BRITISH SMALLER COMPANIES VCT PLC
AMENDED ANNUAL FINANCIAL REPORT ANNOUNCEMENT FOR THE YEAR TO 31 MARCH 2009

AMENDMENT

This amending announcement amends the record date of 4 July 2009 included in the annual financial report announcement made earlier today. The record date should have been stated as 10 July 2009.

The entire announcement, with this detail amended, is set out below.

REPLACEMENT ANNUAL FINANCIAL REPORT ANNOUNCEMENT FOR THE YEAR TO 31 MARCH 2009

British Smaller Companies VCT plc ("the Company") today announces its audited results for the year to 31 March 2009.

CHAIRMAN'S STATEMENT

This is the first year on which I have reported since taking over the role of Chairman in August 2008. The period has been one of the most turbulent in recent memory. The financial sector has undergone a number of shocks which have introduced a high degree of uncertainty into the markets. The impact of the credit crunch, the devaluation of sterling, recession, deflationary pressures and unprecedented public sector debt have impacted upon the profitability and growth prospects for small businesses. Additionally, we have observed a mismatch between vendor and purchaser price expectations that has led to a short term slow down of investment opportunities.

The banking crisis and difficult economic environment have severely affected the quoted markets. The FTSE All-Share® and the AiM All-Share® are down by 32% and 57% respectively over the period. This reduction in quoted price/earnings (P/E) ratios has had a direct impact upon both our AiM quoted and unquoted portfolio. The latter is affected because we use comparable P/E multiples in valuing unquoted companies so a fall in the quoted P/E ratio will reduce valuations even if underlying company trading is unaffected. As a result of this, and of poorer trading in some of our investee companies, the valuation of the portfolio has declined and the total return as at 31 March 2009 has reduced to 130.7 pence per share (2008: 142.1 pence per share). Net asset value has reduced to 85.7 pence per share at 31 March 2009 (2008: 102.1 pence per share). This reduction is after taking account of dividend payments of 5.0 pence per share.

Your Board is recommending a final dividend of 3.0 pence per share. This will bring the total dividend in respect of the year ended 31 March 2009 to 5.0 pence per share.

Investment Portfolio

As was noted previously, new deal activity has slowed considerably. The Company has, instead, sought to preserve cash in this difficult business environment. Resources available for investment, comprising both cash and quoted Government Securities, amount to £16.15 million. A total of £1.11 million was invested into 4 businesses in the year, of which £0.27 million were follow-on investments into existing portfolio companies. Of the total investment £0.71 million (64.0%) was invested in 3 unquoted companies and £0.40 million (36.0%) was invested in an AiM listed business. Further information about these new investments can be found in the Fund Manager's Review. This contains a summary of all businesses in the current portfolio and a note of their website addresses.

I am pleased to note that a total of £0.34 million was realised from the portfolio generating a profit over cost of £0.28 million since investment.

Financial Results and Dividends

The net asset value of the Company at 31 March 2009 was 85.7 pence per share (2008: 102.1 pence per share). Taking account of the dividends paid to date the total return for eligible founder Shareholders at the balance sheet date was 130.7 pence per share (2008: 142.1 pence per share).

This year your Board has adopted the new Statement of Recommended Practice, in line with other companies in our sector, which means that the financial results are presented in a different format to those of the previous year. In particular the income and costs are now analysed between revenue and capital. For comparative purposes the prior year results have been re-stated.

The result for the financial year ended 31 March 2009 was a pre-tax loss of £3.27 million which comprised a capital loss of £3.94 million (of which £3.75 million is unrealised) and revenue profit of £0.68 million, as compared to an overall profit before taxation of £2.21 million in the year to 31 March 2008 (which comprised profits in respect of capital and revenue of £1.52 million and £0.69 million respectively).

An interim dividend of 2.0 pence per share was declared on the Ordinary shares and paid in February 2009. Your Board is now proposing a final dividend of 3.0 pence per share on the Ordinary shares. If approved, these dividends will be paid on 13 August 2009 to Shareholders on the register at 10 July 2009. The final dividend will be paid out of retained earnings and has not been recognised in the accounts under IFRS as the contractual obligation did not exist at the balance sheet date.

