraged

to pay small and frequent amounts in order to progress through the game or to improve the game experience (such as through 'in-app purchasing'). Under the F2P model, the commercial success of a game therefore relies upon retaining customers and encouraging them to continue to pay.

deltaDNA has developed a software platform which, when integrated into a video game, will provide the game developer with live reporting and analysis of players' activity; this allows the developer to make real-time changes to the game which improve player retention and thereby monetisation.

The founders of deltaDNA have backgrounds in customer analysis and video game development. The business started in 2011 as a consultancy which secured work with some of the biggest names in the games industry. During that time, it also developed software which could provide a greater range of analytical insights than a human consultant, and in real time, and crucially scalable in a way which a human dependent analysis could never achieve. The software platform was launched at the Games Developer Conference in San Francisco in March 2014; since then, deltaDNA has contracted with some 800 games developers and games publishers for the use of the deltaDNA platform in games being released across 2014 and 2015. Based only on games released to date, deltaDNA's platform already has some 30 million monthly active users.

In November 2014, Edge Performance VCT invested £750,000 in deltaDNA from the H Share Fund. As a result, Edge Performance VCT holds 12.4% of the issued share capital of deltaDNA.

Lean Forward Limited

Lean Forward is a new TV-based entertainment and soft betting service, with a strong online offering. Its service launched in early May 2015, and includes a digital TV channel on satellite, cable, Freeview, IPTV and mobile. It is supported by a full service remote betting website and smartphone apps.

Over 56% of UK adults participated in some form of gambling in the last year – excluding the National Lottery which would increase this figure to over 73%. In that period, 3.7 million individuals betted online, with 1.3 million of them doing so at least once a month. The majority of this activity is currently through a combination of bricks and mortar and remote web-based businesses. Gambling is a £22 billion market in the UK and recent changes in gambling legislation have opened up the market.

Lean Forward uses proven TV entertainment and interaction techniques to broaden the market for TV home-betting and importantly to offer the participants a fun, interactive game. The CEO and founder of the business has a successful background in transactional television.

Edge Performance VCT invested £500,000 from the H Share Fund in Lean Forward in September 2014; the Company's investment formed part of an overall fundraising round of £8 million, which included a substantial investment from the founder and a number of private investors, as well as from Edge Performance VCT.

Edge Performance VCT currently holds 4.15% of the issued share capital of Lean Forward.

Significant VCT-qualifying investments

The Company and the Investment Manager apply internal diversification guidelines, under which no Share Fund will ordinarily invest in any single business more than 15% of the net proceeds of offers for subscription for Shares in that particular class. However, distributions to shareholders and movements in portfolio valuations can give rise to the potential for the value of a given investment subsequently to exceed 15% of the relevant Share Fund's assets. These factors have contributed towards the Company's investments in Coolabi Group Limited and Intent HQ Holdings Limited, based on the valuations of those holdings as at 28 February 2015, now exceeding 15% of the net assets of certain Share Funds.

Coolabi Group Limited

Coolabi is a fast-growing creator, owner and developer of children's and family entertainment properties, which it monetises internationally across all media. Coolabi's television properties include *Poppy Cat*, the new production of the *Clangers* and *Scream Street*; it also represents long-standing favourites such as *Bagpuss* and *Ivor The Engine*. Its books division creates and exploits intellectual property in serialised fiction for children of all ages, from pre-school to young adult, and is one of world's leading creators of middle grade (i.e. children aged 8 to 12) book fiction. The book portfolio includes series such as *Beast Quest*, *Warriors*, *Survivors* and *Dinosaur Cove*, together with recent additions including *Ferals*, *Crown of Three* and *Magic Animal Friends*; in total, Coolabi now has over 100 book series comprising more than 1,300 book titles which have been published internationally, with ten of them selling more than one million copies each, and with books in the *Warriors* and *Beast Quest* series alone now accounting for 30 million and 15 million sales respectively.

The last 18 months have proved to be a transformative period for the business:

Three TV series were in, or completed, production: the second series of *Poppy Cat* was completed and is now being sold to broadcasters internationally, following the success of the first series which has been broadcast in 140 countries. The new series of *Clangers* went into production and, as from June 2015, is being broadcast in the UK (the BBC's CBeebies) and the USA (NBC Universal's Sprout) to significant critical acclaim; and production of the comedy horror stop-motion animated series *Scream Street* commenced, with broadcast set to start in spring 2016.

In addition to continuing to deliver new titles in its existing book series, the company's books division has launched a number of new series, notably: *Magic Animal Friends*, published under the same nom de plume as the 40-million selling *Rainbow Magic* series; *Ferals*, published by Harper Collins; and

Crown of Three, published by Simon & Schuster.

Moreover, Coolabi has made good progress in developing more of its properties across multiple media channels. Of particular note is the development of a mobile (Apple and Android) game based on the book series *Beast Quest*, which was released in early May 2015 and which has, as at the date of this report, been downloaded 4 million times.

Coolabi also has a significant slate of properties in development for one or more media channels.

All of these factors have resulted in a significant increase in Coolabi's EBITDA for the year ended 31 March 2015, with the expectation of continued growth in the current financial year and beyond.

Intent HQ Holdings Limited

Intent HQ's technology seeks to provide an important missing link in online and mobile marketing and advertising – a highly predictive human profile of each visitor to a company's website. This means that Intent HQ's customers can enable one-to-one personalisation of their offers and content, and this information can be used to enhance the commercial value of the visitor through greater user engagement, more effective content marketing and higher value advertising.

Intent HQ's technology incorporates the next generation of artificial intelligence: starting with a visitor's social media data (such as from Facebook or Twitter), and augmenting that with the visitor's real-time mobile and web activity as well as history, Intent HQ's software creates a very detailed profile of that visitor. Using machine-learning, its unique technology can "understand" text in almost any language, accurately extract a person's interests and make human-like predictions on what will interest them. For each person who uses a site or an app which has Intent HQ's software installed, the software returns an always-current, highly granular, ranked and weighted set of that person's interests and affinities.

As was explained in the Company's published half-yearly report for the six months ended 31 August 2014, the fundraising round which Intent HQ undertook last year resulted in Edge Performance VCT having to revalue downwards its investment in the company by a significant amount. The Investment Manager and the Directors have concluded that it is appropriate for the same valuation to apply as at 28 February 2015 as insufficient time has elapsed since that fundraising round was completed to value the investment on any other basis.

It is clear that the second half of 2015 will be a crucial period for Intent HQ. Whilst the company has demonstrated that its technology works, with several customers in the early stages of adoption the company has not yet proved that its technology is commercially viable. It has enough cash in hand to fund itself until August and is reliant on raising new equity or debt by then, failing which its future will be in material doubt. Whilst there are indications of appetite from other shareholders to provide further investment, at this time there is no certainty such funding will be forthcoming.

Mirriad Limited

Mirriad's proprietary technology enables advertisements, brands and products to be inserted into finished programming, including catalogue programmes, in such a way that it appears not to be advertising at all, but a part of the programme. It does this digitally, at scale at the point of transmission rather than when the programme is made. This allows the advertising to be targeted by geography or demographic, as it can be different in each transmission and changed as often as required. The market for such "native advertising" is predicted to grow rapidly as consumers increasingly skip conventional TV advertising.

Edge Performance VCT first invested in Mirriad in 2012, and has since made a number of follow-on investments, including the investments totalling £300,979 which were made during the year under review.

It has been a slow process for Mirriad to fulfil its potential and achieve commercially

significant levels of revenue. This is principally as a result of the complexities in bringing together the three components required, namely distributors (such as television broadcasters or online channels), programming content owners (such as television producers) and advertisers and brands. The company has concluded key strategic deals with the likes of RTL, ProSieben, Channel 5, 7 Network, Universal Music, Sony and Vevo, and with major advertising agencies HAVAS and Cheil, with further deals in the pipeline, including the launch of a pilot with a significant social network. For the current year, the primary focus of the company is to increase the available inventory of programming content in which Mirriad's technology can be used. If Mirriad is able to secure that content, the Investment Manager believes that the company will be poised to achieve substantial growth.

Despite this promise, Mirriad has been through a turbulent time in the first half of 2015 and largely not of its own making. Over the period from January to April, Mirriad sought to complete a large and strategically important fundraising round. The company reached the late stages of closing a US \$16.35 million investment, which was being led by a media-focused US private equity fund. At the last minute, one of Mirriad's existing investors, which had previously expressed no objection, announced that it would not agree to the terms of the investment. This prevented the deal from completing, placing Mirriad in a precarious financial situation, since it required immediate funding in order to continue trading. In April and May, after the end of the year under review, a group of existing investors, including Edge Performance VCT, mounted a rescue of the business through a capital restructuring and further investment, coupled with the introduction of new investors. This has resulted in Mirriad receiving a total of £4.6 million of new investment, including £310,000 from Edge Performance VCT, which put it on a much more even keel financially, with only limited disruption to the business in the interim. However, the price at which that investment was provided fully

recognised the parlous state in which Mirriad found itself at the time, as the only alternative for the company would have been a formal insolvency process. Consequently, Edge Performance VCT has had to revalue its existing investment in Mirriad down to reflect the price of that £4.6 million round, resulting in a reduction in the holding value of its investment from £3.3 million as at 31 August 2014, to £50,103 as at 28 February 2015. As explained below, this is a major contributing factor in the reduction over the year in the net asset values of the F, G, H and I Share Funds, all of which hold investment in Mirriad.

As at the date of this report, Edge Performance VCT holds 6.9% of the issued share capital of Mirriad Advertising Limited, the successor company through which the business now operates. A key priority for the Investment Manager is to see the business succeed in acquiring sufficient programming content to enable growth, with the aim that the ultimate outcome for Edge Performance VCT from this investment is favourable.

Portfolio performance

As at 28 February 2015, the NAV total return per Share of each of the Share Funds stood at:

C Share Fund:
75.77p (92.71p as at 28 February 2014)

D Share Fund:
88.55p (95.85p as at 28 February 2014)

E Share Fund:
80.74p (88.85p as at 28 February 2014)

F Share Fund:
81.86p (92.11p as at 28 February 2014)

G Share Fund:
84.49p (87.11p as at 28 February 2014)

H Share Fund:
84.53p (96.18p as at 28 February 2014)

I Share Fund:
93.49p (93.58p as at 28 February 2014)

The principal contributor to the fall in the NAV total return across each of the Share Funds was the revaluation of the Company's

investments in Intent HQ. The F Shares, G Shares, H Shares and I Shares also suffered a reduction in NAV total return as a result of the revaluation of the Company's investment in Mirriad, as explained above.

Non-qualifying investments

Initially, the net proceeds of each of the Company's offers for subscription for Shares are invested in various fixed income securities, cash and cash equivalent assets, offering a high degree of capital preservation. Whilst a suitable level of return is sought, the Investment Manager has regarded, and will continue to regard capital preservation as an important consideration. Subsequently, up to 30% of each share fund will be maintained in such investments whilst the balance is reinvested in VCT-qualifying investments.

As at the end of year under review, the non-qualifying liquidity portfolios were all managed in conjunction with UBS.

During the year, the return on all of these funds averaged 0.2%, reflecting the continuing prevailing low yield environment.

As at 28 February 2015, the value of the treasury funds in the non-qualifying portfolio was as follows:

Share Fund	Value (£'000)
E	200
F	250
H	3,746
I	752
	4,948

In addition, non-qualifying investments have been made in investee companies across each of the Share Funds. Details can be found in the Investment Portfolios on pages 13 to 18. Of those non-qualifying investments, a total of £468,740 had been invested before the year under review, by way of a series of short-term loans to 20 different investee companies; those loans were all repaid in full, with interest, in April 2014.

Fundraising

In November 2013, Edge Performance VCT opened a third offer for subscription for H Shares, which resulted in the issue of 2.55 million new H Shares by the time the offer closed in June 2014.

In November 2014, the Company opened a fourth offer for subscription for H Shares; the offer closed in June 2015, after the end of the year under review, by which point the Company had issued a further 1.05 million new H Shares.

Between them, these two offers raised £3.36 million before expenses.

Future realisation of portfolio investments

As has previously been reported, 2015 has marked the start of a process by the Investment Manager towards realising a number of Edge Performance VCT's portfolio holdings. In particular, after receiving a number of unsolicited approaches to acquire Coolabi Group Limited, the Investment Manager is now actively exploring the

strategic options available to it, potentially including a sale of the business and of other portfolio holdings. The Company will update shareholders as the process develops.

Outlook

As at the date of this report, the H Share Fund still has money available to invest, and which is likely to account for one or two new investments. The Investment Manager is confident that the quality and volume of its dealflow will enable these funds to be invested in interesting businesses within a reasonable amount of time.

With the other Share Funds fully invested, the focus is on working with the investee companies in the portfolio towards achieving growth and value whilst considering strategies and opportunities for exit.

Edge Investments

Investment Manager

30 June 2015

Investment Portfolios

as at 28 February 2015

C Share Portfolio	2015			2014		
	Cost £'000	Valuation £'000	% of net assets by value	Cost £'000	Valuation £'000	% of net assets by value
Qualifying investments						
Coolabi Group	172	390	53.8	172	286	12.4
Intent HQ	1,447	531	73.2	1,447	2,155	93.5
Total qualifying investments	1,619	921	127.0	1,619	2,441	105.9
Non-qualifying investments						
Coolabi Group	1	1	-	1	1	-
Total non-qualifying investments	1	1	-	1	1	-
Total fixed asset investments	1,620	922	127.0	1,620	2,442	105.9
Net current assets		(197)	(27.0)		(137)	(5.9)
Net assets		725	100.0		2,305	100.0

D Share Portfolio	2015			2014		
	Cost £'000	Valuation £'000	% of net assets by value	Cost £'000	Valuation £'000	% of net assets by value
Qualifying investments						
Coolabi Group	2,477	5,108	90.2	2,476	4,087	57.8
Granon Entertainment	-	-	-	488	223	3.2
Intent HQ	1,972	733	12.9	1,973	2,976	42.1
Total qualifying investments	4,449	5,841	103.1	4,937	7,286	103.1
Non-Qualifying Investments	-	-	-	-	-	-
Total non-qualifying investments	-	-	-	-	-	-
Total fixed asset investments	4,449	5,841	103.1	4,937	7,286	103.1
Net current assets		(175)	(3.1)		(220)	(3.1)
Net assets		5,666	100.0		7,066	100.0

	2015			2014		
	Cost £'000	Valuation £'000	% of net assets by value	Cost £'000	Valuation £'000	% of net assets by value
E Share Portfolio						
Qualifying investments						
Chapman Entertainment	-	-	-	391	-	-
Cloudroom Music	-	-	-	1,000	962	16.3
Coolabi Group	1,411	2,862	79.5	1,411	2,328	39.0
Intent HQ	1,774	336	9.3	1,774	1,362	22.8
Lads on Tour	-	-	-	1,000	1,023	17.2
Pepper Promotions	-	-	-	1,000	971	16.1
Total qualifying investments	3,185	3,198	88.8	6,576	6,646	111.4
Non-qualifying investments						
Cloudroom Music	-	-	-	24	24	0.4
Lads on Tour	-	-	-	24	24	0.4
Pepper Promotions	-	-	-	23	23	0.4
Total non-qualifying investments	-	-	-	71	71	1.2
Total fixed asset investments	3,185	3,198	88.8	6,647	6,717	112.6
Net current assets		404	11.2		(752)	(12.6)
Net assets		3,602	100.0		5,965	100.0

F Share Portfolio	2015			2014		
	Cost £'000	Valuation £'000	% of net assets by value	Cost £'000	Valuation £'000	% of net assets by value
Qualifying investments						
Aurora Rising	784	629	4.0	1,000	962	4.6
Black Dog Live	784	622	3.9	1,000	978	4.7
Chapman Entertainment	-	-	-	285	-	-
Clarksville Train	784	624	4.0	1,000	912	4.4
Closeto	784	624	4.0	1,000	993	4.8
Coolabi Group	4,637	8,667	54.7	4,637	6,746	32.3
Daydream Believer	784	664	4.2	1,000	976	4.7
Handmade Mobile	1,000	-	-	1,000	50	0.2
Intent HQ	1,285	243	1.4	1,285	986	4.7
Libra Live	784	633	4.0	1,000	916	4.4
Mirriad	1,000	19	0.1	1,000	1,437	6.9
Motti & Porg	784	625	4.0	1,000	978	4.7
Raphine	784	616	3.9	1,000	977	4.7
Sweet Right Peg	784	626	4.0	1,000	964	4.6
Total qualifying investments	14,978	14,592	92.2	17,207	17,875	85.7
Non-qualifying investments						
Aurora Rising	-	-	-	23	23	0.1
Black Dog Live	-	-	-	24	24	0.1
Clarksville Train	-	-	-	23	23	0.1
Closeto	-	-	-	23	23	0.1
Daydream Believer	-	-	-	23	23	0.1
Intent HQ	3,315	630	4.0	3,315	2,545	12.2
Libra Live	-	-	-	24	24	0.1
Motti & Porg	-	-	-	24	24	0.1
Raphine	-	-	-	24	24	0.1
Sweet Right Peg	-	-	-	23	23	0.1
Total non-qualifying investments	3,315	630	4.0	3,526	2,756	13.1
Total fixed asset investments	18,293	15,222	96.2	20,733	20,631	98.8
Net current assets		600	3.8		263	1.2
Net assets		15,822	100.0		20,894	100.0

G Share Portfolio	2015			2014		
	Cost £'000	Valuation £'000	% of net assets by value	Cost £'000	Valuation £'000	% of net assets by value
Qualifying investments						
Black Sheep Music	972	892	5.9	1,000	981	5.6
Coolabi Group	3,732	6,854	44.9	3,732	4,443	25.3
E7 Live	972	919	6.0	1,000	993	5.7
Grove Music	972	897	5.9	1,000	991	5.7
Handmade Mobile	1,000	-	-	1,000	50	0.3
Intent HQ	425	80	0.5	425	326	1.9
La Cage Productions	972	934	6.1	1,000	975	5.6
Mirriad	334	6	-	334	479	2.7
MM Promotions	972	924	6.0	1,000	964	5.5
Ramble On	972	942	6.2	1,000	964	5.5
Two Bridges Live	972	932	6.1	1,000	974	5.5
UltraNation	972	934	6.1	1,000	977	5.6
Total qualifying investments	13,267	14,314	93.7	13,491	13,117	74.9
Non-qualifying investments						
Black Sheep Music	-	-	-	23	23	0.1
E7 Live	-	-	-	24	24	0.1
Grove Music	-	-	-	24	24	0.1
Intent HQ	2,810	531	3.5	2,810	2,157	12.3
La Cage Productions	-	-	-	23	23	0.1
MM Promotions	-	-	-	24	24	0.1
Ramble On	-	-	-	23	23	0.1
Two Bridges Live	-	-	-	23	23	0.1
UltraNation	-	-	-	23	23	0.1
Total non-qualifying investments	2,810	531	3.5	2,997	2,344	13.1
Total fixed asset investments	16,077	14,845	97.2	16,488	15,461	88.0
Net current assets		427	2.8		2,125	12.0
Net assets		15,272	100.0		17,586	100.0

	2015			2014		
	Cost £'000	Valuation £'000	% of net assets by value	Cost £'000	Valuation £'000	% of net assets by value
H Share Portfolio						
Qualifying investments						
deltaDNA Limited	750	750	10.2	-	-	-
Coolabi Group	500	1,265	17.2	500	733	11.5
Mirriad	938	18	0.2	637	810	12.6
Intent HQ	386	141	1.9	161	123	1.9
Lean Forward Limited	500	500	6.8	-	-	-
Total qualifying investments	3,074	2,674	36.3	1,298	1,666	26.0
Non-qualifying investments						
Coolabi Group	300	300	4.0	300	300	4.7
Intent HQ	225	225	3.1	-	-	-
Total non-qualifying investments	525	525	7.1	300	300	4.7
Total fixed asset investments	3,599	3,199	43.4	1,598	1,966	30.7
Net current assets		4,146	56.6		4,451	69.3
Net assets		7,345	100.0		6,417	100.0

	2015			2014		
	Cost £'000	Valuation £'000	% of net assets by value	Cost £'000	Valuation £'000	% of net assets by value
I Share Portfolio						
Qualifying investments						
Alchemy Live	1,000	982	7.8	1,000	946	6.9
Axis Live Entertainment	1,000	966	7.7	1,000	953	7.0
Coolabi Group	2,458	4,954	39.5	2,458	3,311	24.3
Done & Dusted Live	750	722	5.8	750	701	5.1
Intent HQ	1,717	427	3.4	1,514	1,530	11.3
Mirriad	380	7	0.1	380	546	4.0
Real Gone Gigs	1,000	979	7.8	1,000	952	7.0
SEL Live Entertainment	1,000	976	7.8	1,000	948	7.0
Total qualifying investments	9,305	10,013	79.9	9,102	9,887	72.6
Non-qualifying investments						
Coolabi Group	615	1,240	10.8	615	829	6.1
Intent HQ	-	-	-	203	205	1.5
W P Acquisitions	200	200	0.7	200	200	1.5
Total non-qualifying investments	815	1,440	11.5	1,018	1,234	9.1
Total fixed asset investments	10,120	11,453	91.4	10,120	11,121	81.7
Net current assets		1,081	8.6		2,530	18.3
Net assets		12,534	100.0		13,651	100.0

Income recognised in the year

Income recognised in the year was derived from debt instruments held in the follow companies.

