



SHORE CAPITAL



PUMA VCT 8 PLC

INTERIM REPORT

For the period ended 31 August 2016

VCT 8
2016

Contents

Officers and Professional Advisers	1
Chairman's Statement	2
Income Statement	4
Balance Sheet	5
Cash Flow Statement	6
Reconciliation of Movements in Shareholders' Funds	7
Notes to the Interim Report	8

Officers and Professional Advisers

Directors

Sir Aubrey Brocklebank (Chairman)
David Brock
Graham Shore

Secretary

Eliot Kaye

Registered Number

07696739

Registered Office

Bond Street House
14 Clifford Street
London W1S 4JU

Investment Manager

Shore Capital Limited
Bond Street House
14 Clifford Street
London W1S 4JU

Registrar

SLC Registrars
42- 50 Hersham Road
Walton-on- Thames
Surrey, KT12 IRZ

Administrator

Shore Capital Fund Administration Services Limited
Bond Street House
14 Clifford Street
London W1S 4JU

Auditor

RSM UK Audit LLP
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

Sponsors and Solicitors

Howard Kennedy
No 1 London Bridge
London SE1 9BG

Bankers

The Royal Bank of Scotland plc
London City Office
PO Box 412
62-63 Threadneedle Street
London EC2R 8LA

Lloyds Bank International Limited

Sarnia House
Le Truchot
St Peter Port
Guernsey, GY1 4EF

VCT Tax Advisor

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Custodian

Pershing Securities Limited
1 Canada Square
London
E14 5AL

Chairman's Statement

Highlights

- Fully deployed in a diverse range of high quality investments generating an attractive return
- NAV per share at the period end was 97.05p (after adding back dividends paid to date)
- 20p per share of dividends paid since inception, equivalent to a 7.1% per annum tax-free running yield on net investment

Introduction

As your Company enters into the final year of its expected five-year life, I am pleased to report that your funds are fully deployed in both qualifying and non-qualifying investments. We believe our portfolio is well positioned to deliver attractive returns to shareholders within the Company's remaining time horizon.

Results and Net Asset Value ("NAV")

The NAV per share at the period end was 77.05p (97.05p after adding back dividends paid to date), an increase of 0.31p in the half year, equivalent to a £40,000 profit for the period.

Qualifying Investments

The Company made a £1.25 million investment in Urban Mining Limited, a member of the Chinook Urban Mining group of companies, in 2014. The investment, which was part of a £5 million investment alongside other Puma VCTs into an energy-from waste business, was made to facilitate the development of a flagship plant in East London to generate electricity through the gasification of municipal solid waste. The project is seeking to benefit from favourable Contracts for Difference available to renewable projects, but is qualifying because it was made prior to the royal assent of the Finance Act 2014. The management team has a track record of delivering similar

projects in other jurisdictions and is a preferred partner of Chinook Sciences, the Nottingham based technology company which has developed the award-winning "non-incineration ultra clean synthetic gas technology" which will be used in the East London plant. The investment is secured with a first charge over the Chinook Urban Mining business and the eight acre freehold site of the East London plant.

The Company's £1.6 million investment (as part of a total £5 million investment alongside other Puma VCTs) into Alyth Trading Limited continues to perform well. Alyth Trading is a nationwide provider of contracting services and during the period has been engaged on projects including the construction of a 112 bed purpose built care home in Hamilton, Scotland, and the construction of a 68 bed purpose built care home in Egham, Windsor. We understand both projects are well progressed.

As previously reported, a major fire occurred on 28 February 2016 at the Materials Recycling Facility ("MRF") operated by Opes Industries Limited ("Opes"), into which the Company has invested a total of £1m (as part of an £8.8m investment by Puma entities). As a result of the incident, and as reported in the Company's previous annual

report, the Company has made a provision of £148,000 against the carrying value of its investment in Opes. Opes owns a 73 hectare site in north Oxfordshire with a MRF, including a landfill site for non-hazardous materials and an aggregates/gravel quarrying business. The Company's investment was to provide funding for the construction and equipping of the MRF and working capital during the build-up of the trade. The funding was provided in the form of equity and loan stock and our interests are covered by a first fixed and floating charge over Opes' assets. Following the incident, we appointed an administrator over Opes in order to best protect the Company's investment. The administrator has implemented various measures to preserve the value of Opes' assets, mitigate costs and seek to realise best value for the Company. Discussions are also continuing with Opes' insurers regarding the reimbursement of the damage to the plant and the building and of the costs of business interruption.