Performance Incentive

Your Board has reviewed the existing Performance Incentive Scheme for the Fund Manager. The Board feels that the existing scheme is too complex, and, as a benchmark scheme (tracking total return against the FTSE All-Share® index) in this time of declining markets, does not best align itself with the Company's policy of combining consistent dividend payments and net asset value performance. Consequently your Board proposes to recommend to Shareholders to replace this scheme with one that focuses on both growth and distributions.

Shareholders will receive a Circular together with the Annual Report and Accounts giving details of these proposals and of the General Meeting at which a resolution will be proposed to grant authority to implement them.

Shareholders and Fundraising

The Company continues to operate a share buy back policy to enable Shareholders to obtain some liquidity in an otherwise illiquid market. This policy is kept under review to ensure that any decisions taken are in the best interests of Shareholders as a whole. As I reported in the interim results against the current economic backdrop your Board has decided for the current time to increase the discount to net asset value at which shares are bought back from 10% to 15%. The Board intends to keep this under close review so as to preserve cash and protect Shareholders' interests as a whole.

In accordance with this policy, the Company purchased a total of 298,153 shares during the year, at an average price of 89.0 pence per share. The existing buy back authority which currently expires on 6 August 2009 is proposed to be extended until the date of the 2010 AGM or fifteen months, whichever is the earlier. A resolution to this effect will be proposed at the Company's AGM on 6 August 2009.

Board and Other Changes

Many VCTs will be affected by the new requirements of the Combined Code and the Listing Rules Board composition. From October 2010 Directors will not be deemed independent if they sit on the Boards of more than one VCT managed by the same Fund Manager. Changes will need to be made to the composition of this Board prior to this date. Your Board will ensure that the necessary changes are made in an appropriate and timely manner.

VAT recovery

Following the ruling by the European Court and agreement between HMRC and the Association of Investment Companies the Fund Manager has submitted a retrospective claim to recover VAT which has been received in full subsequent to the year end. The benefit to the Company of this claim is £272,000. In addition, from 1 October 2008 management fees charged by the Fund Manager no longer attract VAT. The annual benefit to the Company is estimated at 0.3 pence per share.

Proposed legislative changes

The Board continues to monitor a number of proposals (currently under consultation) from the European Union on the regulation and criteria of VCT investments. Once the extent and impact of these is more apparent it will be communicated to Shareholders.

AIC Award

I am pleased to report that the Company has been recognised for its hard work and commitment by the Association of Investment Companies ("AIC"), who awarded us the 'Best Report and Accounts - VCT' accolade in May 2009.

Outlook

This year has very much been one of supporting the existing portfolio, and maintaining the cash resources from the recent fundraisings to ensure that there is capacity to take advantage of the investment opportunities that will arise either before or as the economy improves.

I am pleased to note that a number of our investee companies are still performing well, and several of our investee companies are seeking to expand both organically and through acquisition. The Company is fortunately in a position to be able to support these plans as is felt appropriate.

In the short to medium term the economic situation is likely to lead to continuing pressure on valuations. However the Board remains pleased with the overall progress that the portfolio is making, and we look to the medium term with more optimism and will seek to maintain adequate capacity to both support the existing portfolio and make new investments.

Once again, I would like to take this opportunity to thank Shareholders for their continued support.