	£'000
Done & Dusted	17
Alchemy Live	22
Axis Live Entertainment	22
Real Gone Gigs	22
SEL Live Entertainment	22
Black Sheep Music	44
E7 Live	44
Grove Music	44
La Cage Productions	44
MM Productions	44
Ramble On	44
Two Bridges Live	44
Ultranation	44
Aurora Rising	47
Black Dog Live	47
Clarksville Train	47
Closeto	47
Daydream Believer	47
Libra Live	47
Motti and Porg	47
Raphine	47
Sweet Right Peg	47
Cloudroom Music	47
Lads On Tour	48
Pepper Promotions	51
WP Acquisitions	76
Liquidity funds	89
Coolabi Group	491
	1,676

Venture Capital Investments

as at 28 February 2015

Investment Portfolio

An overview of the Company's ten largest (by valuation) VCT-qualifying investments is provided below:

Coolabi Group Limited

Cost (£'000):	16,503
Valuation (£'000):	31,841
Basis of valuation:	Price of recent third party investment
Equity holding:	50% of voting rights

The business of Coolabi Group is covered on page 10.

In its financial year ended 31 March 2015, Coolabi Group reported revenues of £10.9 million (unaudited) and EBITDA of £5.4 million (unaudited).

Intent HQ Holdings Limited

Cost (£'000):	15,356
Valuation (£'000):	3,874
Basis of valuation:	Price of recent third party investment
Equity holding:	26.61% of voting rights

The business of Intent HQ Holdings is described on page 10.

In its financial year ended 30 June 2014, Intent HQ Holdings reported revenues of £nil and an EBITDA loss of £nil. In the same period its trading subsidiary, Intent HQ Limited reported revenues of £0.16 million and an EBITDA loss of £7.4 million.

Alchemy Live Limited

Cost (£'000):	1,000
Valuation (£'000):	982
Basis of valuation:	Net asset value
Equity holding:	49.97% of voting rights

Robert Horsfall, the founder of Alchemy Live Limited has been involved in the UK music industry for more than 30 years. Initially a solicitor at Theodore Goddard, and subsequently at specialist entertainment law firm, Lee and Thompson, he has represented a range of clients in the music sector, including independent record companies, music publishers, managers, promoters, agents, performers and writers. In the late 1980s, he became Director of Business Affairs at London Records and London Music, part of the PolyGram (now Universal Music) Group, where London's signed roster of acts included New Order, Happy Mondays, Shakespeare's Sister, All Saints and Fine Young Cannibals.

In 2006, he founded Sound Advice, providing legal, financial, management and live tour management services to clients; artists represented by Sound Advice have included Yusuf Islam (Cat Stevens) and James Morrison.

Events promoted by Alchemy Live during 2014 have included concerts by The Rolling Stones and The Beards, and live shows by American comedy duo Jay & Silent Bob.

In the six months to 31 August 2014, the company reported revenues of £57k and EBITDA of £21k.

Real Gone Gigs Limited

Cost (£'000):	1,000
Valuation (£'000):	979
Basis of valuation:	Net asset value
Equity holding:	49.97% of voting rights

Adam Hollywood, the founder of the Real Gone Gigs Limited, has spent his whole career in the UK entertainment industry. Starting in the early 1980s as a journalist at The Economist, he then moved to The Sun/News of the World, where he was Entertainment Manager.

In 1986, he took up a marketing position at Epic Records, which at that time was label home to Michael Jackson, George Michael, Sade and Luther Vandross amongst many other globally established performers. In 1990, he moved into television marketing with the fledgling BSB TV, prior to being asked to join successful independent record label Telstar Records, as creative director.

In 2001, he joined Warner Bros Records, first as marketing director, and subsequently as General Manager, where was responsible for marketing and promotion campaigns for acts such as Madonna, Green Day, Muse and Michael Bublé.

Since 2008, he has been worked at Smile Entertainment and Portobello Records, specialising in providing marketing, creative and live music services to customers.

Events promoted by Closeto in 2014 included concerts by Thomas Jack and The Rolling Stones.

In the year ended 31 August 2014, Real Gone Gigs reported revenues of £14k and an operating loss of £56k.

SEL Live Entertainment Limited

Cost (£'000):	1,000
Valuation (£'000):	976
Basis of valuation:	Net asset value
Equity holding:	49.97% of voting rights

The founder of the company, Richard Baskind, is an experienced media and entertainment lawyer and is a partner at London-based media law firm Simons Muirhead & Burton. He has been a lawyer in the entertainment industry for over 15 years and his clients range from artists to songwriters to fashion designers, producers to record labels and music publishers as well as promoters and event companies. Included within his client base are Sarah Brightman, Nick Cave and Fatboy Slim.

In 2014, SEL Live promoted a number of concerts, including by The Saturdays and Camera Obscura.

In the six months to 30 September 2014, the company reported revenues of £63k and EBITDA of £20k.

Axis Live Entertainment Limited

Cost (£'000):	1,000
Valuation (£'000):	966
Basis of valuation:	Net asset value
Equity holding:	49.97% of voting rights

Axis Live Entertainment was established by Jeremy Pearce, who has been involved in many aspects of the music industry since 1975, first at United Artists and then CBS Records International in Paris, with operational and profit responsibility for eight CBS Songs affiliates in Europe. In 1987, he returned to CBS Records (later Sony Music), where he established its Licensed Repertoire Division, which entered into partnerships with independent record companies; as a result, Sony Music acquired rights to several of the most important independent acts of the time, including Suede, Oasis, Teenage Fanclub, Primal Scream and Gypsy Kings.

In 1996, he left Sony to establish V2 Music, the vehicle for Richard Branson's re-entry into the music business. Amongst the acts signed to V2 during his time there were Stereophonics, Tom Jones, Moby and Underworld. Since leaving V2 in 2002, he has carried on business as an artist manager and independent music publisher.

Concerts promoted by Axis Live Entertainment during 2014 included shows by Ramona Flowers, Sam Pepper and The Enemy.

In the six months to 31 August 2014, the company reported revenues of £61k and EBITDA of £6k.

Ramble On Limited

Cost (£'000):	972
Valuation (£'000):	942
Basis of valuation:	Net asset value
Equity holding:	49.97% of voting rights

The company was founded by Mark Little, who began his career in the music industry in 1989 by importing specialist records from around the world and selling them on to wholesale record distributors in the UK and Europe. This expanded into one of the UK's first specialist distribution companies, Shady Acorns, with an associated retail business, Happy Daze. At the same time, he developed a management and representation business, looking after the interests of a number of music producers. In 1996, Pinnacle Records took over all distribution obligations for Shady Acorns and its labels, enabling Mr Little to devote more time to artist and producer management and to consultancy roles; he subsequently expanded further into the world of film and TV, supplying bespoke compositions and consultancy services to many of the world's top advertising agencies as well as film studios and other creative agencies.

Mr Little currently manages four artists signed to major labels; he also manages a team of producers, songwriters and film soundtrack composers. Alongside his day to day management role, he provides artist & repertoire consultancy services to Warner and Universal, amongst others, and also advises other management companies and smaller independent record labels.

Concerts promoted by Ramble On during 2014 included shows by John Newman, Corona Sunsets and Demi Lavato

In the year ended 31 July 2014, Ramble On reported revenues of £497k and EBITDA of £21k.

La Cage Productions Limited

Cost (£'000):	972
Valuation (£'000):	934
Basis of valuation:	Net asset value
Equity holding:	49.97% of voting rights

The Company was founded by Julian Lyons, who qualified as a chartered accountant in 1990. For more than 10 years, he gained extensive experience of financial, commercial and operational management in the entertainment industry, as finance director of the SPZ Group; SPZ's business activities spanned recorded music, music publishing, recording studio management, artist representation, promotion of live events and live event logistical support. On leaving SPZ Group, he became joint managing director at Wardlaw Banks, a London-based boutique music publisher. He has also been a member of the ICAEW's Entertainment & Media Special Interest Group.

In 2014, the company promoted concerts by Tim Odell, Cody Simpson and the Invictus Games closing concert.

In the six months to 30 November 2014, La Cage Productions reported revenues of £742k and EBITDA of £24k.

UltraNation Limited

Cost (£'000):	972
Valuation (£'000):	934
Basis of valuation:	Net asset value
Equity holding:	49.97% of voting rights

The Company was founded by Lester Dales, a chartered accountant, who established the specialist entertainment accountancy practice, Dales Evans, in 1993. His experience spans the range of professional support and advice in the music field, with a particular emphasis on live touring, and including related financial and tax aspects. His clients range from artist managers, live agents, promoters to performers, including notably Coldplay. In 2007, he founded LC Presents, a live events promotions business, of which he was a director and shareholder until 2009; during his time with the business, LC Presents promoted live tours by acts as diverse as Alison Moyet, Gabrielle, Smashing Pumpkins and the Ting Tings.

The events promoted by UltraNation in 2014 included concerts by The Rolling Stones, John Newman and Lindsay Stirling.

In the six months to 30 November 2014, UltraNation reported revenues of £296k and EBITDA of £28k.

Two Bridges Live Limited

Cost (£'000):	972
Valuation (£'000):	932
Basis of valuation:	Net asset value
Equity holding:	49.97% of voting rights

Mark Collen, who is the founding director and shareholder of the Company, is an experienced music executive having spent over 25 years working in the industry. His background in senior management and marketing roles includes over 10 years with EMI Music group including the position of managing director EMI:Chrysalis, where he established a successful record label enjoying success across a range of artists and genres. During time at EMI he also directed global campaigns for artists such as Robbie Williams, Coldplay, Norah Jones and Keith Urban.

Mr Collen went on to revitalise the UK EMI Classics business, overseeing the Disney-owned Hollywood Records pop business and re-introduced the Charisma label. In this role, he enjoyed success with a number of acts including Plain White Ts, Hilary Duff, Simon Webbe, Tom Baxter and Alphabeat. Since leaving EMI, he has been working as a consultant for media and entertainment companies, and has established an artist management company, Nightswimming Management.

The events promoted by Two Bridges Live in 2014 included concerts by Jennifer Lopez, McBusted and Jay and Silent Bob.

In the year ended 31 August 2014, Two Bridges Live reported revenues of £454k and EBITDA of £1k.

The remaining VCT-qualifying investments in the Company's portfolio are summarised below

Company	Nature of business	Cost of investment (£'000)	Valuation (£'000)	Basis of valuation	Equity holding (voting rights)
MM Promotions Limited	Live event promotion	972	924	NAV	49.97%
E7 Live Limited	Live event promotion	972	919	NAV	49.97%
Grove Music Limited	Live event promotion	972	897	NAV	50.00%
Black Sheep Music Limited	Live event promotion	972	892	NAV	49.95%
deltaDNA Limited	Behavioural analytics for electronic games	750	750	Cost	12.37%
Done & Dusted Live Limited	Live event promotion	750	722	NAV	49.97%
Daydream Believer Limited	Live event promotion	784	664	NAV	49.97%
Libra Live Limited	Live event promotion	784	633	NAV	49.95%
Aurora Rising Limited	Live event promotion	784	629	NAV	49.97%
Clarksville Train Limited	Live event promotion	784	624	NAV	49.97%
Sweet Right Peg Limited	Live event promotion	784	626	NAV	49.95%
Closeto Limited	Live event promotion	784	624	NAV	49.97%
Motti & Porg Limited	Live event promotion	784	625	NAV	49.95%
Black Dog Live Limited	Live event promotion	784	622	NAV	49.95%
Raphine Limited	Live event promotion	784	616	NAV	49.97%
Lean Forward Limited	TV based betting service	500	500	Cost	4.15%
Mirriad Limited	Digital product placement	2,652	50	NAV	11.02%
Handmade Mobile Entertainment Limited	Mobile application development	2,000	-	Fully provided	13.80%

This report has been prepared by the Directors in accordance with the requirements of Section 414C of the Companies Act 2006. The Directors consider that the annual report and financial statements of the Company for the year ended 28 February 2015 as a whole is fair, balanced and understandable and provides the information necessary for the members of the Company to assess the Company's performance, business model and strategy.

The Company's independent auditor is required by law to report on whether the information given within the strategic report is consistent with the financial statements. The auditor's report is set out on pages 37 and 38.

Investment strategy

Edge has pioneered an approach which was designed to address the key issues which the Directors believe have in the past deterred some individuals from investing in VCTs, namely the ability to recover the net cost of investment as soon as possible after five years, and the perceived level of risk of the underlying investments. Edge, using the skills of the Directors and the investment team of the Investment Manager who collectively have a depth of sector experience in the entertainment industry, seeks to allow investors to take advantage of VCT tax reliefs whilst combining:

- high targeted returns;
- downside risk protection; and
- liquidity.

Edge's structure aims to minimise the risk to the investor, whilst still permitting the investor to benefit from attractive returns by utilising arrangements that seek to combine high targeted returns with reduced downside risk and enhanced liquidity. The majority of the portfolio investments will be made through loan finance which should provide additional capital protection.

Further detail of the Company's investment policy is given on page 3.

The Directors do not foresee any major changes in the activity undertaken by the Company in the foreseeable future. The Company's priorities in the short and medium term are (i) continuing to satisfy the requirement under VCT rules that, in respect of funds which are three or more years old, at least 70% by value of its investments are in shares or securities comprised in VCT-qualifying holdings, (ii) closely monitoring the performance of the investment portfolios with the aim of maximising their performance, and (iii) identifying suitable realisation opportunities in particular for the portfolio holdings in the C Share, D Share, E Share and F Share Funds.

Results and dividends

A detailed review of the Company's development and performance during the year and consideration of its future prospects may be obtained by reference to this Report, the Chairman's statement (page 4) and the Investment Manager's review (pages 9 to 12). Details of the venture capital investments made by the Company are given in the investment portfolios (pages 13 to 18) and the venture capital investments report (pages 19 to 22). A summary of the

Company's key financial measures is given on pages 1 and 2. Details of important events occurring after the balance sheet date can be found in Note 18 to the financial statements on page 59.

The net asset value total return per Share comprises the net asset value per Share plus cumulative dividends paid per Share. Net asset value is calculated at least quarterly with investments valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines. During the year under review, the Company's net asset value total returns per Share changed as shown in the table on page 11.

Over the same period, the FT All Share Media Index rose by 15.2%. Graphs comparing, for each of the Company's share classes, the Share price total return, the net asset value total return per Share and the total return from a notional investment of 100p in the FT All Share Media Index over the period from 5 April 2007 to 28 February 2015 are presented on page 32.

As shown in the Company's statement of comprehensive income on page 39, the Company's returns per Share in the year ended 28 February 2015 were:

	C Share Fund	D Share Fund	E Share Fund	F Share Fund	G Share Fund	H Share Fund	I Share Fund
Revenue return per Share, pence	(0.08)	0.03	0.93	1.08	0.84	(0.50)	0.11
Capital return per Share, pence	(16.86)	(7.33)	(9.03)	(11.35)	(3.47)	(10.31)	(0.20)
Total return per Share, pence	(16.94)	(7.30)	(8.10)	(10.27)	(2.63)	(10.81)	(0.09)

Comparatives for year ended 28 February 2014 were:

	C Share Fund	D Share Fund	E Share Fund	F Share Fund	G Share Fund	H Share Fund	I Share Fund
Revenue return per Share, pence	(1.47)	2.76	3.46	2.14	2.28	0.99	2.16
Capital return per Share, pence	(4.55)	(3.93)	0.56	(1.68)	(5.28)	3.56	0.32
Total return per Share, pence	(6.02)	(1.17)	4.02	0.46	(3.00)	4.55	2.48

Final dividends in respect of the year ended 28 February 2014 were paid during the year ended 28 February 2015 as follows:

- 7p per F Share
- 7p per G Share
- 7p per I Share

An interim dividend in respect of the year ended 28 February 2015 of 16p per E Share was paid during the year ended 28 February 2015.

An interim dividend in respect of the year ended 28 February 2015 of 3.5p per H Share was paid after the year end, on 8 May 2015.

The Board recommends the payment of the following final dividends in respect of the year ended 28 February 2015:

- 7p per G Share
- 7p per I Share

Principal risks and uncertainties

The Board has adopted a risk management programme whereby it continually identifies the principal risks faced by the Company and reviews both the nature and effectiveness of the internal controls adopted to protect the Company from such risks as far as is possible.

The Board believes that the principal risks to which the Company is exposed are:

- economic risk – events such as a downturn in the media sector or a tightening of credit facilities may adversely affect the Company's investee companies and make successful divestments less likely;
- investment risk – the adoption of inappropriate investment policies, sourcing too few investment opportunities of the required standard, and taking investment decisions without having undertaken sufficiently robust due diligence;
- financial risk – poor financial controls which may lead to the misappropriation of assets or inappropriate financial decisions and breaches of regulations through deficient financial reporting; and
- regulatory – failure to comply with any of the regulations to which the Company is subject which include the provisions of the Companies Act 2006, the Listing Rules, applicable Accounting Standards and VCT rules.

Further information about the Company's internal controls is given in the statement of corporate governance on pages 33 to 35.

Changes in legislation

In his Budget in March 2015, the Chancellor announced proposed changes to the VCT and Enterprise Investment Schemes, including a lifetime limit on the amount of State-aided investment (including VCT and EIS) which a company may receive and a prohibition on State-aided investment in companies which have been trading for a specified period. All of those changes are subject to the approval of the European Commission under the State aid regime. As at the date of this report, HM Treasury has not given any indication of when that approval might be obtained, and whether the proposed limits will be subject to further change as a result of the need to obtain the Commission's approval. Until there is greater clarity, therefore, it is not known whether or how the new limits might impact on the Company.

Total expense ratio and relevant total running costs

The total expense ratio, calculated as the year's expenses (as disclosed in the statement of comprehensive income) divided by the average net asset value across the year, was 3.3%. Under the terms of the investment management agreement, the running costs of the Company (excluding the Investment Manager's performance related incentive fee, trail commission, irrecoverable VAT and costs of any significant corporate activity) are restricted to a maximum of 3.0% of the net asset value of the Company. Any excess will be paid by the Investment Manager. For the year ended 28 February 2015, the relevant running costs were 3.0% of the Company's average net asset value; therefore, no excess was payable in respect of the year.

Gender diversity

The Board has considered the recommendations of the UK Corporate Governance Code (the "UK Code") concerning gender diversity and welcomes initiatives aimed at increasing diversity generally. The Board believes, however, that all appointments should be made on merit rather than positive discrimination. The policy of the Board is that maintaining an appropriate balance around the board table through a diverse mix of skills, experience, knowledge and background is of paramount importance and gender diversity is a significant element of this.