As previously reported, Isaacs Trading Limited, Kinloss Trading Limited and Jephcote Trading Limited (in which the Company had invested £1 million, £254,000 and £1 million respectively) have, as members of SKPB Services LLP, been engaged in a series of projects to provide contracting services

across the country. We understand that, following the period end, it commenced work on its latest project, the construction of a new build 134 bedroom Ibis Budget Hotel and the associated infrastructure adjacent to Luton Airport. The project is expected to complete in mid-2017.

The Company's investment of £1,185,000 (alongside other Puma VCTs) into Saville Services Limited continues to perform well. Saville Services has been providing contracting services over a series of projects, and has recently commenced work on the construction of a 77-bed purpose-built care home in Chester.

Non-Qualifying Investments

During the period, the Company advanced a £1 million loan (through an affiliate, Palmer Lending Limited, as part of a £2.9 million financing with other vehicles and companies managed and advised by your Investment Manager) to Oval Estates (St Peter's) Limited. Oval owns a 6 acre site in Radstock, near Bath, which has outline planning permission for the development of 81 new houses. The Company's loan, extended at an appropriate loan-to-value ratio, is secured with a first charge on the site. It is expected that, upon receipt of detailed planning permission, the Company's loan will be repaid as Oval secures development finance.

We are pleased to report the repayment in full after the end of the period giving a good return to the Company, of the Company's £750,000 loan made through an affiliate, Lothian Lending Limited. The loan by Lothian was to Kingsmead Care Home Limited which owns and operates a care and dementia treatment facility in Mytchett.

Dividends

As reported in the Company's annual report, the Company declared a dividend of 5p per ordinary share for the year ended 29 February 2016 which was paid in February. Reflecting this recent pay-out, your Board is not proposing a further dividend at this interim stage but still intends to pay out a dividend of 5p per ordinary share each year as envisaged in the Company's prospectus.

VCT Qualifying Status

PricewaterhouseCoopers LLP ('PwC') provides the board and the investment manager with advice on the ongoing compliance with Her Majesty's Revenue & Customs ('HMRC') rules and regulations concerning VCTs. PwC assists the Investment Manager in establishing the status of investments as qualifying holdings and has reported that the Company has met all HMRC's criteria to date.

Principal risks and uncertainties

Although the economy in the UK continues to improve, it remains fragile, especially in light of the result of recent referendum vote on Brexit. The consequences of this for the Company's investment portfolio constitute the principal risk and uncertainty for the Company in the second half of the year.

Life of fund

The Company was established with the intention that it would have a limited life. The Prospectus stated that after five years the Board would propose a resolution to shareholders for an orderly liquidation of the Company's assets. Your Board currently intends to propose this resolution within a year of this report.

Outlook

The Company's net assets are fully deployed in a diverse range of high quality businesses and projects which should offer the prospect of further growth in net assets per share. Whilst there may be some further changes in the composition of the portfolio to ensure that the Company continues to satisfy its HMRC qualifying targets, the Board expects to concentrate in the future primarily on the monitoring of our existing investments and considering the options for exits.

**Sir Aubrey Brocklebank Bt.
Chairman**

30 November 2016

Income Statement (unaudited)

For the period ended 31 August 2016

	Note	Six months ended 31 August 2016			Six months ended 31 August 2015			Period from 1 March 2015 to 29 February 2016		
(Loss) on investments		-	-	-	-	-	-	-	(148)	(148)
Income		246	-	246	385	-	385	837	-	837
		246	-	246	385	-	385	837	(148)	689
Investment management fees	4	(24)	(72)	(96)	(27)	(81)	(108)	(53)	(159)	(212)
Other expenses		(100)	-	(100)	(76)	-	(76)	(167)	-	(167)
		(124)	(72)	(196)	(103)	(81)	(184)	(220)	(159)	(379)
Return/(loss) on ordinary activities before taxation		122	(72)	50	282	(81)	201	617	(307)	310
Tax on return on ordinary activities		(25)	15	(10)	(37)	-	(37)	(123)	31	(92)
Return/(loss) on ordinary activities after tax attributable to equity shareholders		97	(57)	40	245	(81)	164	494	(276)	218
Basic and diluted Return/(loss) per Ordinary Share (pence)	2	0.76p	(0.44p)	0.31p	1.91p	(0.63p)	1.28p	3.85p	(2.15p)	1.70p

The total column of this statement is the profit and loss of the Company. All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

Balance Sheet (unaudited)