Helen Sinclair
25 June 2009

FUND MANAGER'S REVIEW

Name of Company	Date of Initial Investment	Location	Industry Sector	Original Cost	Realised Proceeds to Date*	Investment Valuation at 31 March 2009	Realised and Unrealised to Date
				£000	£000	£000	£000
Current Investments:							
GO Outdoors Limited	May-98	Sheffield	Consumer Products	556	460	1517	1977
Connaught plc	Nov-98	Sidmouth	Support Services	460	943	961	1904
Waterfall Services Limited (formerly Cater Plus Services Limited)	Feb-07	Watford	Support Services	1,000	-	1265	1265
Sheet Piling (UK) Limited	Jun-00	Preston	Construction	500	410	750	1160
Ellfin Home Care Limited	Dec-07	Oldham	Healthcare	769	-	820	820
Mattioli Woods plc	Nov-05	Leicester	Support Services	326	-	567	567
Fishawack Limited	Jan-08	Knutsford	Communications	500	-	550	550
Pressure Technologies plc	Jun-07	Sheffield	Industrial	425	-	496	496
Images at Work Limited	Mar-99	Salisbury	Support Services	615	320	129	449
Harvey Jones Holdings Limited	May-07	London	Manufacture	777	-	432	432
Hargreaves Services plc	Dec-07	Durham	Industrial	469	-	388	388
RMS Group Holdings Limited	Jul-07	Goole	Industrial	1,050	24	317	341
Payzone plc	Jun-02	Dublin	Consumer Products	318	311	3	314
Denison Mayes Group Limited	Aug-98	Leeds	Industrial	700	255	45	300
Primal Pictures Limited	Mar-01	London	Healthcare	500	-	292	292
Tikit Group plc	Jun-01	London	Software	226	-	235	235
Freshroast Coffee Co. Limited	Jul-96	Elland	Consumer Products	160	166	30	196
Straight plc	Feb-04	Leeds	Industrial	341	64	131	195
K3 Business Technology Group plc	Apr-08	Colne	Software	402	-	174	174
Patsystems plc	Oct-07	London	Software	222	-	144	144
Darwin Rhodes Group Limited	Apr-08	London	Recruitment	444	-	143	143
Brulines plc (formerly Brulines (Holdings) plc)	Oct-06	Stockton-on-Tees	Software	163	-	121	121
Harris Hill Holdings Limited	Jun-07	Kingston	Recruitment	600	-	99	99
Hexagon Human Capital plc	Feb-07	London	Support Services	200	-	46	46
Cambridge Cognition Limited	May-02	Cambridge	Software	325	-	26	26
Belgravium Technologies plc	Oct-05	Bradford	Software	200	-	25	25
SBS Group plc	Mar-98	London	Support Services	100	-	-	-
				12,348	**2,953**	**9,706**	**12,659**
Full realisations since March 2002				8,917	12,856	-	12,856
Full realisations prior to March 2002				6,394	3,246	-	3,246
Total realised and unrealised to date				**27,659**	**19,055**	**9,706**	**28,761**

* Proceeds include premium and profits on loan repayments and preference redemptions

This year has seen marked changes from the economic conditions experienced in previous periods. This has resulted in a lower level of investment activity and the previously buoyant mergers and acquisitions market largely coming to a halt.

There has been an overall reduction in the value of the quoted and unquoted investment portfolios of £4.16 million, equivalent to 30.0% of the value. However, overall realised gains plus unrealised valuations still exceed original cost by some £1.10 million.

Looking behind these figures in more detail reveals a reduction in value between the unquoted and quoted investments of: -

	£000	%
Unquoted	(2,639)	(29.1)
Quoted	(1,521)	(31.6)

In both sectors the impact of falling P/E ratios has been that where profitability has increased year on year there has been no positive impact on valuations. In the case of the unquoted portfolio, valuations have remained flat where profits have increased and in the case of the quoted portfolio, without exception valuations have reduced. In the most extreme examples we have seen underlying profitability more than double but the valuation decrease.

This downward pressure has arisen as all valuations (where a company has earnings) are based on quoted company multiples. The FTSE All-Share® index has reduced by 32% and the FTSE AiM All-Share® by 57% over the period.

In the short term there remains uncertainty which continues to be reflected in market volatility.

Investment Activity

This year has been characterised by significant change and uncertainty. As a consequence, in the last nine months of the year in particular, we have seen a mismatch between vendors' and purchasers' price expectations. As a result your Company completed £0.99 million of new and follow-on investments in the first quarter of the year but only one follow-on investment into the portfolio in the last nine months of the year.