Companies Act 2006 disclosures

The Company had no employees during the year and the Company has five non-executive Directors, all of whom are male. The Board recognises the requirement to detail information about any Company employees and social and community issue; including information about any policies it has in relation to these matters and effectiveness of these policies. The Company, being an externally managed investment company with no employees, has no policies in relation to social, community and human rights issues.

Future prospects

With the most recent H Share offer now having closed, the H Share Fund has an additional amount available for investment. The continuing difficulties encountered by small- and medium-sized businesses in securing bank financing, coupled with the Investment Manager's and the Board's extensive range of contacts within the

creative industries sector, mean that current dealflow is of a sufficient quality and at a sufficient level that the Investment Manager anticipates being able to invest those additional funds in suitable new VCT-qualifying investments within a relatively short period of time.

A number of the companies in the existing portfolio have reached, or will shortly reach, a stage of maturity which will enable the Company to commence a programme of realisation, and this is a significant priority for the Investment Manager and the Board over the coming year.

By order of the Board

The City Partnership (UK) Limited
Company Secretary

30 June 2015

Directors' Report

Directors

The Directors who have served throughout the year under review and who continue to serve are Sir Robin Miller, David Glick, Frank Presland, Kevin Falconer and Lord Flight. Michael Eaton retired as a Director on 7 August 2014.

In accordance with the Company's articles of association (the "Articles") and the UK Corporate Governance Code (the "UK Code") Lord Flight will retire by rotation at the AGM and being eligible, will offer himself for re-election. In accordance with the AIC Code of Corporate Governance ("AIC Code") any Director who has served for more than nine years will stand for re-election annually therefore separate resolutions to re-elect Sir Robin Miller and Frank Presland are included in the notice of the Company's 2015 annual general meeting. Following a performance evaluation, the Directors are satisfied that Lord Flight, Sir Robin Miller and Frank Presland's performance continues to be effective, and that they have demonstrated commitment to their roles including devoting time for meetings of the Board and relevant Board committees, and other duties, the Board therefore recommends they be re-elected as Directors at the AGM.

David Glick is also a director of the Investment Manager, and is therefore required by the Listing Rules to submit himself for re-election, on an annual basis, by the shareholders; the Company's 2015 annual general meeting will therefore also consider a proposal for his re-election as a Director.

Brief biographical information on the Directors is shown on pages 6 and 7.

In accordance with the independence provisions of the Listing Rules, and in particular 15.2.12A, the Company should have a majority of the Board who are not also directors of another company managed by the Manager. The Board fully complies with this obligation.

Share capital

Across 5 April 2014 and 6 June 2014, a total of 2,549,539 H Shares were allotted and issued for cash to various subscribers who submitted valid applications under the offer for subscription made through the Company's prospectus dated 8 November 2013.

During the year, no Shares were bought back at the request of the relevant shareholders.

As at 28 February 2015, the issued share capital of the Company was as follows:

Share Class	Number of Shares in issue
C	9,330,098
D	19,172,500
E	9,801,952
F	29,379,532
G	24,056,803
H	9,474,517
I	15,766,414
Total	116,981,816

Across 2 April 2015, 17 April 2015 and 22 April 2015, a total of 1,048,467 H Shares were allotted and issued for cash to various subscribers who submitted valid applications under the offer for subscription made through the Company's prospectus dated 4 November 2014.

No Shares were bought back by the Company during the period from 1 March 2015 to the date of this report.

As at the date of this report, the issued share capital of the Company is therefore as follows:

Share Class	Number of Shares in issue
C	9,330,098
D	19,172,500
E	9,801,952
F	29,379,532
G	24,056,803
H	10,522,984
I	15,766,414
Total	118,030,283

At a general meeting of the Company, every shareholder has one vote on a show of hands, and on a poll, one vote for each Share held.

On a winding-up or return of capital, the assets of the Company attributable to a particular Share class shall be distributed rateably among shareholders according to the number of Shares held in that class.

Investment management agreement

On 8 November 2013, the Company entered into an investment management agreement with the Investment Manager. The appointment is for an initial period ending on 11 April 2018 (11 April 2019 in respect only of the H Share Fund) and may be terminated thereafter by either party on 12 months' notice, such notice to be served at the end of the initial period or at any time thereafter.

Under the terms of the investment management agreement, the Investment Manager will receive: (a) an annual management fee of 1.75% of the net asset value attributable to the C Shares, D Shares, E Shares F Shares, G Shares and I Shares, in each case plus VAT (if applicable); (b) an annual management fee of 2.25% of the net asset value attributable to the H Shares plus VAT (if applicable); and (c) a performance fee which is outlined in more detail below.

Unless otherwise agreed from time to time between the Company and the Investment Manager, the Investment Manager will be responsible for external costs, such as legal and accounting fees, incurred in relation to the negotiation and (if applicable) completion of all VCT-qualifying investments. The Investment Manager retains the right to charge arrangement, monitoring, syndication, exit and directors' fees to the businesses in which the Company invests. Such charges are in line with industry practice and the arrangement fees typically amount to between 1% and 3% of the amount of each investment plus VAT (if applicable). The Investment Manager will normally nominate one of its directors to act as a director of each investee company.

In respect of each class of Shares separately (save the H Shares), once total paid or

declared dividends have reached £1.00 per C Share, D Share, E Share, F Share, G Share or I Share (as the case may be) all further amounts which, in the opinion of the Board, are available to be distributed as dividends will be paid as to 80% as a dividend to C shareholders, D shareholders, E shareholders, F shareholders, G shareholders or I shareholders (as the case may be) and 19% to the Investment Manager by way of performance fee. Once total paid or declared dividends have reached £1.20 per C Share, D Share, E Share, F Share, G Share or I Share (as the case may be) all further amounts which, in the opinion of the Board, are available to be distributed as dividends will be paid as to 70% as a dividend to C shareholders, D shareholders, E shareholders, F shareholders, G shareholders or I shareholders (as the case may be) and 29% to the Investment Manager by way of performance fee.

In respect of the H Shares, once and for so long as cumulative dividends paid or declared equal or exceed an average of 7p per H Share per annum, the Investment Manager will receive an annual performance fee equal to 19% of the net asset value per H Share in excess of £1.00. Once and for so long as cumulative dividends paid or declared equal or exceed an average of 14p per H Share per annum, the Investment Manager will receive an annual performance fee equal to 29% of the net asset value per H Share in excess of £1.00. That calculation will be made on a six-monthly basis, by reference to the Company's published annual report and financial statements and the Company's published half-yearly financial statements.

In respect of share buy-backs undertaken in relation to some, but not all, shareholders, the Investment Manager will be entitled to a performance fee in respect of such distributions, to the extent that the proceeds of those buy-backs results in the cumulative amount paid to the relevant shareholders exceeding an applicable hurdle or threshold as set out above.

The performance fees described above are to be paid in cash and can be assigned by the Investment Manager to some or all of its investment team.

A performance fee of 1% (calculated on the same basis as the Investment Manager's performance fee) is also payable to Robin Miller Consultants Limited.

Administrative services agreement

On 18 February 2013, the Company entered into an administrative services agreement with the Investment Manager, under which the Investment Manager has agreed to provide administrative services to the Company. Under this agreement, the Investment Manager will receive a fixed fee of £275,000 per annum (plus VAT, if applicable), such fee to be adjusted annually by reference to the movement in the Retail Prices Index in the second and subsequent years of the appointment. The appointment is for an initial period ending on 11 April 2018 and may be terminated thereafter by either party on 12 months' notice, such notice to be served at the end of the initial period or at any time thereafter.

Investment Manager's engagement

The Board is responsible to shareholders for the proper management of the Company and for determining the Company's investment policy. Investment and divestment opportunities are originated, negotiated and decided on by the Investment Manager. Company secretarial and accountancy services are provided to the Company by, respectively, The City Partnership (UK) Limited and HW Fisher & Company.

In reviewing the work of the Investment Manager, the Board looks to be satisfied that:

- the Company's investment policy is being followed;

- each investment or divestment decision is subjected to rigorous due diligence;
- risk is further mitigated by investing across a sufficiently diverse range of businesses and by maintaining a balance between equity and loan stock exposure; and
- the portfolio will meet the HMRC VCT conditions.

In consideration of the Company's financial performance, the Board, taking account of the comparatively long term nature of the Company's investments, pays particular attention to net asset value total return per Share, total expense ratio and performance against the FT All Share Media Index (which is considered to be the most appropriate broad equity market index for comparative purposes).

As noted above, the Company entered into an investment management agreement with the Investment Manager on 8 November 2013, with that agreement approved by shareholders at a general meeting of the Company held on 12 December 2013. In recommending that agreement to the shareholders, the Board considered that the conclusion of the new agreement, and its terms, were in the best interests of the Company and the shareholders as a whole, and had been advised by the Company's listing sponsor, Dickson Minto W.S., that the new agreement was fair and reasonable.

Annual running costs

If the annual running costs of the Company in any year exceed 3% of the net assets of the Company, the Investment Manager will be responsible for the excess. For these purposes, annual running costs of the Company include, amongst other things, the annual management fees described above, the administrative services fee described below, Directors' remuneration, company secretarial and accounting fees, audit, taxation advice, sponsor's and registrar's fees

and the costs of communicating with shareholders, but exclude irrecoverable VAT, trail commission payable to financial intermediaries, the Investment Manager's performance fee described above and the cost of significant corporate activity.

Global greenhouse gas emissions

The Company has no direct greenhouse gas emissions to report from its operations, being an externally managed investment company.

Substantial shareholdings

So far as the Company is aware, as at 28 February 2015 and as the date of this report, the only persons who, directly or indirectly, have an interest of 3% or more of the Company's issued share capital or voting rights are set out below:

Name	Shares held as at 28 February 2015	% of issued Shares as at 28 February 2015	Shares held as at the date of this report	% of issued Shares as at the date of this report
Luna Nominees Limited	9,758,482	8.34	9,976,082	8.45
UBS Private Banking Nominees Ltd	7,010,932	5.99	7,010,932	5.94
CGWL Nominees Limited	6,190,512	5.29	6,190,512	5.24

Accountability and audit

The statement of Directors' responsibilities is set out on page 36 of this report. The independent auditor's report is set out on pages 37 and 38 of this report. The Directors who held office at the date of the approval of this Directors' report confirm that, so far as they are aware there is no relevant audit information of which the Company's auditor is unaware and the Directors have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that auditors are aware of that information.

2015 annual general meeting

The Company's 2015 annual general meeting will be held at 9.30 am on 6 August 2015 at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW. Notices of the annual general meeting and of separate meetings of the holders of each class of Share, together with explanatory notes of the business of the annual general meeting, can be found on pages 61 to 79.

By Order of the Board

Independent auditor

Grant Thornton UK LLP has expressed the willingness to continue in office as auditor to the Company and resolutions proposing the reappointment and authorising the Directors to determine the remuneration for the ensuing year will be put to shareholders at the Company's 2015 annual general meeting.

The City Partnership (UK) Limited

Company Secretary

30 June 2015

Directors' Remuneration Report

This report has been prepared by the Directors in accordance with the requirements of the Companies Act 2006 and The Large and Medium sized Company and Groups (Accounts and Reports) (Amendments) Regulations 2013 (the "Regulations"). An ordinary resolution for the approval of the Directors' remuneration report will be proposed at the 2015 annual general meeting.

The Company's auditor, Grant Thornton UK LLP, is required to give its opinion on certain information included in this report. The disclosures which have been audited are indicated as such. Its report is set out on pages 37 and 38.

Annual statement from the Chairman of the Company

There have been no changes to Directors' remuneration in the year to 28 February 2015; the Directors' fees have been set at the same level since November 2010. Directors' fees are reviewed annually and are set by the Board to attract individuals with the appropriate range of skills and experience. In determining the level of fees, their duties and responsibilities are considered, together with the level of time commitment required in preparing for and attending meetings. The remit of the remuneration committee is included in the statement of corporate governance on pages 33 to 35.

The Board carried out a performance evaluation of the Board, committees and individual Directors during the year. Due to the size of the Company, the fact that the majority of the Directors are independent non-executive Directors and the costs involved, external facilitators are not used in the evaluation of the Board. The Directors concluded that the balance of skills and Directors is appropriate and all Directors contribute fully to discussion in an open, constructive and objective way. The size and composition of the Board and its committees are considered adequate for the governance of the Company.

Remuneration committee

During the year under review, the members of the Company's remuneration committee, a fully constituted board committee, were Sir Robin Miller and Frank Presland. The committee's primary function is to determine each Director's remuneration. The committee did not meet in the year ended 28 February 2015. The committee has not received any advice or services from any person in respect of the Directors' remuneration during the year under review.

Directors' remuneration policy

The remuneration committee considers that Directors' fees should reflect the time commitment required and the high level of responsibility borne by Directors, and should be broadly comparable to the fees paid by similar companies.

At a general meeting held on 24 November 2010, it was resolved that the maximum aggregate amount which may be paid out of the funds of the Company as fees to Directors who are not managing or executive Directors is:

- in respect of the Company's financial year ending 28 February 2011, £110,000 (exclusive of VAT); and
- in respect of each subsequent accounting period of the Company, the maximum amount applicable to the immediately preceding accounting period of the Company, increased by the percentage increase (if any) during such preceding accounting period in the general index of retail prices for all the items (RPO2) published by the Office for National Statistics (exclusive of VAT).

Prior to this resolution, the Company's articles of association had placed an overall annual limit of £75,000 (exclusive of VAT) on the Directors' remuneration.

The Company operates a performance-related incentive scheme from which two Directors, David Glick and Sir Robin Miller, may benefit. Details of the scheme are set out on pages 26 and 27.

Under the scheme, the performance fee payable to the Investment Manager is to be paid in cash and can be assigned by the Investment Manager to some or all of the Investment Manager's investment team. David Glick will benefit through his shareholding in the Investment Manager.

Under the letter of appointment between the Company and Robin Miller Consultants Limited, Robin Miller Consultants Limited is entitled, in respect of the C, D, E, F, G, H and I Share Funds, to receive a performance fee of 1% (calculated on the same basis as the Investment Manager's performance fee). Sir Robin Miller will benefit through his shareholding in Robin Miller Consultants Limited.

It is the intention of the Board that, unless any revision to this policy is deemed necessary, this policy will continue to apply in the forthcoming and subsequent financial years. The Board has not received any views from the Company's shareholders in respect of the levels of Directors' remuneration.

This policy was approved by the members at the 2014 AGM, it is intended that this policy will continue for the year ending 29 February 2016 and subsequent years. In accordance with the Regulations, an ordinary resolution to approve the Directors' remuneration policy will be put to shareholders at least once every three years.

Directors' annual report on remuneration

All of the Directors are non-executive and therefore there is no Chief Executive Officer. The Company does not have any employees. In the absence of a CEO or employees, there is no CEO or employee information to disclose.

Terms of appointment

The Company's articles of association provide that the Directors shall retire and be subject to re-election at least every three years. None of the Directors has a service contract with the Company. On being appointed, Directors receive a letter from the Company setting out the terms of their appointment and their specific duties and responsibilities. A Director's appointment may be terminated by the Director or by the Company on the expiry of six months' notice in writing given by the Director or the Company, as the case may be.

Directors' fees for the year (audited)

The fees payable to individual Directors in respect of the year ended 28 February 2015 are shown in the table below (net of VAT & employer's National Insurance contributions). Sir Robin Miller's and Michael Eaton's fees were paid to Robin Miller Consultants Limited and MusicLore Limited respectively in consideration for their services.

Director	Total fee paid for year ended 28 February 2015 £	Annual fee £	Total fee paid for year ended 28 February 2014 £	Annual fee £
Sir Robin Miller (chairman)	20,000	20,000	20,000	20,000
Kevin Falconer (audit committee chairman)	17,500	17,500	17,500	17,500
Michael Eaton*	6,332	15,000	15,000	15,000
Frank Presland	15,000	15,000	15,000	15,000
David Glick	15,000	15,000	15,000	15,000
Lord Flight	15,000	15,000	15,000	15,000

*Michael Eaton retired from the Board on 7 August 2014.

Directors' shareholdings (audited)

The interests of the current Directors and their connected persons in the share capital of the Company as at 28 February 2015 are shown below.

	No of C Shares as at 28 February 2015	Percentage holding %	No of D Shares as at 28 February 2015	Percentage holding %	No of E Shares as at 28 February 2015	Percentage holding %	No of F Shares as at 28 February 2015	Percentage holding %
Sir Robin Miller	-	-	53,000	0.28	-	-	-	-
David Glick	21,629	0.23	21,200	0.11	1,000	0.01	1,000	0.01
Frank Presland	-	-	10,600	0.06	10,500	0.11	-	-
Kevin Falconer	-	-	-	-	-	-	-	-
Lord Flight	-	-	-	-	-	-	-	-

No performance fees were paid to Robin Miller Consultants Limited during the year ended 28 February 2015.

No taxable benefits were paid to the Directors, no pension related benefits were paid to the Directors and no money or other assets were received or receivable to the Directors for the relevant financial year. No payments were made to past Directors or any payments made for loss of office.

Relative importance of spend on pay

The table below shows the remuneration paid to Directors and shareholder distributions in the year to 28 February 2015 and the prior year:

	Percentage increase/ (decrease)	2015 £'000	2014 £'000
Total dividend paid to shareholders	(42.4%)	6,743	11,704
Shares bought back from shareholders	(100%)	-	909
Total Directors' fees	(8.9%)	88.8	97.5

	No of G Shares as at 28 February 2015	Percentage holding %	No of H Shares as at 28 February 2015	Percentage holding %	No of I Shares as at 28 February 2015	Percentage holding %
Sir Robin Miller	16,050	0.07	-	-	10,300	0.07
David Glick	21,600	0.09	137,365	1.45	98,280	0.62
Frank Presland	-	-	-	-	8,173	0.05
Kevin Falconer	-	-	-	-	-	-
Lord Flight	57,200	0.23	-	-	32,400	0.21

At the time of his retirement from the Board, Michael Eaton held 11,019 H Shares.

Comparative shareholdings as at 28 February 2014 are noted below:

	No of C Shares as at 28 February 2014	Percentage holding %	No of D Shares as at 28 February 2014	Percentage holding %	No of E Shares as at 28 February 2014	Percentage holding %	No of F Shares as at 28 February 2014	Percentage holding %
Sir Robin Miller	-	-	53,000	0.28	-	-	-	-
Michael Eaton	-	-	-	-	-	-	-	-
David Glick	21,629	0.23	21,200	0.11	1,000	0.01	1,000	0.01
Frank Presland	-	-	10,600	0.06	10,500	0.11	-	-
Kevin Falconer	-	-	-	-	-	-	-	-
Lord Flight	-	-	-	-	-	-	-	-

	No of G Shares as at 28 February 2014	Percentage holding %	No of H Shares as at 28 February 2014	Percentage holding %	No of I Shares as at 28 February 2014	Percentage holding %
Sir Robin Miller	16,050	0.07	-	-	10,300	0.07
Michael Eaton	-	-	-	-	-	-
David Glick	21,600	0.09	80,697	1.17	98,280	0.62
Frank Presland	-	-	-	-	8,173	0.05
Kevin Falconer	-	-	-	-	-	-
Lord Flight	57,200	0.24	-	-	32,400	0.21

The G Shares shown above as held by Lord Flight include 20,800 G Shares held by his wife, Lady Flight, and 10,400 G Shares held by his daughter, Miss C Flight.

The H Shares shown above as held by Lord Flight include 10,800 I Shares held by his wife, Lady Flight, and 10,800 I Shares held by his daughter, Miss C Flight.

On 2 April 2015, 30,059 H Shares were issued to David Glick under the terms of the Company's offer for subscription set out in

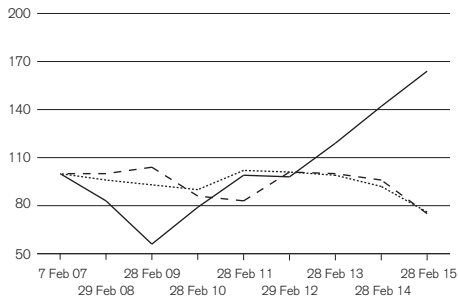
the Company's prospectus dated 4 November 2014; as a consequence, David Glick now holds 1.59% of the issued H Share capital. There have been no other changes in the holdings of the Directors between 28 February 2015 and the date of this report. The Company has not set out any formal requirements or guidelines for a Director to own Shares in the Company.

Company performance

The graphs below compare the Share price total returns for the C, D, E, F, G, H and I Shares and the net asset value total returns per Share for the C, D, E, F, G, H and I Shares with the total returns from a notional investment of 100p in the FT All Share Media Index over the same periods. This index is considered to be the most appropriate broad equity market index for comparative purposes.

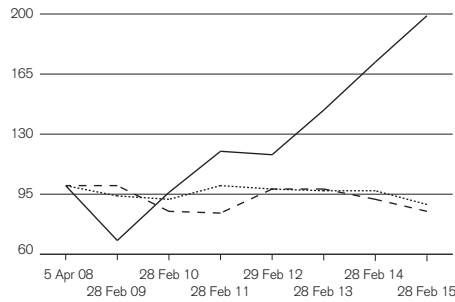
C Shares

Period from 5 April 2007
to 28 February 2015



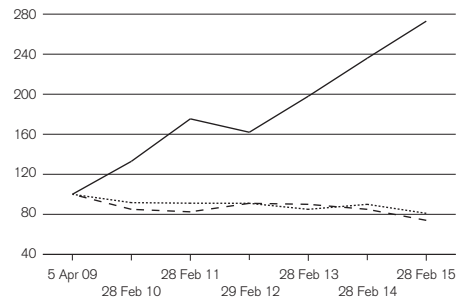
D Shares

Period from 5 April 2008
to 28 February 2015



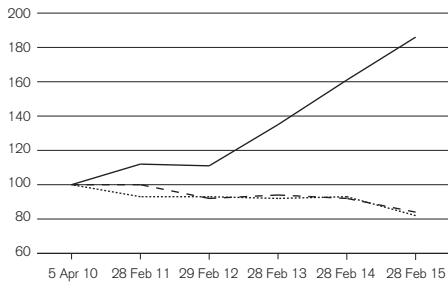
E Shares

Period from 5 April 2009
to 28 February 2015



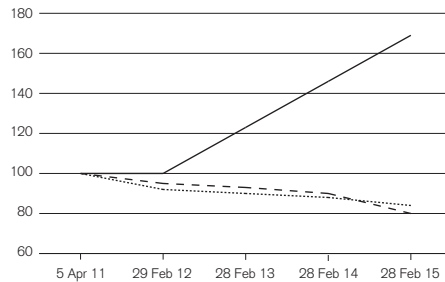
F Shares

Period from 5 April 2010
to 28 February 2015



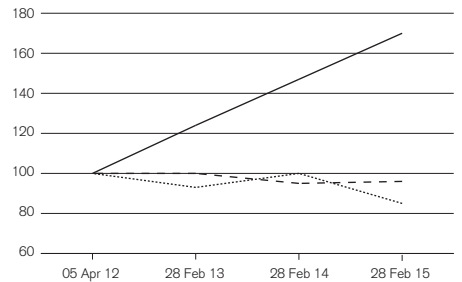
G Shares

Period from 5 April 2011
to 28 February 2015



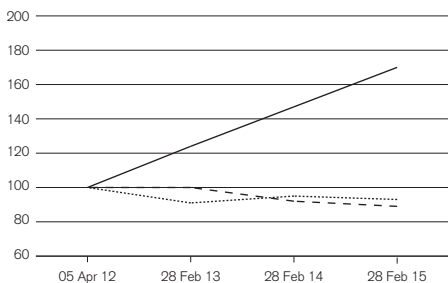
H Shares

Period from 5 April 2012
to 28 February 2015



I Shares

Period from 5 April 2012
to 28 February 2015



— Index
— NAV total return per share
-- Share price total return

The Share price total return and net asset value total return per Share comprise the Share price and net asset value per Share respectively together with the cumulative dividends paid.

At the Company's last AGM, held on 7 August 2014, 95.6% of votes cast were in favour of, and 4.4% against, the resolution approving the Directors' remuneration report, with 84,777 votes withheld. 93.7% of votes cast were in favour of, and 6.3% against, the resolution approving the Directors' remuneration policy, again with 84,777 votes withheld. An ordinary resolution for the approval of the Directors' remuneration report will be put to shareholders at the forthcoming AGM.

By order of the Board

The City Partnership (UK) Limited

Company Secretary

30 June 2015

Statement of Corporate Governance

This statement forms part of the Directors' report

Statement of compliance

The Directors confirm that the Company has taken appropriate action to enable it to comply with the principles of the UK Code.

As a venture capital trust, most of the Company's day-to-day responsibilities are delegated to third parties and the Directors are all non-executive. Thus, not all the provisions of the UK Code are directly applicable to the Company. Apart from the matters referred to in the following paragraphs, the requirements of the UK Code were complied with throughout the period ended 28 February 2015.

All Directors have rolling term appointments with a six month notice period. Full details of duties and obligations are provided at the time of appointment and are supplemented by further details as necessary. In light of the responsibilities retained by the Board and its committees and of the responsibilities delegated to the Manager and the company secretary, the Company has not appointed a chief executive, deputy chairman or a senior independent non-executive Director. When a new Director is appointed, he or she is offered an induction programme arranged with the Investment Manager.

Board of Directors

The Company has a board of five non-executive Directors, four of whom are considered to be independent. The remaining Director, David Glick, is also a director of the Investment Manager. The Company has no staff.

Sir Robin Miller, Frank Presland and David Glick, have signed letters confirming the terms of their appointment as non-executive Directors with effect from 18 January 2006; Kevin Falconer has signed such a letter with effect from 19 January 2011; Lord Flight has signed such a letter with effect from 18 October 2011. The Board does not believe that length of service will necessarily compromise the independence or effectiveness of Directors and no limit has been placed on the overall length of service. The Board considers that such continuity and experience can be of significant benefit to the Company and its shareholders. However, in accordance with corporate governance best practice any Director who has served for more than nine years will be subject to re-election annually, therefore a resolution to re-elect Sir Robin Miller and Frank Presland is included in the notice of the Company's 2015 annual general meeting. In accordance with the Company's Articles each Director shall retire from office at the third annual general meeting after the annual general meeting at which he was last elected.

Directors are provided with key information on the Company's activities including regulatory and statutory requirements and internal controls by the Company's solicitors, the Company's VCT status adviser, the company secretary and the Investment Manager. The Board has direct access to corporate governance advice and compliance services through the company secretary, who is responsible for ensuring that Board procedures are followed and compliance requirements are met.

All Directors may take independent professional advice in furtherance of their duties as necessary. Any newly appointed Director will be given a comprehensive introduction to the Company's business including meeting the Company's advisers.

When Directors have concerns that cannot be resolved about the running of the Company or a proposed action, they are asked to ensure that their concerns are recorded in a board minute. On resignation, a Director who has any such concerns is encouraged to provide a written statement to the Chairman, for circulation to the Board.

The Board is responsible to shareholders for the proper management of the Company and aims to meet at least quarterly. It has formally adopted a schedule of matters which must be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues. The chairman together with the company secretary establishes the agenda for each board meeting and all necessary papers are distributed in advance of the meetings. The Board considers all matters not included within the remits of the board committees.

All the Directors are equally responsible for the proper conduct of the Company's affairs. In addition, the Directors are responsible for ensuring that the policies and operations are in the best interests of the Company's shareholders and that the best interests of creditors and suppliers to the Company are properly considered.

Board committees

There are three board committees: an audit committee, a remuneration committee and a nomination committee. Copies of their terms of reference are available from the company secretary.

Audit committee

The audit committee comprises at least two independent Directors. The members of the audit committee are Kevin Falconer (chairman), Lord Flight and Frank Presland. In accordance with the UK Code, at least one member of the Audit Committee has recent and relevant financial experience. A quorum is two members of the committee.

Written terms of reference have been constituted for the audit committee and include the following key duties:

- to monitor the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance, reviewing significant financial reporting judgements contained in them;
- to review the Company's internal financial controls and, unless expressly addressed by a separate board risk committee composed of independent Directors, or by the board itself, to review the Company's internal control and risk management systems;
- to make recommendations to the board, for it to put to shareholders in general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor; and
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.

During the year ended 28 February 2015, the Committee discharged the responsibilities described above. Its activities included:

- formally reviewing the final annual report and financial statements, the half-yearly report and the associated announcements, with particular focus on the main areas requiring judgement and on critical accounting policies;

- reviewing the effectiveness of the internal controls system;
- meeting with the external auditor and reviewing its findings; and
- reviewing the performance of the Investment Manager and making recommendations to the Board.

The significant issue addressed by the audit committee in relation to the financial statements was the valuation of the Company's unquoted investments. The valuation methodologies employed by the Manager were reviewed and reference was made to both the external auditor and the International Private Equity and Venture Capital Guidelines; and the valuations determined by the Manager were examined against financial and performance information concerning the companies in which investments were held.

The audit committee has managed the relationship with the external auditor and assessed the effectiveness of the audit process. When assessing the effectiveness of the process for the year under review the audit committee considered the auditor's technical knowledge and that they have a clear understanding of the business of the Company; that the audit team is appropriately resourced; that the auditor provided a clear explanation of the scope and strategy of the audit and that the auditor maintained independence and objectivity. As part of the review of auditor effectiveness and independence, Grant Thornton UK LLP has confirmed that it is independent of the Company and has complied with applicable international standards on auditing. Grant Thornton UK LLP has held office as auditor since August 2011.

Remuneration committee

This is a fully constituted board committee established primarily to determine each Director's remuneration. The committee shall comprise at least two independent Directors. The members of the committee are Frank Presland and Sir Robin Miller. A quorum is two members of the committee.

Nomination committee

This is a fully constituted board committee established primarily to identify and nominate, for the approval of the Board, candidates to fill board vacancies as and when they arise and to monitor and review the effectiveness and performance of individual Directors. The committee comprises at least two members, no less than one of whom shall be an independent Director. The members of the committee are Frank Presland and Sir Robin Miller. A quorum is two members of the committee.

In considering appointments to the Board, the nomination committee takes into account the ongoing requirements of the Company and the need to have a balance of skill and experience within the Board. The Nomination Committee also considers the annual re-election of Directors. When recommending new candidates to the Board the Directors draw on their extensive business experience and range of contacts to identify suitable candidates. The use of formal advertisements and external consultants is not considered cost-effective given the size of the Company.

During the year ended 28 February 2015, there were:

- 6 board meetings convened to consider general business (and several other board meetings convened to consider business specific to the offer for subscription made by the Company during the period under review)
- 3 meetings of the audit committee
- no meetings of the remuneration committee
- no meetings of the nomination committee

Attendance at Board and committee meetings

The Directors' attendance at the board meetings convened to consider general business and at committee meetings is noted below.

Director	Board	Audit Committee	Remuneration Committee	Nomination Committee
Sir Robin Miller	5/6	n/a	No meeting in year	No meeting in year
Michael Eaton*	0/2	1/2	No meeting in year	No meeting in year
David Glick	6/6	n/a	n/a	n/a
Frank Presland	6/6	n/a	n/a	n/a
Kevin Falconer	4/6	3/3	n/a	n/a
Lord Flight	5/6	3/3	n/a	n/a

*Michael Eaton retired from the Board on 7 August 2014.

Relations with shareholders

The Board welcomes the views of shareholders and puts a premium on effective communication with the Company's members.

All written communication with shareholders is reviewed by the Board to ensure that shareholder enquiries are promptly and adequately resolved.

Shareholders are encouraged to attend the Company's general meetings where the Directors and representatives of the Company's advisers will be available to answer any questions members may have. The Board also communicates with shareholders through interim and annual reports which will include a chairman's statement and an investment manager's report both of which are reviewed and approved by the Board to ensure that they present a fair assessment of the Company's position and future prospects.

Internal control

The Board has established an ongoing process for the identification, evaluation and management of the significant risks faced by the Company. The Board acknowledges that it is responsible for the Company's internal control systems and for reviewing their effectiveness. Internal controls are designed to manage the particular needs of the Company and the risks to which it is

exposed. The internal control systems aim to ensure the maintenance of proper accounting records, the reliability of the financial information on which business decisions are made and which is used for publication, and that the assets of the Company are safeguarded. They can by their nature provide only reasonable and not absolute assurance against material misstatement or loss. The financial controls operated by the Board include regular reviews of both the financial results and investment performance.

The Board has delegated to third parties the provision of: investment management services; legal and VCT status advisory services; day-to-day accounting, company secretarial and administration services; and share registration services.

Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered. The Board receives and considers regular reports from the Investment Manager. Ad hoc reports and information are supplied to the Board as required. The Board keeps under review the terms of the agreement with the Investment Manager.

Review of internal control

The process adopted by the Board for identifying, evaluating and managing the risks faced by the Company includes an annual review of the control systems. The review

covers a consideration of the significant risks in each of five areas: statutory and regulatory compliance, financial reporting, investment strategy, investment performance and reputation.

Each risk is considered with regard to; the likelihood of occurrence, the probable impact on the Company and the controls exercised at source, through reporting and at Board level.

The Board is satisfied with the effectiveness of the Company's controls.

Internal audit

The Company does not have an independent internal audit function. Such a function is thought by the Board to be unnecessary at this time given the size of the Company and the nature of its business. However, the audit committee considers annually whether an independent internal audit function should be introduced and reports its conclusions to the Board.

Going concern

After making enquiries, and bearing in mind the nature of the Company's business and assets, the Directors consider that the Company has adequate resources to continue to operate for the foreseeable future. In arriving at this conclusion, the Directors have considered the liquidity of the Company and its ability to meet obligations as they fall due. As at 28 February 2015, the Company held cash balances and liquidity funds with a combined value of £4.95 million. Cash flow projections have also been prepared and monitored and show that the Company has sufficient funds available.

By order of the Board

The City Partnership (UK) Limited
Company Secretary
30 June 2015

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements 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 they have complied with these requirements.

Under applicable law and regulations, the Directors are also responsible for preparing a strategic report, Directors' report, Directors' remuneration report and statement of corporate governance which complies with law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. The work carried out by Grant Thornton UK LLP as independent auditor of the Company does not involve consideration of the maintenance and integrity of the website and accordingly Grant Thornton UK LLP accepts no responsibility for any changes which may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, 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 .

Sir Robin Miller
Chairman

30 June 2015

Independent Auditor's Report

to the members of Edge Performance VCT plc

Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2015 and of the its profit for the year then ended;
- have been properly prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Who we are reporting to

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.

What we have audited

Edge Performance VCT plc's financial statements comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and the related notes.

The financial reporting framework that has been applied in their preparation is United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Our assessment of risk

In arriving at our opinions set out in this report, we highlight the following risks that are, in our judgement, likely to be most important to users' understanding of our audit.

Valuation of unquoted investments

The risk: Unquoted investments are the largest asset class in the financial statements (comprising 88% of the Company's total assets) and are held at fair value through profit or loss in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Measurement of the fair value of an unquoted investment is subjective and includes significant assumptions. We therefore identified the valuation of unquoted investments as a risk that requires special audit consideration.

Our response: Our work included but was not restricted to:

- obtaining an understanding of how the valuations were performed by obtaining the underlying models from the investment manager;
- attending the audit committee meeting to discuss the review process;
- obtaining an understanding of the performance of investee companies through review of signed financial statements or recent management accounts, the key factors affecting valuation in the industries they operate in and any specific company issues which may impact their values through discussions with the investment manager;
- reviewing supporting transaction documentation such as share subscription agreements where fair value is determined based on the most recent transaction;
- reviewing investment agreements and share certificates for any new investments made during the year; and
- verifying key underlying financial data inputs to investee company management information and independent market data

and testing the arithmetic accuracy of the valuation calculations;

The Company's accounting policy on the valuation of unquoted investments is set out in Note 3, and its disclosures about unquoted investments held at the year-end are included in Note 12. The Audit Committee also identified valuation of unquoted investments as a significant issue in its report on page 34, where the Committee also explains how it addressed this issue.

Our application of materiality and an overview of the scope of our audit

Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We determined materiality for the financial statements as a whole to be £641,000 which is approximately 1.0% of the Company's total assets. This benchmark is considered the most appropriate as, in our view, it is a key driver of the Company's performance. We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 75% of financial statement materiality.

For the statement of comprehensive income, we determined that misstatements of lesser amounts than materiality for the financial statements as a whole would make it probable that the judgement of a reasonable person, relying on the information would have been changed or influenced by the misstatement or omission. Accordingly, we established materiality for the revenue column of the statement of comprehensive income to be £102,000. We also determine a lower level of specific materiality for other areas such as directors' remuneration and related party transactions

We determined the threshold at which we will communicate misstatements to the Audit Committee to be £32,000. In addition we will communicate misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

Overview of the scope of our audit

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). Our responsibilities under those standards are further described in the 'Responsibilities for the financial statements and the audit' section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the Auditing Practices Board's Ethical Standards for Auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

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 and the maintenance of the Company's accounting records is outsourced to third-party service providers. Accordingly, our audit work is focussed on obtaining an understanding of, and evaluating, internal controls at the Company and its third-party service providers. We undertook substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the effectiveness of controls over individual systems and the management of specific risks.

Other reporting required by regulations Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion:

- the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- 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.

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
- otherwise misleading.

In particular, we are required to report to you if:

- 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; or
- the annual report does not appropriately disclose 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.

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 35, in relation to going concern; and
- the part of the Statement of Corporate Governance relating to the Company's compliance with the ten provisions of the UK Corporate Governance Code specified for our review.

Responsibilities for the financial statements and the audit

What an audit of financial statements involves:

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/auditscopeukprivate.

What the Directors are responsible for:

As explained more fully in the statement of Directors' responsibilities set out on page 36, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

What we are responsible for:

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.

Julian Bartlett

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

30 June 2015

Statement of Comprehensive Income

for the year ended 28 February 2015

	Note	Year ended 28 February 2015			Year ended 28 February 2014		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Losses/gains on valuation of investments at fair value through profit or loss	11	-	(7,880)	(7,880)	-	(1,903)	(1,903)
Income	4	1,676	-	1,676	4,598	-	4,598
Investment Manager's fees	5	(345)	(1,035)	(1,380)	(381)	(1,143)	(1,524)
Other expenses	6	(590)	(252)	(842)	(600)	(238)	(838)
Return on ordinary activities before tax		741	(9,167)	(8,426)	3,617	(3,284)	333
Tax on ordinary activities	8	(158)	158	-	(1,299)	668	(631)
Return for the financial year		583	(9,009)	(8,426)	2,318	(2,616)	(298)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income attributable to equity shareholders		583	(9,009)	(8,426)	2,318	(2,616)	(298)
Return per Share							
Return per C Share	10	(0.08)p	(16.86)p	(16.94)p	(1.47)p	(4.55)p	(6.02)p
Return per D Share	10	0.03p	(7.33)p	(7.30)p	2.76p	(3.93)p	(1.17)p
Return per E Share	10	0.93p	(9.03)p	(8.10)p	3.46p	0.56p	4.02p
Return per F Share	10	1.08p	(11.35)p	(10.27)p	2.14p	(1.68)p	0.46p
Return per G Share	10	0.84p	(3.47)p	(2.63)p	2.28p	(5.28)p	(3.00)p
Return per H Share	10	(0.50)p	(10.31)p	(10.81)p	0.99p	3.56p	4.55p
Return per I Share	10	0.11p	(0.20)p	(0.09)p	2.16p	0.32p	2.48p

The total column of this statement represents the profit and loss account of the Company. All revenue and capital items in the above statement derive from continuing operations. The Company has only one class of business and derives its income from investments made in shares, securities and bank deposits.