The first of the new investments completed was £0.44 million into Darwin Rhodes, an international recruitment company specialising in the actuarial, insurance and compliance markets. Whilst facing challenging markets the company has no debt and a broad geographical reach. The second investment was £0.40 million into K3 Business Technology Group. This company delivers supply chain management software, particularly to small and medium sized enterprises in the manufacturing and retail sectors. The follow-on investment completed in the first quarter of the year was a further £0.15 million into RMS which re-structured the mezzanine finance.

In October 2008 £0.12 million was invested into Ellfin Home Care to support its acquisition of Elmwood Home Care Limited.

Portfolio Performance

In marked contrast to the previous year market conditions were not conducive to achieving realisations. Nonetheless in total £0.34 million was realised from the portfolio. This comprised £0.16 million from the sale of shares in Connaught plc; £0.14 million from the unquoted portfolio and £0.04 million in loan repayments.

Although there has been significant downward pressure on valuations a number of the businesses within the portfolio continue to pursue expansion strategies. GO Outdoors is further expanding its number of stores and Waterfall Services, having completed the acquisition of Taylor Shaw, continues to seek further acquisitions. Ellfin Home Care also seeks to continue its plans of industry consolidation with a number of targets under review. All of these companies continue to trade in line with or above expectations.

The most significant reductions in valuation have occurred in RMS Group, Sheet Piling, Harris Hill, Harvey Jones and Darwin Rhodes. RMS has seen freight volumes reduce which is expected to continue throughout 2009; Sheet Piling has substantially repaid its borrowings, but has seen uneven trading patterns in the last twelve months; Harris Hill has seen a reduction in its recruitment market but continues to seek low cost acquisitions; Harvey Jones continues its roll-out plans but at a slower rate than previously and Darwin Rhodes has reduced some of its office network concentrating on the higher contributing areas of its business.

It is the case that more attention is being paid to reducing indebtedness in many of our investee companies in order to minimise any financial risk.

Summary and Outlook

The Company has been careful to preserve its cash position, and remaining monies not invested are held in quoted Government Securities. As a consequence the total value of cash and Government Securities was £16.15 million (2008: £12.36 million) at the year end, which represents 61.2% (2008: 47.2%) of the Company's net asset value.

Whilst in the short term economic conditions remain uncertain and volatile, which may in part put downward pressure on some valuations, these liquid resources place the Company in a strong position. Our belief remains that the medium term is likely to offer some excellent investment opportunities and this company remains well placed to take advantage of them as they arise.

David Hall
Managing Director
YFM Private Equity Limited

25 June 2009

PRINCIPAL RISKS, RISK MANAGEMENT AND REGULATORY ENVIRONMENT

The Board believes that the principal risks faced by the Company are:

Investment and strategic – quality of enquiries, investments, investee company management teams and monitoring, the risk of not identifying investee underperformance might lead to under performance and poor returns to Shareholders.

Loss of approval as a Venture Capital Trust - The Company must comply with Chapter 3 part 6 of the Income Tax Act 2007 which allows it to be exempted from capital gains tax on investment gains. Any breach of these rules may lead to the Company losing its approval as a VCT, qualifying Shareholders who have not held their shares for the designated holding period having to repay the income tax relief they obtained and future dividends paid by the company becoming subject to tax. The Company would also lose its exemption from corporation tax on capital gains. As such one of the key performance indicators monitored by the Company is the compliance with legislative tests. See below for more detail.

Regulatory – the Company is required to comply with the Companies Acts, the rules of the UK Listing Authority, International Accounting Standards and the Statement of Recommended Practice. Breach of any of these regulatory rules might lead to suspension of the Company's Stock Exchange listing, financial penalties or a qualified audit report.

Reputational – inadequate or failed controls might result in breaches of regulations or loss of shareholder trust.

Operational – failure of the Fund Manager's accounting systems or disruption to its business might lead to an inability to provide accurate reporting and monitoring.