The accompanying notes on pages 46 to 60 are an integral part of the financial statements.

Statement of Comprehensive Income

for the year ended 28 February 2015

Unaudited Non-Statutory Analysis between the C, D, E, F, G, H and I Share Funds

	Revenue £'000	Capital £'000	C Share Fund Total £'000	Revenue £'000	Capital £'000	D Share Fund Total £'000
Losses/gains on valuation of investments at fair value through profit or loss	-	(1,541)	(1,541)	-	(1,305)	(1,305)
Income	21	-	21	88	-	88
Investment Manager's fees	(10)	(30)	(40)	(31)	(93)	(124)
Other expenses	(20)	(7)	(27)	(50)	(22)	(72)
Return on ordinary activities before tax	(9)	(1,578)	(1,587)	7	(1,420)	(1,413)
Tax on ordinary activities	2	5	7	(2)	15	13
Return for the financial year	(7)	(1,573)	(1,580)	5	(1,405)	(1,400)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income attributable to equity shareholders	(7)	(1,573)	(1,580)	5	(1,405)	(1,400)
Return per share	(0.08)	(16.86)	(16.94)	0.03	(7.33)	(7.30)

	Revenue £'000	Capital £'000	E Share Fund Total £'000	Revenue £'000	Capital £'000	F Share Fund Total £'000
Losses/gains on valuation of investments at fair value through profit or loss	-	(800)	(800)	-	(3,029)	(3,029)
Income	180	-	180	631	-	631
Investment Manager's fees	(26)	(78)	(104)	(91)	(274)	(365)
Other expenses	(38)	(19)	(57)	(136)	(72)	(208)
Return on ordinary activities before tax	116	(897)	(781)	404	(3,375)	(2,971)
Tax on ordinary activities	(25)	12	(13)	(86)	41	(45)
Return for the financial year	91	(885)	(794)	318	(3,334)	(3,016)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income attributable to equity shareholders	91	(885)	(794)	318	(3,334)	(3,016)
Return per Share	0.93	(9.03)	(8.10)	1.08	(11.35)	(10.27)

Statement of Comprehensive Income

for the year ended 28 February 2015

Unaudited Non-Statutory Analysis between the C, D, E, F, G, H and I Share Funds

	Revenue £'000	Capital £'000	G Share Fund Total £'000	Revenue £'000	Capital £'000	H Share Fund Total £'000
Losses/gains on valuation of investments at fair value through profit or loss	-	(578)	(578)	-	(792)	(792)
Income	495	-	495	68	-	68
Investment Manager's fees	(77)	(231)	(308)	(50)	(150)	(200)
Other expenses	(160)	(60)	(220)	(76)	(26)	(102)
Return on ordinary activities before tax	258	(869)	(611)	(58)	(968)	(1,026)
Tax on ordinary activities	(54)	35	(19)	12	22	34
Return for the financial year	204	(834)	(630)	(46)	(946)	(992)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income attributable to equity shareholders	204	(834)	(630)	(46)	(946)	(992)
Return per Share	0.84	(3.47)	(2.63)	(0.50)	(10.31)	(10.81)

	Revenue £'000	Capital £'000	I Share Fund Total £'000
Losses/gains on valuation of investments at fair value through profit or loss	-	165	165
Income	193	-	193
Investment Manager's fees	(60)	(179)	(239)
Other expenses	(110)	(46)	(156)
Return on ordinary activities before tax	23	(60)	(37)
Tax on ordinary activities	(5)	28	23
Return for the financial year	18	(32)	(14)
Other comprehensive income	-	-	-
Total comprehensive income attributable to equity shareholders	18	(32)	(14)
Return per Share	0.11	(0.20)	(0.09)

Balance Sheet

as at 28 February 2015

Company Registration No: 05558025 (England and Wales)

	Note	As at 28 February 2015 £'000	As at 28 February 2014 £'000
Fixed assets			
Investments at fair value through profit or loss	3 & 11	54,680	65,626
Current assets			
Debtors	13	1,664	3,518
Liquidity funds	3	4,948	7,060
Cash at bank		881	2,098
		7,493	12,676
Creditors: amounts falling due within one year			
	14	(1,207)	(4,418)
Net current assets		6,286	8,258
Net assets		60,966	73,884
Capital and reserves			
Called up share capital	15	11,698	11,513
Share premium account		2,067	1
Special reserve		56,759	63,502
Capital redemption reserve		675	675
Realised capital reserve		(6,941)	(4,450)
Unrealised capital reserve		(10,279)	(3,761)
Revenue reserves		6,987	6,404
		60,966	73,884
Net asset value per C Share, pence			
	16	7.77	24.71
Net asset value per D Share, pence			
	16	29.55	36.85
Net asset value per E Share, pence			
	16	36.74	60.58
Net asset value per F Share, pence			
	16	53.86	71.11
Net asset value per G Share, pence			
	16	63.49	73.11
Net asset value per H Share, pence			
	16	77.53	92.68
Net asset value per I Share, pence			
	16	79.49	86.58

The accompanying notes on pages 46 to 60 are an integral part of the financial statements.

The financial statements were authorised for issue by the Directors on 30 June 2015 and signed on their behalf by:

Sir Robin Miller
Director

David Glick
Director

Balance Sheet

for the year ended 28 February 2015

Unaudited Non-Statutory Analysis between the C, D, E, F, G, H and I Share Funds

as at 28 February 2015

Company Registration No: 05558025 (England and Wales)

Restated	C Share Fund £'000	D Share Fund £'000	E Share Fund £'000	F Share Fund £'000	G Share Fund £'000	H Share Fund £'000	I Share Fund £'000
Fixed assets							
Investments at fair value through profit or loss	922	5,841	3,198	15,222	14,845	3,199	11,453
Current assets							
Debtors	-	43	151	359	496	318	297
Liquidity funds	-	-	200	250	-	3,746	752
Cash at bank	96	1	80	-	-	674	30
	96	44	431	609	496	4,738	1,079
Creditors: amounts falling due within one year	(293)	(219)	(27)	(9)	(69)	(592)	2
Net current assets	(197)	(175)	404	600	427	4,146	1,081
Net assets	725	5,666	3,602	15,822	15,272	7,345	12,534
Capital and reserves							
Called up share capital	933	1,917	980	2,938	2,406	947	1,577
Share premium account	1	-	-	-	-	1,996	70
Special reserve	994	4,872	3,857	16,260	14,937	5,123	10,716
Capital redemption reserve	675	-	-	-	-	-	-
Realised capital reserve	(1,204)	(1,214)	(1,493)	(1,219)	(840)	(252)	(719)
Unrealised capital reserve	(1,238)	(1,489)	(499)	(4,215)	(2,596)	(485)	243
Revenue reserves	564	1,580	757	2,058	1,365	16	647
	725	5,666	3,602	15,822	15,272	7,345	12,534
Net asset value per C Share, pence	7.77						
Net asset value per D Share, pence		29.55					
Net asset value per E Share, pence			36.74				
Net asset value per F Share, pence				53.86			
Net asset value per G Share, pence					63.49		
Net asset value per H Share, pence						77.53	
Net asset value per I Share, pence							79.49

Statement of Changes in Equity

for the year ended 28 February 2015

	Called Up Equity Share Capital £'000	Share premium £'000	Special reserve £'000	Capital Redemption reserve £'000	Capital Reserve (Realised) £'000	Capital Reserve (Unrealised) £'000	Revenue reserves £'000	Total £'000
At 1 March 2013	11,051	14,842	56,833	410	(3,107)	(2,488)	4,086	81,627
Share issues	727	4,776	-	-	-	-	-	5,503
Share issue expenses	-	(312)	(23)	-	-	-	-	(335)
Buyback of Shares	(265)	-	(909)	265	-	-	-	(909)
Dividends paid	-	-	(11,704)	-	-	-	-	(11,704)
Movements on reserves	-	(19,305)	19,305	-	-	-	-	-
Comprehensive income for the year	-	-	-	-	(1,343)	(1,273)	2,318	(298)
At 28 February 2014	11,513	1	63,502	675	(4,450)	(3,761)	6,404	73,884
Share issues	185	2,185	-	-	-	-	-	2,370
Share issue expenses	-	(119)	-	-	-	-	-	(119)
Dividends paid	-	-	(6,743)	-	-	-	-	(6,743)
Comprehensive income for the year	-	-	-	-	(2,491)	(6,518)	583	(8,426)
At 28 February 2015	11,698	2,067	56,759	675	(6,941)	(10,279)	6,987	60,966

Distributable reserves comprise: the special reserve; the revenue reserve; and capital reserves attributable to realised profits.

Called up equity share capital represents the nominal value of shares that have been issued. The share premium account includes any premium received on issue of share capital. Any transaction costs associated with the issue of Shares are deducted from share premium. The special reserve was created on cancellation of the share premium account in respect of Shares issued by the Company prior to 16 August 2013, and is primarily used for the distribution of dividends.

The capital redemption reserve maintains the equity share capital of the Company and represents the nominal value of Shares repurchased and cancelled. It cannot be used to fund Share repurchases and it is not distributable by way of dividend

All investments are held at fair value through profit or loss. When the Company revalues the investments still held during the period, any gains or losses arising are credited/charged to the capital reserve. When an investment is sold, any balance held on the capital reserve (unrealised) is transferred to the capital reserve (realised).

Statement of Cash Flows

for the year ended 28 February 2015

	Note	Year ended	
		28 February 2015	29 February 2014
		£'000	£'000
Cash flows from operating activities			
Loss for the year		(8,426)	(298)
Adjustments for:			
Unrealised Losses on investments held at fair value through the profit or loss		7,880	3,785
Accrued income		220	45
(Increase)/decrease in other debtors and prepayments		1,845	(797)
Increase/(decrease) in other creditors and accruals		(2,697)	(496)
Cash generated from operating activities		(1,169)	2,239
Tax Paid		(514)	(119)
Net cash generated from operating activities		(1,683)	2,120
Cash flows from investing activities			
Sales of investments held at fair value		4,847	12,203
Purchases of investments held at fair value		(2,001)	(10,326)
Proceeds from bonds and similar investments		-	(894)
Net cash from investing activities		2,846	983
Cash flows from financing activities			
Issue of ordinary share capital		2,370	6,301
Buy back and cancellation of shares		-	(909)
Unpaid share capital paid down		-	65
Dividends paid		(6,743)	(11,704)
Share issue expense		(119)	(335)
Net cash used in financing activities		(4,492)	(6,582)
Net decrease in cash		(3,329)	(3,479)
Reconciliation of cash and cash equivalents			
(Decrease)/Increase in cash		(3,329)	(3,479)
Opening cash and cash equivalents position		9,158	12,637
Closing cash and cash equivalents position		5,829	9,158

The accompanying notes on pages 46 to 60 are an integral part of the financial statements.

1. General Information

Edge Performance VCT plc is a venture capital trust company domiciled in the United Kingdom and incorporated in England in 2005. The address of its registered office is 1 Marylebone High Street, London, W1U 4LZ. The ordinary shares of the company are on the London Stock Exchange

Key sources of estimation uncertainty

Many of the company's financial instruments are measured at fair value in the balance sheet and it is usually possible to determine their fair values within a reasonable range of estimates.

For the majority of the company's financial instruments, such as unlisted securities, fair value is derived from using valuation techniques, as recommended by International Private Equity and Venture Capital Valuation Guidelines (IPEVC). Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgements (e.g. interest rates, volatility, estimated cash flows) and therefore cannot be determined with precision.

2. Statement of Compliance

Basis of Accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), with the Companies Act 2006 and the Statement of Recommended Practice ('SORP') 'Financial Statements of Investment Trust Companies and Venture Capital Trusts (revised 2014)'.

The financial statements have been prepared on an historical cost basis, except for the revaluation of certain financial instruments. The principle accounting policies have remained materially unchanged from those set out in the Company's 2014 Annual Report and Financial Statements, however there have been slight revisions as a result of the adoption of FRS 102 and the revised SORP, primarily the allocation of the redemption premium between revenue and capital as disclosed within the Fixed Asset Investments accounting policy.

FRS 102 sections 11 and 12 have been adopted with regard to the company's financial instruments. The company held all fixed asset investments at fair value through profit or loss.

The Company is no longer an investment company as defined by section 833 of the Companies Act 2006. Investment company status was revoked by the Company in September 2007

This is the first year in which the financial statements have been prepared under FRS 102. Refer to Note 24 for an explanation of the transition.

The financial statements are presented in Sterling (£).

3. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

a) Fixed Asset Investments

Purchases or sales of investments are recognised at the date of the transaction.

All investments are valued at fair value by the Company using methodology that is consistent with the International Private Equity and Venture Capital Valuation Guidelines (IPEVC) from time to time.

The Company did not hold any quoted investments at any time during the year under review.

Unquoted investments made within the last twelve months are valued at cost except where there is any material change or event which has a bearing on the value of the investee company (such as, for example, a significant amount of new investment made in the investee company by a third party), in which case an appropriate revaluation is made.

Subsequently, unquoted investments will be valued by the most recent material arm's-length transaction by an unconnected third party in the shares or other securities of an investee company. In the absence of such a transaction, the investment will be valued as follows;

- Where the investee company is in the early stage of development, the investment will normally continue to be valued at cost.
- Where the investee company is well established after one year from the date of investment, the shares or securities may be valued by applying a suitable price-earnings ratio to that company's historical post-tax earnings or, where more appropriate, to that company's earnings before interest, tax, depreciation and amortisation ("EBITDA"). The ratio used is based on a comparable listed company or sector, where available, but discounted to reflect lack of liquidity in the shares or securities concerned; where no suitable comparable listed company or sector data is available, comparable data from transactions in unquoted shares or securities may be used. Alternative methods of valuation may be applied if they are considered more appropriate, for example: a suitable ratio applied to historic revenues, forecast revenues, forecast post tax earnings, forecast EBITDA or discounted projected cash flows; net asset value.
- Fixed asset loan investments are recognised at their fair value, normally determined on the basis of the expected future cash flows, discounted at the investee company's weighted cost of capital.

The value of portfolio investments at the balance sheet date was derived as follows:

	Valuation (\$,000)	2015 Valuation type as % of total value	Valuation (\$,000)	2014 Valuation type as % of total value
Net asset value	17,663	33.06%	24,624	37.50%
Price of recent third party transaction	35,767	66.94%	40,902	62.30%
Discounted price of last third party transaction	-	-	100	0.20%
	53,430	100%	65,626	100%

In accordance with the 2014 SORP, the revenue return on shares for a fixed amount and debt securities is based on the coupon payable by the instrument adjusted to spread any discount or premium on purchase or redemption over its remaining life. However, where a redemption premium is payable, the return has been adjusted so that the amount recognised in revenue is in line with reasonable commercial expectations. Any adjustment is recognised in capital within net gains and losses on investments. Prior to adopting the 2014 SORP, the revenue return on the redemption premium was not adjusted for and redemption premiums were recognised as revenue income. The company considers the revised allocation, which has not been applied retrospectively as this is not permissible by the SORP, to be more appropriate to the Company. The amount of redemption premium recognised in revenue is in line with reasonable commercial expectations of interest chargeable on similar commercial debt.

Gains and losses arising from changes in the fair value of the investments are included as a capital item in the statement of comprehensive income for the relevant period.

The Company's interest in associates are held as part of an investment portfolio (as defined by FRS 102). They have therefore been treated in the same way as other investee companies and are measured at fair value using a consistent methodology to the rest of the Company's portfolio as permitted by the SORP (paragraph 32).

b) Current Asset Investments

Investments in liquidity funds are classified as current asset investments as they are investments held for the short term. In accordance with FRS 102, investments in liquidity funds used for cash management are accounted for as 'basic financial instruments'. Income from these investments is recognised using the effective interest method.

c) Income

Interest income on loan stock and dividends on preference shares are accrued on a daily basis. Provision is made against this income where recovery is doubtful. Where the terms of unquoted loan stocks only require interest or redemption premium to be paid on redemption, the interest and redemption premium is recognised once redemption is reasonably certain.

Dividends receivable on listed equity shares are recognised on the ex-dividend date.

3. Accounting policies (continued)

d) Expenses

All expenses (inclusive of VAT where appropriate) are accounted for on an accruals basis. Expenses are charged wholly to revenue, with the exception of expenses incidental to the acquisition or disposal of an investment and with the exception that 75% of the fees payable to the Investment Manager which are charged against capital. Other administrative fees and expenses are allocated based on the net asset value of each Share Fund.

Direct issue costs are deducted from the share premium account.

e) Deferred Tax

Deferred tax is recognised in respect of all timing differences at the reporting date. Timing differences are differences between taxable profits and total comprehensive income as stated in the Financial Statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial Statements.

Unrelieved tax losses and other deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Due to the Company's status as a Venture Capital Trust, and the intention to continue meeting the conditions required to retain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

4. Income

	2015 £'000	2014 £'000
Interest receivable		
- from cash and liquidity investments	88	82
- from fixed asset investment loan notes	1,588	4,516
	1,676	4,598

5. Investment Manager's Fees

	2015 £'000	2014 £'000
Edge Investments – annual management fee	1,380	1,524

The Company entered into an agreement dated 3 February 2006 with the Investment Manager, which has responsibility for the management of the Company's portfolio of investments. The agreement has been replaced with a new agreement on a number of successive occasions, most recently on 8 November 2013 (with effect from 1 March 2014). Under the terms of the agreement entered into on 8 November 2013, the Investment Manager was appointed for an initial period ending on 11 April 2018 (11 April 2019 in respect only of the H Share Fund), and continuing thereafter until terminated by either the Company or the Investment Manager, by giving no less than 12 months' notice.

Management fees

The Investment Manager will receive: (a) an annual management fee of 1.75% of the net asset value attributable to the C Shares, D Shares, E Shares, F Shares, G Shares and I Shares, in each case plus VAT (if applicable), (b) an annual management fee of 2.25% of the net asset value attributable to the H Shares plus VAT (if applicable), and (c) a performance fee which is outlined in more detail below.

The Investment Manager will be responsible for external costs, such as legal and accounting fees, incurred on all transactions that do not proceed to completion. The Investment Manager retains the right to charge arrangement, monitoring, syndication, exit and directors' fees to the businesses in which the Company invests. Such charges are in line with industry practice and typically amount to between 1% and 3% of the amount of each investment plus VAT (if applicable). The Investment Manager will normally nominate one of its directors to act as a director of each company.

Annual running costs of the Company will include, inter alia, the management fees described above (excluding the performance fee), Directors' remuneration, company secretarial and accounting fees, audit, taxation advice, sponsor's and registrar's fees and the costs of communicating with the shareholders. Total annual running costs of the Company (excluding the Investment Manager's performance incentive fee, trail commission, irrecoverable VAT and costs of any significant corporate activity) have been capped at 3.0% of the net asset value of the Company with any excess being borne by the Investment Manager.

Performance related incentive fee

In respect of each class of Shares separately (save the H Shares), once total paid or declared dividends have reached £1.00 per C Share, D Share, E Share, F Share, G Share or I Share (as the case may be) all further amounts which, in the opinion of the Board are available to be distributed as dividends, will be paid as to 80% as a dividend to C shareholders, D shareholders, E shareholders, F shareholders, G shareholders or I shareholders (as the case may be), and 19% to the Investment Manager by way of performance fee. Once total paid or declared dividends have reached £1.20 per C Share, D Share, E Share, F Share, G Share or I Share (as the case may be) all further amounts which, in the opinion of the Board are available to be distributed as dividends, will be paid as to 70% as a dividend to C shareholders, D shareholders, E shareholders, F shareholders, G shareholders or I shareholders (as the case may be), and 29% to the Investment Manager by way of performance fee.