Financial – inadequate controls might lead to misappropriation of assets. Inappropriate accounting policies might lead to misreporting or breaches of regulations.

Market Risk – Lack of liquidity in both the venture capital and public markets. Investment in AiM-traded and unquoted companies, by their nature, involve a higher degree of risk than investment in companies trading on the main market. In particular, smaller companies often have limited product lines, markets or financial resources and may be dependent for their management on a smaller number of key individuals. In addition, the market for stock in smaller companies is often less liquid than that for stock in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such stock.

Liquidity Risk – The Company's investments may be difficult to realise. The fact that a share is traded on AiM does not guarantee its liquidity. The spread between the buying and selling price of such shares may be wide and thus the price used for valuation may not be achievable.

The Board seeks to mitigate the internal risks by setting policy, regular review of performance, monitoring progress and compliance. The key performance indicators measure the Company's performance and its compliance with legislative tests. In the mitigation and management of these risks, the Board rigorously applies the principles detailed in the "Turnbull" guidance.

RESPONSIBILITY STATEMENTS OF THE DIRECTORS IN RESPECT OF THE ANNUAL FINANCIAL REPORT

The Annual Report and Accounts contains the following statements regarding responsibility for the management report and financial statements included in the Annual Report and Accounts from which the information in this Announcement has been extracted (references in the following statements are to sections of the Annual Report and Accounts).

The directors confirm, to the best of their knowledge:

- that the financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and

- the management report included within the Chairman's Statement, Fund Manager's Review and Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with the principal risks and uncertainties that they face.

Approved by the Board on 25 June 2009 and signed on its behalf by:

Helen Sinclair
Chairman

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	2009			2008		
	Revenue	**Capital**	**Total**	Revenue (restated)	Capital (restated)	Total
	£000	**£000**	**£000**	£000	£000	£000
Gain on realisation of investments	**-**	**110**	**110**	-	2,318	2,318
Losses on investments held at fair value	**-**	**(3,748)**	**(3,748)**	-	(343)	(343)
Income	**1,173**	**-**	**1,173**	1,035	-	1,035
Administrative expenses:						
Fund management fee	**(164)**	**(494)**	**(658)**	(152)	(458)	(610)
VAT recovery	**83**	**189**	**272**	-	-	-
Other expenses	**(415)**	**-**	**(415)**	(195)	-	(195)
	(496)	**(305)**	**(801)**	(347)	(458)	(805)
Profit (loss) before taxation	**677**	**(3,943)**	**(3,266)**	688	1,517	2,205
Taxation	**(121)**	**121**	**-**	(117)	117	-
Profit (loss) for the year attributable to equity shareholders	**556**	**(3,822)**	**(3,266)**	571	1,634	2,205
Basic and diluted earnings (loss) per share	**1.81p**	**(12.43)p**	**(10.62)p**	2.20p	6.31p	8.51p

The total column of this statement represents the Company's income statement, prepared in accordance with International Financial Reporting Standards ('IFRS'). The supplementary revenue and capital columns are prepared under the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('SORP') 2009 published by the Association of Investment Companies.

BALANCE SHEET AT 31 MARCH 2009

	2009 £000	2008 (restated) £000
Assets		
Non-current assets		
Financial assets at fair value through profit or loss	**22,161**	24,573
Current assets		
Trade and other receivables	**672**	1,114
Cash and cash equivalents	**3,697**	730
	4,369	1,844
Liabilities		
Current liabilities		
Trade and other payables	**(130)**	(219)
Net current assets	**4,239**	1,625
Net assets	**26,400**	26,198
Shareholders' equity		
Share capital	**3,187**	2,642
Share premium account	**15,236**	10,502
Capital redemption reserve	**221**	221
Treasury share reserve	**(931)**	(666)
Realised capital reserve	**-**	847
Unrealised capital reserve	**(1,389)**	2,543
Special reserve	**2,408**	2,408
Retained earnings	**7,668**	7,701
Total shareholders' equity	**26,400**	26,198
Basic and diluted net asset value per ordinary share	**85.7p**	102.1p

The Balance Sheet has been restated following the adoption of the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies in January 2009 (SORP) to show additional reserves.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2009

	Share capital £000	Share premium account £000	Capital redemption reserve £000	Treasury share reserve £000	Realised capital reserve (restated) £000	Unrealised capital reserve (restated) £000	Special reserve £000	Retained earnings (restated) £000	Total equity £000
Balance at 31 March 2007	**2,148**	**1,813**	**221**	**-**	**-**	**-**	**2,408**	**10,198**	**16,788**
Adjustment for SORP	-	-	-	-	(1,814)	4,311	-	(2,497)	-
Restated at 31 March 2007	2,148	1,813	221	-	(1,814)	4,311	2,408	7,701	16,788
Revenue return for the year	-	-	-	-	-	-	-	571	571
Capital expenses	-	-	-	-	(341)	-	-	-	(341)
Unrealised loss on investments held at fair value	-	-	-	-	-	(343)	-	-	(343)
Realisation of prior year unrealised gains	-	-	-	-	1,425	(1,425)	-	-	-
Realisation of investments in the year	-	-	-	-	2,318	-	-	-	2,318
Dividends	-	-	-	-	(741)	-	-	(571)	(1,312)
Purchase of own shares	-	-	-	(666)				-	(666)
Issue of Ordinary share capital	981	8,722	-	-	-	-	-	-	9,703
Issue costs of Ordinary shares	-	(525)	-	-	-	-	-	-	(525)
C share conversion	(487)	492	-	-	-	-	-	-	5
Balance at 31 March 2008	**2,642**	**10,502**	**221**	**(666)**	**847**	**2,543**	**2,408**	**7,701**	**26,198**
Revenue return for the year	-	-	-	-		-	-	556	556
Capital expenses	-	-	-	-	(184)	-	-	-	(184)
Unrealised loss on investments held at fair value	-	-	-	-	-	(3,748)	-	-	(3,748)
Realisation of prior year unrealised gains	-	-	-	-	184	(184)	-	-	-
Realisation of investments in the year	-	-	-	-	110	-	-	-	110
Dividends	-	-	-	-	(957)	-	-	(589)	(1,546)
Purchase of own shares	-	-	-	(265)	-	-	-	-	(265)
Issue of Ordinary share capital	538	4,979	-	-	-	-	-	-	5,517
Issue of share capital on DRIS*	7	53	-	-	-	-	-		60
Issue costs of Ordinary shares	-	(298)	-	-	-	-	-	-	(298)
Balance at 31 March 2009	**3,187**	**15,236**	**221**	**(931)**	**-**	**(1,389)**	**2,408**	**7,668**	**26,400**

The Statement of Changes in Equity has been restated following the adoption of the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies in January 2009 (SORP) to show additional reserves.

The realised capital reserve includes gains and losses compared to cost on the realisation of investments, capital expenses, together with the related taxation effect and capital dividends paid to Shareholders.

The unrealised capital reserve includes increases and decreases in the valuation of investments held at fair value. This is a non-distributable reserve.

The special reserve, realised capital reserve and retained earnings reserve are all distributable reserves. These reserves total £10,076,000 (2008: £10,956,000) representing a decrease of £880,000 (2008: £2,661,000 increase) during the year. This change arises from the loss in the year of £3,266,000 (2008: £2,205,000 profit), movements in the unrealised capital reserve of £3,932,000 (2008: £1,768,000) and dividends of £1,546,000 (2008: £1,312,000).