In respect of the H Shares, once and for so long as cumulative dividends paid or declared equal or exceed an average of 7p per H Share per annum, the Investment Manager will receive a performance fee equal to 19% of the net asset value per H Share in excess of £1.00. Once and for so long as cumulative dividends paid or declared equal or exceed an average of 14p per H Share per annum, the Investment Manager will receive a performance fee equal to 29% of the net asset value per H Share in excess of £1.00. That calculation will be made on a six-monthly basis, by reference to the Company's published annual report and financial statements and the Company's published half-yearly financial statements.

The performance fees described above are to be paid in cash and can be assigned by the Investment Manager to some or all of the investment team.

6. Other expenses

	2015 £'000	2014 £'000
Directors' remuneration (including VAT & NI)	92	100
Company secretarial & accountancy fees	92	48
Administration fees (payable to the Investment Manager)	282	264
Audit fees – for audit services	45	43
VCT status adviser fees	8	4
Printing & stationery	40	29
Other costs	175	250
Irrecoverable VAT	108	100
	842	838

The Company has no employees.

7. Directors' fees

Amounts paid and payable to third parties for the services of (net of VAT & NI):

	2015 £'000	2014 £'000
Frank Presland	15.0	15.0
Sir Robin Miller	20.0	20.0
Michael Eaton	6.3	15.0
David Glick	15.0	15.0
Kevin Falconer	17.5	17.5
Lord Flight	15.0	15.0
	88.8	97.5

No pension scheme contributions or other retirement benefit contributions were paid. There are no share option contracts held by the Directors. Since all of the fee-earning Directors are non-executive, the other disclosures required by the Listing Rules are not relevant.

8. Tax on ordinary activities

a) Analysis of tax charge

	2015 £'000	2014 £'000
Revenue charge	(158)	(830)
Credited to capital return	158	319
Current and total tax charge (note (b))	-	(511)
Prior year tax	-	(120)
Total current and prior year tax	-	(631)

b) Factors affecting tax charge for the year

Total return on ordinary activities before tax	(8,424)	333
Total return on ordinary activities before tax multiplied by standard rate of corporation tax of 21.17% (2014: 23.08%)	(1,783)	77
Effects of:		
Less: non-taxable income	-	(5)
Add: unrealised losses/(gains)	288	146
Add: non-taxable realised losses/(gains)	1,380	293
Relieved/unrelieved expenses	115	-
Tax charge for year (note (a))	-	511

Tax relief relating to investment management fees is allocated between revenue and capital where such relief can be utilised.

No asset or liability has been recognised for deferred tax in relation to capital gains or losses on revaluing investments as the Company is exempt from corporation tax in relation to capital gains or losses as a result of qualifying as a venture capital trust.

There is no potential liability to deferred tax (2014: nil). There is no unrecognised deferred tax asset (2014: £nil).

9. Dividends paid and proposed

	2015 £'000	2014 £'000
Amounts recognised as distributions to equity holders in the year	6,743	11,704

The final dividends of 7p per F, G and I Shares in respect of the year ended 28 February 2014 were approved at the annual general meeting held on 7 August 2014. The record and payment dates for the dividends were 24 October 2014 and 7 November 2014 respectively.

During the year ended 28 February 2015, the Directors approved interim dividends of 16p per E Share and 3.5p per H Share which had respective record dates of 18 December 2014 and 23 April 2015 and respective payment dates of 30 December 2014 and 8 May 2015.

The Directors recommend final dividends of 7p per G Share and 7p per I Share to be paid on 6 November 2015 to all G shareholders and I shareholders, respectively, on the register as at the close of business on 23 October 2015. The proposed dividends are subject to approval by the shareholders at the Company's 2015 annual general meeting and have not been included as a liability in these financial statements.

The total dividend payable in respect of the financial year is set out below.

	2015 £'000	2014 £'000
Interim dividend – nil per D Share (2014: 31p)	-	5,943
Interim dividend – 16p per E Share (2014: nil)	1,568	-
Interim dividend – 3.5p per H Share (2014: 3.5p)	329	229
Proposed final dividend - nil per F Share (2014: 7p)	-	2,058
Proposed final dividend - 7p per G Share (2014: 7p)	1,684	1,684
Proposed final dividend - 7p per I Share (2014: 7p)	1,104	1,104
Totals	6,743	11,704

10. Return per Share

	Revenue	Capital	2015 Total	Revenue	Capital	2014 Total
Return per C Share	(0.08)p	(16.86)p	(16.94)p	(1.47)p	(4.55)p	(6.02)p
Return per D Share	0.03p	(7.33)p	(7.30)p	2.76p	(3.93)p	(1.17)p
Return per E Share	0.93p	(9.03)p	(8.10)p	3.46p	0.56p	4.02p
Return per F Share	1.08p	(11.35)p	(10.27)p	2.14p	(1.68)p	0.46p
Return per G Share	0.84p	(3.47)p	(2.63)p	2.28p	(5.28)p	(3.00)p
Return per H Share	(0.50)p	(10.31)p	(10.81)p	0.99p	3.56p	4.55p
Return per I Share	0.11p	(0.20)p	(0.09)p	2.16p	0.32p	2.48p

Basic revenue return per C Share is based on the net revenue loss from ordinary activities after taxation of £6,567 (2014: profit of £137,078) and on 9,330,098 C Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015. Basic capital return per C Share is based on the net capital loss after taxation of £1,575,328 (2014: loss of £425,219) and on 9,330,098 C Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015.

Basic revenue return per D Share is based on the net revenue profit from ordinary activities after taxation of £7,851 (2014: £530,063) and on 19,172,500 D Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015. Basic capital return per D Share is based on the net capital loss after taxation of £1,409,480 (2014: loss of £753,657) and on 19,172,500 D Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015.

10. Return per Share (continued)

Basic revenue return per E Share is based on the net revenue profit from ordinary activities after taxation of £91,833 (2014: £338,863) and on 9,801,952 E Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015. Basic capital return per E Share is based on the net capital loss after taxation of £885,854 (2014: loss of £55,368) and on 9,801,952 E Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015.

Basic revenue return per F Share is based on the net revenue profit from ordinary activities after taxation of £319,748 (2014: £630,039) and on 29,379,532 F Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015. Basic capital return per F Share is based on the net capital loss after taxation of £3,350,613 (2014: loss of £493,446) and on 29,379,532 F Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015.

Basic revenue return per G Share is based on the net revenue profit from ordinary activities after taxation of £201,538 (2013: £547,356) and on 24,056,803 Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015. Basic capital return per G Share is based on the net capital loss after taxation of £838,529 (2014: £1,271,320) and on 24,056,803 G Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015.

Basic revenue return per H Share is based on the net loss profit from ordinary activities after taxation of £45,793 (2014: loss of £62,817) and on 9,178,567 H Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015. Basic capital return per H Share is based on the net capital loss after taxation of £964,815 (2014: loss of £225,294) and on 9,178,567 H Shares, being the weighted average number of Shares in issue during the period from 1 March 2014 to 28 February 2015.

Basic revenue return per I Share is based on the net revenue loss from ordinary activities after taxation of £18,012 (2014: £341,135) and on 15,766,414 I Shares, being the weighted average number of I Shares in issue during the period from 1 March 2014 to 28 February 2015. Basic capital return per I Share is based on the net capital loss after taxation of £39,530 (2014: loss of £50,987) and on 15,766,414 I Shares, being the weighted average number of I Shares in issue during the period from 1 March 2014 to 28 February 2015.

11. Investments

Movements in investments during the year are summarised as follows:

	Venture capital Level c (ii) - unquoted £'000
Book cost at 28 February 2014	62,144
Unrealised gains, capitalised interest and accrued interest at 28 February 2014	3,482
Valuation at 28 February 2014	65,626
Movements in the year:	
- Purchases at cost	2,001
- Disposals - proceeds	(4,847)
- Net realised gains/(losses)	(1,362)
- Capitalised interest	-
Accrued interest	(220)
Movement in unrealised gains/(losses)	(6,518)
Valuation at 28 February 2015	54,680
Comprising:	
- Book cost at 28 February 2015	57,341
- Unrealised gains, capitalised interest and accrued interest at 28 February 2015	(2,661)
Valuation at 28 February 2015	54,680

Within the net realised losses of £1.4 million is £0.7 million relating to the disposal of Chapman Entertainment (Pavilion) Limited, with the balance relating to the disposal of Pepper Promotions Limited, Lads on Tour Limited and Cloudroom Music Limited.

Movements in investments during the year ended 28 February 2014 are summarised as follows:

	Venture capital Level c (ii) - unquoted £'000	
Book cost at 28 February 2013	64,690	
Unrealised gains, capitalised interest and accrued interest at 28 February 2013	1,019	
Valuation at 28 February 2013	65,709	
Movements in the year:		
- Purchases at cost	10,326	
- Disposals – proceeds	(12,203)	
- Net realised gains/(losses)	(630)	
- Capitalised interest	16	
Accrued interest	3,681	
Movement in unrealised gains/(losses)	(1,273)	
Valuation at 28 February 2014	65,626	
Comprising:		
- Book cost at 28 February 2014	62,144	
- Unrealised losses, capitalised interest and accrued interest at 28 February 2014	3,482	
Valuation at 28 February 2014	65,626	
Reconciliation of losses on valuation of investments at fair value through profit or loss:		
	2014	2013
Net realised losses	1,362	630
Net unrealised losses	6,518	1,273
	7,880	1,903

During the year, the Company incurred disposal transaction costs of £nil (2014: £nil). The Company also incurred acquisition transaction costs of £nil (2014: £nil)

The Company is required to report the category of fair value measurements used in determining the value of its investments, to be disclosed by the source of inputs, using the following fair value measurement hierarchy:

Quoted market prices in active markets – “Level a”

Level a: quoted prices in active markets for an identical asset. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held is the current bid price. These instruments are included in level a and comprise money market funds classified as held at fair value through profit or loss. See Note 12.

Valued using models with significant observable market parameters – “Level b”

Level b: where quoted prices are not available, the price of a recent transaction for an identical asset, providing there has been no significant change in economic circumstances or a significant lapse in time since the transaction took place. The Company holds no such investments in the current or prior year.

11. Investments (continued)

Valued using models with observable parameters – “Level c (i)”

Level c (i): fair values are observable inputs that are not traded in an active market. The fair value is determined by using valuation techniques. These valuation techniques maximise the use of observable data where it is available and rely as little as possible on entity specific estimates. If all the inputs required to fair value an instrument are observable, the instruments is included in level c (i). The company has no investments classified in this category.

Valued using models with significant unobservable parameters – “Level c (ii)”

Level c (ii): fair values are not traded in an active market and the fair value is determined by using valuation techniques such as recent third party transactions or earnings multiples. If one or more of the significant inputs is not based on observable market data, the instrument is included in level c (ii). The company’s fixed asset investments all fall into this category.

There have been no transfers between these classifications in the year (2014: none). The change in fair value for the current and previous year is recognised through the statement of comprehensive income.

12. Significant interests

As at 28 February 2015, the Company held significant investments, amounting to 3% or more of the equity capital, in the following companies:

Company	Equity investment (ordinary shares) £	Equity investment (preference shares) £	Percentage of investee company's total equity, (voting rights) %
Alchemy Live Limited	700,000	-	49.97
Aurora Rising Limited	300,000	-	49.97
Axis Live Entertainment Limited	700,000	-	49.97
Black Dog Live Limited	300,000	-	49.95
Black Sheep Music Limited	300,000	-	19.95
Clarksville Train Limited	300,000	-	49.97
Closeto Limited	300,000	-	49.97
Coolabi Group Limited	5,881,663	8,107,349	50.00
Daydream Believer Limited	300,000	-	49.97
deltaDNA Limited	750,000	-	12.37
Done & Dusted Live Limited	525,000	-	49.97
E7 Live Limited	300,000	-	49.97
Grove Music Limited	300,000	-	50.00
Handmade Mobile Entertainment Limited	600,000	1,400,000	13.10
Intent HQ Holdings Limited	4,399,393	-	26.61
La Cage Productions Limited	300,000	-	49.97
Lean Forward Limited	500,000	-	4.15
Libra Live Limited	300,000	-	49.95
Mirriad Limited	2,651,979	-	11.02
MM Productions Limited	300,000	-	49.97
Motti & Porg Limited	300,000	-	49.95
Ramble On Limited	300,000	-	49.97
Raphine Limited	300,000	-	49.97
Real Gone Gigs Limited	700,000	-	49.97
SEL Live Entertainment Limited	700,000	-	49.97
Sweet Right Peg Limited	300,000	-	49.95
Two Bridges Live Limited	300,000	-	49.97
UltraNation Limited	300,000	-	49.97

13. Debtors

	2015 £'000	2014 £'000
Amounts falling due within one year:		
Accrued interest and other accrued income	1	21
Amounts due from the Investment Manager	-	17
Prepayments and other debtors	1,663	3,480
	1,664	3,518

14. Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Other creditors and accruals	1,207	4,418
	1,207	4,418

15. Called-up Share capital

Allotted, called-up and fully paid:

	Number of Shares						
As at 28 February:	C Shares	D Shares	E Shares	F Shares	G Shares	H Shares	I Shares
Brought forward	9,330,098	19,172,500	9,801,952	29,379,532	24,056,803	6,924,978	15,766,414
Shares issued in the year	-	-	-	-	-	2,549,539	-
Carried forward	9,330,098	19,172,500	9,801,952	29,379,532	24,056,803	9,474,517	15,766,414

	Nominal value £'000						
As at 28 February:	C Shares	D Shares	E Shares	F Shares	G Shares	H Shares	I Shares
Brought forward	933	1,917	980	2,938	2,406	692	1,577
Shares issued in the year	-	-	-	-	-	255	-
Carried forward	933	1,917	980	2,938	2,406	947	1,577

All Shares have a nominal value of 10p. At the balance sheet date, 18,500 D Shares remained allotted, called-up and unpaid at a value of £18,500, 1,600 E Shares remained allotted, called-up and unpaid at a value of £1,600 and 60,000 F Shares remained allotted, called-up and unpaid at a value of £60,000.

Under the offer for subscription for H Shares set out in the Company's prospectus dated 11 November 2013:

- 2,291,785 H Shares were allotted and issued on 5 April 2014, at an issue price of 95.51p per H Share; and
- 257,754 H Shares were allotted and issued on 6 June 2014, at an issue price of 97.56p per H Share

After the end of the year under review, under the offer for subscription set out in the Company's prospectus dated 4 November 2014:

- On 2 April 2015, the following shares were allotted and issued
 - 537,289 H Shares at an issue price of 85.87p per H Share;
 - 124,255 H Shares at an issue price of 87.22p per H Share;
 - 11,691 H Shares at an issue price of 87.67p per H Share;
 - 24,656 H Shares at an issue price of 89.03p per H Share; and
 - 301,071 H Shares at an issue price of 90.38p per H Share

15. Called-up Share capital (continued)

- On 17 April 2015, the following shares were allotted and issued
 - 13,974 H Shares at an issue price of 85.87p per H Share;
 - 14,998 H Shares at an issue price of 87.22p per H Share;
 - 5,770 H Shares at an issue price of 89.03p per H Share; and
 - 11,368 H Shares at an issue price of 90.38p per H Share
- On 22 April 2015, 3,595 H Shares were allotted and issued at an issue price of 90.38p per H Share.

16. Net asset value per Share

The net asset values per Share at the year end were as follows:

	2015 Net asset values attributable		2014 Net asset values attributable	
	Net assets	Net assets per Share	Net assets	Net assets per Share
C Shares	£0.7m	7.77p	£2.3m	24.71p
D Shares	£5.7m	29.55p	£7.1m	36.85p
E Shares	£3.6m	36.74p	£6.0m	60.85p
F Shares	£15.8m	53.86p	£20.9m	71.11p
G Shares	£15.2m	63.49p	£17.6m	73.11p
H Shares	£7.3m	77.53p	£6.4m	92.68p
I Shares	£12.5m	79.49p	£13.7m	86.58p

Net asset value per Share is based on net assets at the year end and on the number of Shares in each class in issue at the year end, as shown in Note 13.

17. Financial instruments

The Company's principal financial instruments comprise:

- Equity and loan stock
- Cash balances and liquid resources

Investments are made in a combination of equity and loans. Surplus funds are held on bank deposit or in money market instruments. It is not the Company's policy to trade in financial instruments or derivatives.

Fixed asset investments are valued at fair value as detailed in Note 1b.

The Company held the following categories of financial instruments at 28 February 2015:

	2015	2015	2014	2014
	(Cost)	(Fair value)	(Cost)	(Fair value)
	£'000	£'000	£'000	£'000
Assets at fair value through profit or loss	57,341	54,680	62,144	65,596
Cash and cash equivalents	5,829	5,829	8,258	8,111
Totals	63,170	60,509	70,402	73,707

Unquoted investments account for 100% of the investment portfolio (2014: 100%). The investment portfolio has a 100% concentration of risk towards small UK-based, sterling denominated companies and represents 90.0% (2014: 89.0%) of net assets at the year end.

Current asset investments are interest-bearing deposits which represent 8.1% (2014: 9.6%) of net assets at the year end.

The main risks arising from the Company's financial instruments are credit risk, market price risk, interest rate risk and liquidity risk. All assets and liabilities are denominated in sterling; hence there is no currency risk.

Credit risk

Credit risk is the risk that a counterparty will default on its obligation, resulting to a financial loss to the Company. The Investment Manager monitors credit risk on an ongoing basis. The carrying amounts of financial assets represent the maximum credit risk exposure at the balance sheet date.

At 28 February 2015, the Company's financial assets exposed to credit risk amounted to the following:

	2015 £'000	2014 £'000
Investments in fixed rate instruments	11,155	29,771
Investments in floating rate instruments	11,775	-
Liquidity assets	4,948	7,060
Cash at bank	874	2,098
Interest, dividends and other receivables	1,247	3,518

Credit risk on unquoted loan stock held within unlisted investments are considered in conjunction with the associated equity investment in the portfolio and considered to be part of market price risk as disclosed later in this note. It is estimated that if 10% of the Company's interest income for the year were not received, this would increase the loss before tax for the year of £8.4 million to a loss before tax for the year of £8.6 million.

The cash and liquidity assets held by the Company are managed by UBS and HSBC. The Board monitors the Company's risk by reviewing the internal control reports of these banks. Should the credit quality or the financial position of the bank deteriorate significantly, the Investment Manager will seek to move the cash holdings to another bank.

At 28 February 2015, all loans were held at fair value. No loan is past its repayment date; nor is any interest past its payment date.

Market price risk

The Board manages the market risk inherent in the Company's portfolio by maintaining an appropriate spread of market risk and by ensuring full and timely access to relevant information from the Investment Manager. The Board reviews investment performance and financial results, as well as compliance with the Company's investment objectives. The Board also seeks to ensure that an appropriate proportion of the Company's portfolio is invested in cash and readily realisable securities which are sufficient to meet any funding commitments which may arise. The Company does not use derivative instruments to hedge against market risk.

The equity and fixed interest stocks of the Company's unquoted investee companies are very seldom traded and, as such, their prices are more uncertain than those of more frequently traded stocks. It is estimated that a 10% fall in the carrying value of the Company's unquoted investments would increase the loss before tax for the year by £5.5 million and reduce the Company's net assets by the same amount.

Interest rate risk

Some of the Company's financial assets are interest-bearing, some of which are at fixed rates and some at variable rates. As a result, the Company is exposed to interest rate risk due to fluctuations in prevailing levels of market interest rates. The Board seeks to mitigate this risk through regular monitoring of the Company's interest-bearing investments. The Company does not use derivative instruments to hedge against interest rate risk. However, the effect of those interest rate changes is not materially significant.

Fixed rate

Due to the complexity of the instruments and the uncertainty surrounding time of realisation, the weighted average time for which the rate is fixed has not been calculated.

17. Financial instruments (continued)

	£000	2015 Weighted average interest rate	£000	2014 Weighted average interest rate
Loan stock	11,155	6%	21,923	11%
On-demand loan	-	-	7,848	11%

Floating rate

The Company holds the majority of its cash balances in interest bearing deposit accounts. The benchmark rate which determines the interest payments received on interest bearing cash balances is the bank base rate which was 0.5 per cent at 28 February 2015 (2014: 0.5 per cent).