* DRIS being the dividend reinvestment scheme.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	2009 £000	2008 (restated) £000
Net cash inflow (outflow) from operating activities	**166**	(26)
Cash flows used in investing activities		
Purchase of financial assets at fair value through profit or loss	**(6,714)**	(19,891)
Proceeds from sale of financial assets at fair value through profit or loss	**6,148**	12,953
Net cash used in investing activities	**(566)**	(6,938)
Cash flows from financing activities		
Issue of Ordinary shares	**5,436**	9,784
Cost of Ordinary share issue	**(244)**	(579)
Purchase of own Ordinary shares	**(339)**	(721)
Dividends paid	**(1,486)**	(1,312)
Net cash from financing activities	**3,367**	7,172
Net increase in cash and cash equivalents	**2,967**	208
Cash and cash equivalents at the beginning of the year	**730**	522
Cash and cash equivalents at the end of the year	**3,697**	730

RECONCILIATION OF (LOSS) PROFIT BEFORE TAXATION TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES

	2009 £000	2008 £000
(Loss) profit before tax	**(3,266)**	2,205
Increase in prepayments and accrued income	**(276)**	(230)
Increase (decrease) in accruals	**70**	(26)
Profit on realisation of investments in the year	**(110)**	(2,318)
Revaluation of investments in the year	**3,748**	343
Net cash inflow (outflow) from operating activities	**166**	**(26)**

NOTES

1. Basis of Accounting

This announcement of the annual results of the Company for the year ended 31 March 2009 has been prepared using accounting policies consistent with those adopted in the full audited financial statements which have been prepared on a going concern basis and in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union and those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

The financial statements have also been prepared under the historical cost convention modified to include the fair values of financial assets at fair value through profit or loss.

In addition where guidance set out in the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies in January 2009 (SORP) is consistent with the requirements of IFRS, the financial statements have been prepared in compliance with the recommendations of the SORP. The SORP is applicable for accounting periods beginning 1 January 2009 and the Company has chosen to adopt early.

The main impact of adopting the SORP has been the presentation of the income statement, with income and costs being analysed between revenue and capital, together with the restatement of reserves and some additional disclosures in the financial statements.

Business segments are considered to be the primary reporting segment. The directors are of the opinion that the Company has engaged in a single segment of business of investing in equity and debt securities and therefore no segmental reporting is provided.

2. Income

	2009	2008
	£000	£000
Income from investments:		
Dividends from unquoted companies	**24**	53
Dividends from AiM quoted companies	**77**	51
	101	104
Interest on loans to unquoted companies	**274**	216
Fixed interest Government securities	**748**	643
Income from investments held at fair value through profit or loss	**1,123**	963
Other income	**-**	11
Interest on deposits	**50**	61
	1,173	1,035

3. Taxation

	2009			2008		
	Revenue	**Capital**	**Total**	Revenue (restated)	Capital (restated)	Total
	£000	**£000**	**£000**	£000	£000	£000
Corporation tax payable at 21% (2008: 20%)	**121**	**(121)**	**-**	117	(117)	-
Profit (loss) before taxation	**677**	**(3,943)**	**(3,266)**	688	1,517	2,205
Profit (loss) before taxation multiplied by standard small company rate of corporation tax in UK of 21% (2008: 20%)	**142**	**(828)**	**(686)**	138	303	441
Effect of:						
UK dividends received	**(21)**	**-**	**(21)**	(21)	-	(21)
Non taxable losses (profits) on investments	**-**	**764**	**764**	-	(395)	(395)
Excess management expenses	**-**	**(57)**	**(57)**	-	(25)	(25)
Tax charge (credit)	**121**	**(121)**	**-**	117	(117)	-

The Company has no provided or unprovided deferred tax liability in either year.

Deferred tax assets have not been recognised, as management do not currently believe that it is probable that sufficient taxable profits will be available against which the assets can be recovered.

Due to the Company's status as a venture capital trust, and the continued intention to meet the conditions required to comply with the Chapter 3 part 6 of the Income Tax Act 2007, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation or realisation of investments.