	2015 £'000	2014 £'000
Short term loans and security deposits	2,268	-
Loan notes	1,400	-
Preference shares	8,107	-
Cash on deposit	4,948	7,060
Cash at bank	874	2,098

The weighted average interest rate applied during the year was 4.6 per (2014: 0.5 per cent).

Liquidity risk

The investments in equity and fixed interest stocks of unquoted companies which the Company holds are not traded and thus are not readily realisable. At times, the Company may be unable to realise its investments at their carrying values because of an absence of willing buyers. The Company's ability to sell investments may also be constrained by the requirements set down for VCTs. To counter such liquidity risk, sufficient cash and money market funds are held to meet running costs and other commitments. The Company invests its surplus funds in high quality liquidity funds which are all accessible on an immediate basis.

It is estimated that should the Company have to sell 10% of its investments at only 90% of their carrying values in order to find a buyer, additional losses totalling £3.9 million would have to be recognised. Had this happened during the year to 28 February 2015, loss before tax for the year of £8.4 million would have increased to a loss before tax for the year of £12.3 million. Liquidity risk is mitigated by the Company's intention to complete its investment strategy and sell investments at planned intervals rather than as a matter of necessity.

Management of capital

The Company's capital is made up of its share capital and reserves.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, satisfy the relevant HMRC requirements and provide at least adequate returns for shareholders.

As a VCT, the Company must have, within three years of raising its capital, and must thereafter continue to have, at least 70% by value of its investments in VCT-qualifying holdings which are a relatively high risk asset class of small UK companies. In satisfying this requirement, the Company's capital management scope is restricted. Subject to this restriction, the Company may adjust dividends, return capital to shareholders, issue new Shares or sell assets to maintain the level of liquidity to remain a going concern.

18. Post balance sheet events

In April 2015, the offer of investment of US \$16.35 million in aggregate in Mirriad Limited, primarily from two US-based venture capital investors, was withdrawn as a consequence of one existing Mirriad shareholder's refusal to approve the investment. The withdrawal of that offer caused Mirriad Limited to become insolvent; the board of Mirriad Limited therefore filed formal notice of intention to appoint an administrator, thereby giving Mirriad Limited a moratorium period of protection from creditors whilst alternative investment could be secured.

In May 2015, Mirriad Limited transferred all of its assets and business to a newly-incorporated company, Broadwall Acquisitions Limited (later renamed Mirriad Advertising Limited) in exchange for the issue of shares in that company to the shareholders of Mirriad Limited, including to Edge Performance VCT. Conditional on that transfer taking place, a group of existing and new investors committed to investing £3.6 million in aggregate (later increased to £4.6 million) in Mirriad Advertising Limited, including an investment of £310,000 by Edge Performance VCT and those investments were completed in May and June 2015.

As at the date of this report, Edge Performance VCT still holds ordinary shares in Mirriad Limited representing 10.98% of its issued share capital; however, as all of the assets and business of Mirriad Limited are now held by Mirriad Advertising Limited, the shares still held in Mirriad Limited no longer have any value. By virtue of the shares in Mirriad Advertising Limited issued to Edge Performance VCT as a consequence of the business transfer and its further investment, Edge Performance VCT separately holds ordinary shares in Mirriad Advertising Limited representing 6.85% of its issued share capital as at the date of this report.

19. Geographical analysis

The operations of the Company are wholly in the United Kingdom.

20. Contingencies, guarantees and financial commitments

There were no contingencies or guarantees as at 28 February 2015.

21. Capital commitments

The Company had not entered into any capital commitments at year end.

22. Transactions with the Investment Manager

During the year ended 28 February 2015, the Company incurred investment management and administration fees of £1,663,639 (2014: £1,787,683) (exclusive of VAT) payable to the Investment Manager. This sum comprised:

- investment management fees of £1,381,216 (2014: £1,524,052).
- administration fees of £282,423 (2014: £263,630).

Details of the Investment Manager's fee arrangements are given in Note 5.

During the year the Investment Manager also derived the following benefits from its relationship with the Company:

- Investee company arrangement and consulting fees of £34,875 (2014: £366,712)
- Investee company administration fees of £255,830 (2014: 333,012)

23. Transition to FRS 102

The company has adopted FRS 102 for the year ended 28 February 2015 and has restated the comparative prior year amounts where required.

The transition has not had any impact on the amounts disclosed in the 2014 primary statements, with the exception of the statement of cash flows which has been updated to comply with the format of FRS 102.

24. Adoption of revised Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts

The company has adopted the revised Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts (SORP) issued during November 2014. The key impact on the Fund has been a change in the recognition method of redemption premiums payable on debt instruments. Under the previous SORP redemption premium was recognised as revenue amortised over the term of the debt. The new SORP states that if necessary, the return should be adjusted so that the amount recognised in revenue is in line with reasonable commercial expectations. Any adjustment should be recognised in capital within net gains and losses on investments. The Fund has adopted this approach which has resulted in a reduction in income recognised in the year of an estimated £2.4m. There has been no impact on prior period as allocation of returns between revenue and capital have been applied prospectively only.

Notices of the Annual General Meeting

Notices of the Company's 2015 annual general meeting and class meetings are set out on pages 63 to 79 of this report. The resolutions to be put to the meetings are important.

It is the Board's opinion that all resolutions are in the best interests of shareholders as a whole and the Board recommends that shareholders should vote in favour of all resolutions. Any shareholder who is in any doubt as to what action to take should consult an appropriate independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all your C, D, E, F, G, H or I Shares in the Company, please forward this document, together with the forms of proxy, to the purchaser, transferee, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

2015 Annual General Meeting

The Company's eighth annual general meeting will be held at 9.30 am on 6 August 2015 at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW. Notice of the meeting is set out on pages 63 to 65 of this report.

The business of the meeting is outlined below.

Resolution 1 - Annual report and financial statements

The Directors are required to present to the annual general meeting the annual report and financial statements for the financial year ended 28 February 2015.

Resolution 2 - Declaration of dividends

A final dividend cannot exceed the amount recommended by the Directors and can only be paid after it has been approved by the shareholders at a general meeting. The Directors recommend the following final dividends in respect of the year ended 28 February 2015:

- i. 7p per G Share payable on 6 November 2015 to the holders of G Shares registered at the close of business on 23 October 2015; and
- ii. 7p per I Share payable on 6 November 2015 to the holders of I Shares registered at the close of business on 23 October 2015.

Resolution 3 - Directors' remuneration report

Under The Large and Medium Sized Companies and Groups (Accounts and Reports) (Amendments) Regulations 2013, the Company is required to produce a Directors' remuneration report for each relevant financial year and to obtain shareholder approval for that report at the annual general meeting. The Directors' remuneration report is on pages 29 to 32 of the annual report for the year ended 28 February 2015.

Resolution 4 - Re-election of Howard Flight

Howard Flight retires as a Director by rotation in accordance with the Company's articles of association and, being eligible, offers himself for re-election as a Director.

Resolution 5 - Re-election of Sir Robin Miller

Sir Robin Miller retires as a Director in accordance with the AIC Code and, being eligible, offers himself for re-election as a Director.

Resolution 6 - Re-election of Frank Presland

Frank Presland retires as a Director in accordance with the AIC Code and, being eligible, offers himself for re-election as a Director.

Resolution 7 - Re-election of David Glick

David Glick, being a non-independent Director, retires as a Director in accordance with the Listing Rules and, being eligible, offers himself for re-election as a Director.

Resolution 8 - Re-appointment of the auditor

The Company is required to re-appoint an auditor at each annual general meeting of the Company, to hold office until the next general meeting of the Company at which accounts are presented to the shareholders. This resolution proposes that the Company's current auditor, Grant Thornton LLP, be reappointed as the auditor of the Company.

Resolution 9 - Remuneration of the auditor

This resolution proposes that the Directors be authorised to set the auditor's remuneration.

Resolution 10 - Renewal of Directors' authority to allot Shares

By virtue of section 551 of the Companies Act 2006, the Directors require the authority of the shareholders of the Company to allot Shares in the Company. This resolution authorises the Directors to make allotments of additional Shares with a total nominal value of no more than 10% of the existing issued share capital of the Company. The existing authority will expire at the 2015 annual general meeting and, by proposing this resolution, the Board seeks its renewal. The Directors have no present intention of exercising the authority given by this resolution. This authority will be effective until the later of (1) the date of the Company's 2016 annual general meeting, and (2) 15 months after the date on which this resolution is passed (unless the authority is previously revoked, varied or extended by the Company in general meeting).

Resolution 11 - Disapplication of pre-emption rights

Resolution 11, which will be proposed as a special resolution, supplements the Directors' authority to allot Shares in the Company given to them by resolution 10, by renewing their authority to disapply pre-emption rights in respect of their authority to allot Shares up to a total nominal value of no more than 10% of the existing issued share capital of the Company. This authority will be effective until the later of the date of (1) the Company's 2016 annual general meeting, and (2) 15 months after the date on which this resolution is passed (unless the authority is previously revoked, varied or extended by the Company in general meeting).

Resolution 12 - Purchase of Shares by the Company

Resolution 12, which will be proposed as a special resolution, authorises the Company for the purpose of section 701 of the Companies Act 2006 to make market purchases of C, D, E, F, G, H and I Shares provided that:

- i. such authority is limited to the purchase of 14.99% of the issued C Share capital, 14.99% of the issued D Share capital, 14.99% of the issued E Share capital, 14.99% of the issued F Share capital, 14.99% of the issued G Share capital, 14.99% of the issued H Share capital and 14.99% of the I Share capital, in each case as immediately prior to the passing of this resolution;
- ii. the maximum price (exclusive of expenses) which may be paid for such C, D, E, F, G, H or I Shares shall be the higher of:
 - a) an amount equal to 105% of the average of the middle market quotations for such class of the Company's Shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase is made; and
 - b) the value of such class of the Company's Shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company's Shares on the trading venue where the purchase is carried out;

- iii. the Company may make a contract to purchase its own C, D, E, F, G, H or I Shares under this authority prior to the expiry of this authority, and the Company may make a purchase of its own C, D, E, F, G, H or I Shares in pursuance of any such contract; and this power, unless previously varied, revoked or renewed shall come to an end at the later of (1) the date of the Company's 2015 annual general meeting, and (2) 15 months after the date on which this resolution is passed.

Class Meetings

Separate class meetings of holders of C, D, E, F, G, H and I Shares will also be held on 6 August 2015, where the relevant resolutions referred to above will be proposed.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the ninth annual general meeting of the Company will be held at 9.30 am on 6 August 2015 at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW for the purpose of considering and, if thought fit, passing the following resolutions (of which resolutions 1 to 10, inclusive, will be proposed as ordinary resolutions and resolutions 11 and 12 will be proposed as special resolutions).

ORDINARY RESOLUTIONS

1. To receive and adopt the directors' and the independent auditor's reports and the Company's financial statements for the year ended 28 February 2015.
2. To declare:
 - (i) a final dividend of 7p per G share of 10 pence in the capital of the Company (“G Share”), such dividend to be paid on 6 November 2015 to all holders of G Shares on the Company's register of members as at the close of business on 23 October 2015; and
 - (ii) a final dividend of 7p per I share of 10 pence in the capital of the Company (“I Share”), such dividend to be paid on 6 November 2015 to all holders of I Shares on the Company's register of members as at the close of business on 23 October 2015.
3. To approve the directors' remuneration report for the year ended 28 February 2015.
4. To re-elect Howard Flight who is retiring in accordance with Article 95 of the Company's articles of association and who, being eligible, offers himself for re-election as a director of the Company.
5. To re-elect Sir Robin Miller who is retiring in accordance with the AIC Code and who, being eligible, offers himself for re-election as a director of the Company.
6. To re-elect Frank Presland who is retiring in accordance with the AIC Code and who, being eligible, offers himself for re-election as a director of the Company.
7. To re-elect David Glick as a director of the Company, pursuant to Listing Rule 15.2.13A.
8. To re-appoint Grant Thornton LLP as auditor of the Company, to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
9. To authorise the directors to fix the remuneration of the auditor.

SPECIAL BUSINESS

As special business, to consider and, if thought fit, to pass the following resolutions, resolution 10 as an ordinary resolution and resolutions 11 and 12 as special resolutions of the Company:

10. (i) That the directors of the Company be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the “Act”) to exercise all the powers of the Company to allot shares in the Company, up to an aggregate nominal value equal to 10% of the nominal value of the issued ordinary share capital of the Company as at the date of this resolution, during the period commencing on the passing of this resolution and expiring on the later of: (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed (unless the authority is previously revoked, varied or extended by the Company in 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 relevant securities to be allotted after such expiry; and
- (ii) That all previous authorities given to the directors of the Company in accordance with section 551 of the Act be and are hereby revoked, provided that such revocation shall not have retrospective effect.

SPECIAL RESOLUTIONS

11. That the directors of the Company be and are hereby empowered, pursuant to sections 570 and 573 of the Act, to allot or make offers or agreements to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority given pursuant to resolution 10 set out in this notice of annual general meeting as if section 561(1) of the Act did not apply to such allotment, provided that this power shall expire on the later of: (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed and provided further that this power shall be limited to the allotment of equity securities from time to time with an aggregate nominal value equal to 10% of the nominal value of the issued ordinary share capital of the Company as at the date of this resolution.
12. That the Company be and is hereby generally and unconditionally authorised, pursuant to section 701 of the Act, to make market purchases (within the meaning of section 693(4) of the Act) of C Shares, D Shares, E Shares, F Shares, G Shares, H Shares and I Shares of 10p each in the capital of the Company, provided that:
- (i) such authority is limited to the purchase of 14.99 per cent of the issued C Share capital, 14.99 per cent of the issued D Share capital, 14.99 per cent of the issued E Share capital, 14.99 per cent of the issued F Share capital, 14.99 per

- cent of the issued G Share capital, 14.99 per cent of the issued H Share capital, and 14.99 per cent of the issued I Share capital, in each case as at the date of this resolution;
- (ii) the minimum price (excluding expenses) which may be paid for such C, D, E, F, G, H or I Shares is 10p per share, the nominal amount of each such share;
- (iii) the maximum price (excluding expenses) which may be paid for such C, D, E, F, G, H or I Shares shall be the higher of:
- (a) an amount equal to 105 per cent of the average of the middle market quotations for such class of the Company's shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made; and
- (b) the value of such class of the Company's shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company's shares on the trading venue where the purchase is carried out; and

- (iv) the Company may make a contract or contracts to purchase its own C, D, E, F, G, H or I Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own C, D, E, F, G, H or I Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the later of: (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed.

By order of the Board

The City Partnership (UK) Limited
Company Secretary
Dated: 30 June 2015

Registered Office:
1 Marylebone High Street
London W1U 4LZ

Notes:

1. Only those shareholders registered on the Company's register of members at 9.30 am on 4 August 2015, or, if this meeting is adjourned, 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting, shall be entitled to attend and vote at the meeting.
 2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.edge.uk.com.
 3. If you are a shareholder of the Company at the time and date set out in paragraph 1, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
 4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
 5. To appoint a proxy, you must:
 - send a completed hard copy of the form of proxy to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; or
 - send a legible scan of the completed hard copy of the form of proxy to proxies@shareregistrars.uk.com.
- For a proxy appointment to be valid, the hard copy or e-mailed scan, as applicable, must be received as above, by no later than 9.30 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting.
6. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
 - by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice; or
 - by sending an e-mail, clearly stating your intention to revoke your proxy appointment, to proxies@shareregistrars.uk.com.

In either case, the revocation notice must be received as above by no later than 9.30 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
 7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
 8. As at the date of this notice (30 June 2015), the Company's issued share capital comprises 9,330,098 C Shares, 19,172,500 D Shares, 9,801,952 E Shares, 29,379,532 F Shares, 24,056,803 G Shares, 10,522,984 H Shares and 15,766,414 I Shares. Each C, D, E, F, G, H and I Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at the date of this notice (30 June 2015) is 118,030,283.
 9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at this meeting unless:
 - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
 10. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - by e-mail to info@edge.uk.com; or
 - by post to Shareholder Relations, Edge Performance VCT plc, 1 Marylebone High Street, London W1U 4LZ; or
 - by telephone on 020 7317 1300.
 11. You may not use any electronic address provided in this notice, or in any related documents, to communicate with the Company for any purposes other than those expressly stated.
 12. Copies of the following documents will be available for inspection at the registered office of the Company during usual business hours on any working day (Saturdays, Sundays and public holidays excluded) from the date of this notice, until the end of this meeting, and at the place of this meeting for at least 15 minutes prior to and during this meeting:
 - the directors' and the independent auditor's reports and the Company's financial statements for the year ended 28 February 2015 (resolution 1); and
 - the directors' remuneration report (resolution 3);
 - the directors' letters of appointment and the register of directors' interests in the shares of the Company (resolutions 4 to 7).
 13. Information about the directors who are proposed for re-election at this meeting is shown in the Company's annual report and financial statements for the year ended 28 February 2015 (resolutions 4 to 7).

NOTICE OF CLASS MEETING OF HOLDERS OF C SHARES

Notice is hereby given that a class meeting of the holders of C shares of 10 pence each in the capital of the Company (“C Shares”) will be held at 9.45 am on 6 August 2015 (or as soon thereafter as the annual general meeting of the Company convened for the same date shall have concluded or been adjourned) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW for the purpose of considering and, if thought fit, passing the following resolution as a special resolution.

SPECIAL RESOLUTION

That the Company be and is hereby generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006 (the “Act”), to make market purchases (within the meaning of section 693(4) of the Act) of C Shares of 10p each in the capital of the Company, provided that:

- (i) such authority is limited to the purchase of 14.99 per cent of the issued C Share capital as at the date of this resolution;
- (ii) the minimum price (excluding expenses) which may be paid for such C Shares is 10p per share, the nominal amount of each such share;
- (iii) the maximum price (excluding expenses) which may be paid for such C Shares shall be the higher of:
 - (a) an amount equal to 105 per cent of the average of the middle market quotations for such class of the Company’s shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made; and
 - (b) the value of such class of the Company’s shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company’s shares on the trading venue where the purchase is carried out; and

- (iv) the Company may make a contract or contracts to purchase its own C Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own C Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the later of: (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed.

By order of the Board

The City Partnership (UK) Limited

Company Secretary

Dated: 30 June 2015

Registered Office:
1 Marylebone High Street
London W1U 4LZ

Notes:

1. Only those shareholders registered on the Company's register of members as holders of C Shares at 9.45 am on 4 August 2015, or, if this meeting is adjourned, 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting, shall be entitled to attend and vote at the meeting.
 2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.edge.uk.com.
 3. If you are a holder of C Shares at the time and date set out in paragraph 1, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
 4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
 5. To appoint a proxy, you must:
 - send a completed hard copy of the form of proxy to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; or
 - send a legible scan of the completed hard copy of the form of proxy to proxies@shareregistrars.uk.com.
- For a proxy appointment to be valid, the hard copy or e-mailed scan, as applicable, must be received as above, by no later than 9.45 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting.
6. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
 - by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice; or
 - by sending an e-mail, clearly stating your intention to revoke your proxy appointment, to proxies@shareregistrars.uk.com.
- In either case, the revocation notice must be received as above by no later than 9.45 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
 8. As at the date of this notice (30 June 2015), the Company has issued 9,330,098 C Shares. Each C Share carries the right to one vote at a class meeting of the holders of C Shares and, therefore, the total number of voting rights in the class of holders of C Shares as at the date of this notice (30 June 2015) is 9,330,098.
 9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at this meeting unless:
 - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
 10. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - by e-mail to info@edge.uk.com; or
 - by post to Shareholder Relations, Edge Performance VCT plc, 1 Marylebone High Street, London W1U 4LZ; or
 - by telephone on 020 7317 1300.
 11. You may not use any electronic address provided in this notice, or in any related documents, to communicate with the Company for any purposes other than those expressly stated.