4. Dividends

2009			2008		
Revenue	**Capital**	**Total**	Revenue (restated)	Capital (restated)	Total
£000	**£000**	**£000**	£000	£000	£000

Interim dividend for the year ended 31 March 2009 – 2.0p per Ordinary share; paid 11 February 2009 (2008: 2.0p per Ordinary share)	**-**	**615**	**615**	-	520	520
Final dividend for the year ended 31 March 2008 – 3.0p per Ordinary share; paid 8 August 2008 (2007: 3.0p per Ordinary share)	**589**	**342**	**931**	571	221	792
	589	**957**	**1,546**	571	741	1,312

The interim dividend of 2.0p per share was declared on 20 November 2008 and paid on 11 February 2009 to Shareholders on the register on 28 November 2008.

A final dividend of 3.0p per share in respect of the year to 31 March 2009, amounting to £925,000, is proposed. This has not been recognised in the year ended 31 March 2009 as the obligation did not exist at the balance sheet date.

5. Basic and Diluted (Loss) Earnings per Ordinary Share and Movements in Share capital

The basic and diluted (loss) earnings per Ordinary share is based on the loss for the year after tax of £3,266,000 (2008: £2,205,000 profit) and 30,760,716 (2008: 25,915,480) shares, being the weighted average number of shares in issue during the year.

The basic and diluted revenue return per Ordinary share is based on the profit for the year after tax of £556,000 (2008: £571,000) and 30,760,716 (2008: 25,915,480) shares being the weighted average number of shares in issue during the year.

The basic and diluted capital return per Ordinary share is based on the loss for the year after tax of £3,822,000 (2008: £1,634,000 profit) and 30,760,716 (2008: 25,915,480) shares being the weighted average number of shares in issue during the year.

During the year the Company issued 5,446,684 Ordinary shares. The Company also repurchased 298,153 of its own shares, which are held in treasury.

The 1,050,955 treasury shares have been excluded in calculating the weighted average number of Ordinary shares during the year (2008: 752,802). The Company has no securities that would have a dilutive effect in either period and hence the basic and diluted (loss) earnings per share are the same.

6. Basic and Diluted Net Asset Value per Ordinary Share

The net asset value per share is calculated on attributable assets of £26,400,000 (2008: £26,198,000) and 30,819,892 (2008: 25,671,361) shares in issue at the year end, excluding treasury shares.

The treasury shares have been excluded in calculating the number of Ordinary shares in issue at 31 March 2009. The Company has no securities that would have a dilutive effect in either period and hence the basic and diluted net asset values per share are the same.

7. Total Return per Ordinary Share

The Total return per share is calculated on cumulative dividends paid of 45.0 pence per Ordinary share (2008: 40.0 pence per Ordinary share) plus the net asset value as calculated per note 6.

8. Related Party Transactions

The Company has not entered into any related party transactions that have had a material impact on its financial position or performance in the year to 31 March 2009. Full details of related party transactions are shown in note 17 to the Annual Report and Accounts, which can be obtained as described in note 10.

9. Financial Information

The financial information set out here for the year ended 31 March 2009 does not constitute full statutory financial statements as defined in section 240 of the Companies Act 1985 but has been extracted from the Company's financial statements for that period. Statutory accounts for the year ended 31 March 2009 will be delivered to the Registrar of Companies following the Company's Annual General Meeting on 6 August 2009. Those accounts were reported upon without qualification by the independent auditors and their report was unqualified and did not contain a statement under Section 237 (2) or (3) of the Companies Act 1985.

10. Annual Report and Accounts

A copy of the Annual Report and Accounts for the year ended 31 March 2009 is available on our website at www.yfmgroup.co.uk. These will be distributed by post to Shareholders and will be available thereafter to members of the public from the Company's registered office.

11. Directors

The directors of the Company are: Ms H Sinclair, Mr PS Cammerman, Mr RM Pettigrew and Mr R Last.

12. Annual General Meeting

The Annual General Meeting of the Company will be held at 23 Berkeley Square, London, W1J 6HE, on 6 August 2009 at 11.30am.

For further information, please contact:

David Hall	YFM Private Equity Limited	Tel: 0161 832 7603
Jeff Keating	Singer Capital Markets	Tel: 0203 205 7500