NOTICE OF CLASS MEETING OF HOLDERS OF D SHARES

Notice is hereby given that a class meeting of the holders of D shares of 10 pence each in the capital of the Company ("D Shares") will be held at 9.50 am on 6 August 2015 (or as soon thereafter as the class meeting of the holders of C shares in the Company convened for the same date shall have concluded or been adjourned) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW for the purpose of considering and, if thought fit, passing the following resolution as a special resolution.

SPECIAL RESOLUTION

That the Company be and is hereby generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of section 693(4) of the Act) of D Shares of 10p each in the capital of the Company, provided that:

- (i) such authority is limited to the purchase of 14.99 per cent of the issued D Share capital as at the date of this resolution;
- (ii) the minimum price (excluding expenses) which may be paid for such D Shares is 10p per share, the nominal amount of each such share;
- (iii) the maximum price (excluding expenses) which may be paid for such D Shares shall be the higher of:
 - (a) an amount equal to 105 per cent of the average of the middle market quotations for such class of the Company's shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made; and
 - (b) the value of such class of the Company's shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company's shares on the trading venue where the purchase is carried out; and

- (iv) the Company may make a contract or contracts to purchase its own D Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own D Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the later of: (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed.

By order of the Board

The City Partnership (UK) Limited

Company Secretary

Dated: 30 June 2015

Registered Office:
1 Marylebone High Street
London W1U 4LZ

Notes:

1. Only those shareholders registered on the Company's register of members as holders of D Shares at 9.50 am on 4 August 2015, or, if this meeting is adjourned, 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting, shall be entitled to attend and vote at the meeting.
 2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.edge.uk.com.
 3. If you are a holder of D Shares at the time and date set out in paragraph 1, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
 4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
 5. To appoint a proxy, you must:
 - send a completed hard copy of the form of proxy to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; or
 - send a legible scan of the completed hard copy of the form of proxy to proxies@shareregistrars.uk.com.
- For a proxy appointment to be valid, the hard copy or e-mailed scan, as applicable, must be received as above, by no later than 9.50 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting.
6. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
 - by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice; or
 - by sending an e-mail, clearly stating your intention to revoke your proxy appointment, to proxies@shareregistrars.uk.com.
- In either case, the revocation notice must be received as above by no later than 9.50 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
 8. As at the date of this notice (30 June 2015), the Company has issued 19,172,500 D Shares. Each D Share carries the right to one vote at a class meeting of the holders of D Shares and, therefore, the total number of voting rights in the class of holders of D Shares as at the date of this notice (30 June 2015) is 19,172,500.
 9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at this meeting unless:
 - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
 10. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - by e-mail to info@edge.uk.com; or
 - by post to Shareholder Relations, Edge Performance VCT plc, 1 Marylebone High Street, London W1U 4LZ; or
 - by telephone on 020 7317 1300.
 11. You may not use any electronic address provided in this notice, or in any related documents, to communicate with the Company for any purposes other than those expressly stated.

NOTICE OF CLASS MEETING OF HOLDERS OF E SHARES

Notice is hereby given that a class meeting of the holders of E shares of 10 pence each in the capital of the Company ("E Shares") will be held at 9.55 am on 6 August 2015 (or as soon thereafter as the class meeting of the holders of D shares in the Company convened for the same date shall have concluded or been adjourned) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW for the purpose of considering and, if thought fit, passing the following resolution as a special resolution.

SPECIAL RESOLUTION

That the Company be and is hereby generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of section 693(4) of the Act) of E Shares of 10p each in the capital of the Company, provided that:

- (i) such authority is limited to the purchase of 14.99 per cent of the issued E Share capital as at the date of this resolution;
- (ii) the minimum price (excluding expenses) which may be paid for such E Shares is 10p per share, the nominal amount of each such share;
- (iii) the maximum price (excluding expenses) which may be paid for such E Shares shall be the higher of:
 - (a) an amount equal to 105 per cent of the average of the middle market quotations for such class of the Company's shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made; and
 - (b) the value of such class of the Company's shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company's shares on the trading venue where the purchase is carried out; and

- (iv) the Company may make a contract or contracts to purchase its own E Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own E Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the later of: (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed.

By order of the Board

The City Partnership (UK) Limited

Company Secretary

Dated: 30 June 2015

Registered Office:
1 Marylebone High Street
London W1U 4LZ

Notes:

1. Only those shareholders registered on the Company's register of members as holders of E Shares at 9.55 am on 4 August 2015, or, if this meeting is adjourned, 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting, shall be entitled to attend and vote at the meeting.
 2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.edge.uk.com.
 3. If you are a holder of E Shares at the time and date set out in paragraph 1, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
 4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
 5. To appoint a proxy, you must:
 - send a completed hard copy of the form of proxy to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; or
 - send a legible scan of the completed hard copy of the form of proxy to proxies@shareregistrars.uk.com.
- For a proxy appointment to be valid, the hard copy or e-mailed scan, as applicable, must be received as above, by no later than 9.55 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting.
6. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
 - by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice; or
 - by sending an e-mail, clearly stating your intention to revoke your proxy appointment, to proxies@shareregistrars.uk.com.
- In either case, the revocation notice must be received as above by no later than 9.55 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
 8. As at the date of this notice (30 June 2015), the Company has issued 9,801,952 E Shares. Each E Share carries the right to one vote at a class meeting of the holders of E Shares and, therefore, the total number of voting rights in the class of holders of E Shares as at the date of this notice (30 June 2015) is 9,801,952.
 9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at this meeting unless:
 - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
 10. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - by e-mail to info@edge.uk.com; or
 - by post to Shareholder Relations, Edge Performance VCT plc, 1 Marylebone High Street, London W1U 4LZ; or
 - by telephone on 020 7317 1300.
 11. You may not use any electronic address provided in this notice, or in any related documents, to communicate with the Company for any purposes other than those expressly stated.

NOTICE OF CLASS MEETING OF HOLDERS OF F SHARES

Notice is hereby given that a class meeting of the holders of F shares of 10 pence each in the capital of the Company ("F Shares") will be held at 10.00 am on 6 August 2015 (or as soon thereafter as the class meeting of the holders of E shares in the Company convened for the same date shall have concluded or been adjourned) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW for the purpose of considering and, if thought fit, passing the following resolution as a special resolution.

SPECIAL RESOLUTION

That the Company be and is hereby generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of section 693(4) of the Act) of F Shares of 10p each in the capital of the Company, provided that:

- (i) such authority is limited to the purchase of 14.99 per cent of the issued F Share capital as at the date of this resolution;
- (ii) the minimum price (excluding expenses) which may be paid for such F Shares is 10p per share, the nominal amount of each such share;
- (iii) the maximum price (excluding expenses) which may be paid for such F Shares shall be the higher of:
 - (a) an amount equal to 105 per cent of the average of the middle market quotations for such class of the Company's shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made; and
 - (b) the value of such class of the Company's shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company's shares on the trading venue where the purchase is carried out; and

- (iv) the Company may make a contract or contracts to purchase its own F Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own F Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the later of: (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed.

By order of the Board

The City Partnership (UK) Limited

Company Secretary

Dated: 30 June 2015

Registered Office:
1 Marylebone High Street
London W1U 4LZ

Notes:

1. Only those shareholders registered on the Company's register of members as holders of F Shares at 10.00 am on 4 August 2015, or, if this meeting is adjourned, 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting, shall be entitled to attend and vote at the meeting.
 2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.edge.uk.com.
 3. If you are a holder of F Shares at the time and date set out in paragraph 1, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
 4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
 5. To appoint a proxy, you must:
 - send a completed hard copy of the form of proxy to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; or
 - send a legible scan of the completed hard copy of the form of proxy to proxies@shareregistrars.uk.com.
- For a proxy appointment to be valid, the hard copy or e-mailed scan, as applicable, must be received as above, by no later than 10.00 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting.
6. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
 - by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice; or
 - by sending an e-mail, clearly stating your intention to revoke your proxy appointment, to proxies@shareregistrars.uk.com.
- In either case, the revocation notice must be received as above by no later than 10.00 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
 8. As at the date of this notice (30 June 2015), the Company has issued 29,379,532 F Shares. Each F Share carries the right to one vote at a class meeting of the holders of F Shares and, therefore, the total number of voting rights in the class of holders of F Shares as at the date of this notice (30 June 2015) is 29,379,532.
 9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at this meeting unless:
 - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
 10. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - by e-mail to info@edge.uk.com; or
 - by post to Shareholder Relations, Edge Performance VCT plc, 1 Marylebone High Street, London W1U 4LZ; or
 - by telephone on 020 7317 1300.
 11. You may not use any electronic address provided in this notice, or in any related documents, to communicate with the Company for any purposes other than those expressly stated.

NOTICE OF CLASS MEETING OF HOLDERS OF G SHARES

Notice is hereby given that a class meeting of the holders of G shares of 10 pence each in the capital of the Company ("G Shares") will be held at 10.05 am on 6 August 2015 (or as soon thereafter as the class meeting of the holders of F shares in the Company convened for the same date shall have concluded or been adjourned) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW for the purpose of considering and, if thought fit, passing the following resolutions, resolution 1 of which is proposed as an ordinary resolution and resolution 2 of which is proposed as a special resolution.

ORDINARY RESOLUTION

1. To declare a final dividend of 7p per G Share, such dividend to be paid on 6 November 2015 to all holders of G Shares on the Company's register of members as at the close of business on 23 October 2015.

SPECIAL RESOLUTION

2. That the Company be and is hereby generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of section 693(4) of the Act) of G Shares of 10p each in the capital of the Company, provided that:
 - (i) such authority is limited to the purchase of 14.99 per cent of the issued G Share capital as at the date of this resolution;
 - (ii) the minimum price (excluding expenses) which may be paid for such G Shares is 10p per share, the nominal amount of each such share;
 - (iii) the maximum price (excluding expenses) which may be paid for such G Shares shall be the higher of:
 - (a) an amount equal to 105 per cent of the average of the middle market quotations for such class of the Company's shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made; and

- (b) the value of such class of the Company's shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company's shares on the trading venue where the purchase is carried out; and
- (iv) the Company may make a contract or contracts to purchase its own G Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own G Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the later of (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed.

By order of the Board

The City Partnership (UK) Limited

Company Secretary

Dated: 30 June 2015

Registered Office:
1 Marylebone High Street
London W1U 4LZ

Notes:

1. Only those shareholders registered on the Company's register of members as holders of G Shares at 10.05 am on 4 August 2015, or, if this meeting is adjourned, 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting, shall be entitled to attend and vote at the meeting.
 2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.edge.uk.com.
 3. If you are a holder of G Shares at the time and date set out in paragraph 1, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
 4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
 5. To appoint a proxy, you must:
 - send a completed hard copy of the form of proxy to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; or
 - send a legible scan of the completed hard copy of the form of proxy to proxies@shareregistrars.uk.com.
- For a proxy appointment to be valid, the hard copy or e-mailed scan, as applicable, must be received as above, by no later than 10.05 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting.
6. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
 - by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice; or
 - by sending an e-mail, clearly stating your intention to revoke your proxy appointment, to proxies@shareregistrars.uk.com.
- In either case, the revocation notice must be received as above by no later than 10.05 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
 8. As at the date of this notice (30 June 2015), the Company has issued 24,056,803 G Shares. Each G Share carries the right to one vote at a class meeting of the holders of G Shares and, therefore, the total number of voting rights in the class of holders of G Shares as at the date of this notice (30 June 2015) is 24,056,803.
 9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at this meeting unless:
 - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
 10. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - by e-mail to info@edge.uk.com; or
 - by post to Shareholder Relations, Edge Performance VCT plc, 1 Marylebone High Street, London W1U 4LZ; or
 - by telephone on 020 7317 1300.
 11. You may not use any electronic address provided in this notice, or in any related documents, to communicate with the Company for any purposes other than those expressly stated.

NOTICE OF CLASS MEETING OF HOLDERS OF H SHARES

Notice is hereby given that a class meeting of the holders of H shares of 10 pence each in the capital of the Company ("H Shares") will be held at 10.10 am on 6 August 2015 (or as soon thereafter as the class meeting of the holders of G shares in the Company convened for the same date shall have concluded or been adjourned) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW for the purpose of considering and, if thought fit, passing the following resolution as a special resolution.

SPECIAL RESOLUTION

That the Company be and is hereby generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of section 693(4) of the Act) of H Shares of 10p each in the capital of the Company, provided that:

- (i) such authority is limited to the purchase of 14.99 per cent of the issued H Share capital as at the date of this resolution;
- (ii) the minimum price (excluding expenses) which may be paid for such H Shares is 10p per share, the nominal amount of each such share;
- (iii) the maximum price (excluding expenses) which may be paid for such H Shares shall be the higher of:
 - (a) an amount equal to 105 per cent of the average of the middle market quotations for such class of the Company's shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made; and
 - (b) the value of such class of the Company's shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company's shares on the trading venue where the purchase is carried out; and
- (iv) the Company may make a contract or contracts to purchase its own H Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own H Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the later of (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed.

By order of the Board

The City Partnership (UK) Limited

Company Secretary

Dated: 30 June 2015

Registered Office:
1 Marylebone High Street
London W1U 4LZ

Notes:

1. Only those shareholders registered on the Company's register of members as holders of H Shares at 10.10 am on 4 August 2015, or, if this meeting is adjourned, 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting, shall be entitled to attend and vote at the meeting.
 2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.edge.uk.com.
 3. If you are a holder of H Shares at the time and date set out in paragraph 1, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
 4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
 5. To appoint a proxy, you must:
 - send a completed hard copy of the form of proxy to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; or
 - send a legible scan of the completed hard copy of the form of proxy to proxies@shareregistrars.uk.com.
- For a proxy appointment to be valid, the hard copy or e-mailed scan, as applicable, must be received as above, by no later than 10.10 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting.
6. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
 - by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice; or
 - by sending an e-mail, clearly stating your intention to revoke your proxy appointment, to proxies@shareregistrars.uk.com.
- In either case, the revocation notice must be received as above by no later than 10.10 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
 8. As at the date of this notice (30 June 2015), the Company has issued 10,522,984 H Shares. Each H Share carries the right to one vote at a class meeting of the holders of H Shares and, therefore, the total number of voting rights in the class of holders of H Shares as at the date of this notice (30 June 2015) is 10,522,984.
 9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at this meeting unless:
 - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
 10. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - by e-mail to info@edge.uk.com; or
 - by post to Shareholder Relations, Edge Performance VCT plc, 1 Marylebone High Street, London W1U 4LZ; or
 - by telephone on 020 7317 1300.
 11. You may not use any electronic address provided in this notice, or in any related documents, to communicate with the Company for any purposes other than those expressly stated.

NOTICE OF CLASS MEETING OF HOLDERS OF I SHARES

Notice is hereby given that a class meeting of the holders of I shares of 10 pence each in the capital of the Company ("I Shares") will be held at 10.15 am on 6 August 2015 (or as soon thereafter as the class meeting of the holders of H shares in the Company convened for the same date shall have concluded or been adjourned) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW for the purpose of considering and, if thought fit, passing the following resolutions, resolution 1 of which is proposed as an ordinary resolution and resolution 2 of which is proposed as a special resolution.

ORDINARY RESOLUTION

1. To declare a final dividend of 7p per I Share, such dividend to be paid on 6 November 2015 to all holders of I Shares on the Company's register of members as at the close of business on 23 October 2015.

SPECIAL RESOLUTION

2. That the Company be and is hereby generally and unconditionally authorised, pursuant to section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of section 693(4) of the Act) of I Shares of 10p each in the capital of the Company, provided that:
 - (i) such authority is limited to the purchase of 14.99 per cent of the issued I Share capital as at the date of this resolution;
 - (ii) the minimum price (excluding expenses) which may be paid for such I Shares is 10p per share, the nominal amount of each such share;
 - (iii) the maximum price (excluding expenses) which may be paid for such I Shares shall be the higher of:
 - (a) an amount equal to 105 per cent of the average of the middle market quotations for such class of the Company's shares, as derived from the daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made; and

- (b) the value of such class of the Company's shares calculated on the basis of the higher of the price quoted for (1) the last independent trade of and (2) the highest current independent bid for any number of such class of the Company's shares on the trading venue where the purchase is carried out; and
- (iv) the Company may make a contract or contracts to purchase its own I Shares under this authority prior to the expiry of this authority which will or may be executed wholly or partly after the expiry of the authority, and the Company may make a purchase of its own I Shares in pursuance of any such contract or contracts as if the authority conferred hereby had not expired.

The authority hereby conferred shall (unless previously renewed or revoked) expire on the later of: (1) the date of the annual general meeting of the Company to be held in 2016, and (2) the date which is 15 months after the date on which this resolution is passed.

By order of the Board

The City Partnership (UK) Limited

Company Secretary

Dated: 30 June 2015

Registered Office:

1 Marylebone High Street
London W1U 4LZ

Notes:

1. Only those shareholders registered on the Company's register of members as holders of I Shares at 10.15 am on 4 August 2015, or, if this meeting is adjourned, 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting, shall be entitled to attend and vote at the meeting.
 2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.edge.uk.com.
 3. If you are a holder of I Shares at the time and date set out in paragraph 1, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
 4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, contact Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL.
 5. To appoint a proxy, you must:
 - send a completed hard copy of the form of proxy to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL; or
 - send a legible scan of the completed hard copy of the form of proxy to proxies@shareregistrars.uk.com.
- For a proxy appointment to be valid, the hard copy or e-mailed scan, as applicable, must be received as above, by no later than 10.15 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting.
6. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
 - by sending a signed hard copy notice, clearly stating your intention to revoke your proxy appointment, to Share Registrars Limited, Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice; or
 - by sending an e-mail, clearly stating your intention to revoke your proxy appointment, to proxies@shareregistrars.uk.com.
- In either case, the revocation notice must be received as above by no later than 10.15 am on 4 August 2015, or if this meeting is adjourned, by no later than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
7. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
 8. As at the date of this notice (30 June 2015), the Company has issued 15,766,414 I Shares. Each I Share carries the right to one vote at a class meeting of the holders of I Shares and, therefore, the total number of voting rights in the class of holders of I Shares as at the date of this notice (30 June 2015) is 15,766,414.
 9. Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at this meeting unless:
 - answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - the answer has already been given on a website in the form of an answer to a question; or
 - it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
 10. Except as provided above, shareholders who have general queries about the meeting should use the following means of communication (no other methods of communication will be accepted):
 - by e-mail to info@edge.uk.com; or
 - by post to Shareholder Relations, Edge Performance VCT plc, 1 Marylebone High Street, London W1U 4LZ; or
 - by telephone on 020 7317 1300.
 11. You may not use any electronic address provided in this notice, or in any related documents, to communicate with the Company for any purposes other than those expressly stated.

Corporate Information

Directors

Sir Robin Miller (Chairman)
David Glick
Frank Presland
Kevin Falconer
Lord Flight

all of
1 Marylebone High Street
London W1U 4LZ
which is the registered office of the Company

Investment Manager

Edge Investment Management Limited
trading as
Edge Investments
1 Marylebone High Street
London W1U 4LZ
(authorised and regulated by the
Financial Conduct Authority;
firm reference number 455446)

Company Secretary

The City Partnership (UK) Limited
Thistle House
21 Thistle Street
Edinburgh EH2 1DF

Taxation advisers

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Auditor

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

Bankers

HSBC Private Bank (UK) Limited
78 St. James's Street
London SW1A 1JB

Receiving Agent & Registrar

The City Partnership (UK) Limited
Thistle House
21 Thistle Street
Edinburgh EH2 1DF

Broker

Panmure Gordon (UK) Limited
One New Change
London EC4M 9AF

**EDGE PERFORMANCE VCT PLC
1 MARYLEBONE HIGH STREET
LONDON
W1U 4LZ**

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