As at 31 August 2016

	Note	As at 31 August 2016 £'000	As at 31 August 2015 £'000	As at 29 February 2016 £'000
Fixed Assets				
Investments	6	8,891	9,589	8,891
Current Assets				
Debtors		884	634	918
Cash		380	431	365
		1,264	1,065	1,283
Creditors - amounts falling due within one year				
Other creditors		(275)	(227)	(334)
Net Current Assets		989	838	949
Total Assets less Current Liabilities				
		9,880	10,427	9,840
Creditors - amounts falling due after more than one year (including convertible debt)				
		(1)	(1)	(1)
Net Assets		9,879	10,426	9,839
Capital and Reserves				
Called up share capital		128	128	128
Capital reserve – realised		(624)	(520)	(567)
Capital reserve – unrealised		(148)	-	(148)
Revenue reserve		10,523	10,818	10,426
Equity Shareholders' Funds		9,879	10,426	9,839
Net Asset Value per Ordinary Share				
	3	77.05p	81.32p	76.74p
Diluted Net Asset Value per Ordinary Share				
	3	77.05p	81.32p	76.74p

Cash Flow Statement (unaudited)

For the period ended 31 August 2016

	Six months ended 31 August 2016 £'000	Six months ended 31 August 2015 £'000	Period from 1 March 2015 to 29 February 2016 £'000
Operating activities			
Profit after tax	40	164	218
Taxation	10	37	92
Losses on investments	-	-	148
Decrease/(increase) in debtors	34	(295)	(579)
(Decrease)/increase in creditors	(69)	59	111
Net cash inflow/(outflow) from operating activities	15	(35)	(10)
Capital expenditure and financial investment			
Purchase of investments	-	-	(1,800)
Proceeds from sale of investments	-	-	2,350
Net cash inflow from capital expenditure and financial investment	-	-	550
Equity dividend paid	-	-	(641)
Increase/(Decrease) in cash	15	(35)	(101)
Net cash at start of the period	365	466	466
Net funds at the period end	380	431	365

Reconciliation of Movements in Shareholders' Funds (unaudited)

For the period ended 31 August 2016

	Called up share capital £'000	Capital reserve - realised £'000	Capital reserve - unrealised £'000	Revenue reserve £'000	Total £'000
Balance as at 1 March 2015	128	(439)	-	10,573	10,262
Total recognised (losses)/gains for the period	-	(81)	-	245	164
Balance as at 31 August 2015	128	(520)	-	10,818	10,426
Total recognised (losses)/gains for the period	-	(47)	(148)	249	54
Dividends paid	-	-	-	(641)	(641)
Balance as at 29 February 2016	128	(567)	(148)	10,426	9,839
Total recognised (losses)/gains for the period	-	(57)	-	97	40
Balance as at 31 August 2016	128	(624)	(148)	10,523	9,879

Notes to the Interim Report

For the period ended 31 August 2016

1. Accounting Policies

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of fixed asset investments, and in accordance with applicable Accounting Standards and with the Statement of Recommended Practice, "Financial Statements of Investment Trust Companies and Venture Capital Trusts" ("SORP") and in accordance with the Financial Reporting Standard 102 ("FRS102").

2. Return per Ordinary Share

The total return per share of 0.31p is based on the profit for the period of £40,000 and the weighted average number of shares in issue as at 31 August 2016 of 12,820,841.

3. Net asset value per share

	As at 31 August 2016	As at 31 August 2015	As at 29 February 2016
Net assets	9,879,000	10,426,000	9,839,000
Shares in issue	12,820,841	12,820,841	12,820,841
Net asset value per share			
Basic	77.05p	81.32p	76.74p
Diluted	77.05p	81.32p	76.74p

4. Management fees

The Company pays the Investment Manager an annual management fee of 2% of the Company's net assets. The fee is payable quarterly in arrears. The annual management fee is allocated 75% to capital and 25% to revenue.

5. Financial information provided

The financial information for the period ended 31 August 2016 has not been audited and does not comprise full financial statements within the meaning of Section 423 of the Companies Act 2006. The interim financial statements have been prepared on the same basis as will be used to prepare the annual financial statements.

Notes to the Interim Report continued

For the period ended 31 August 2016

6. Investment portfolio summary

	Valuation £'000	Cost £'000	Gain/(loss) £'000	Valuation as a % of Net Assets
As at 31 August 2016				
Qualifying Investment - Unquoted				
Isaacs Trading Limited	1,000	1,000	-	10%
Jephcote Trading Limited	1,000	1,000	-	10%
Kinloss Trading Limited	254	254	-	3%
Saville Services Limited	1,185	1,185	-	12%
Alyth Trading Limited	1,600	1,600	-	16%
Urban Mining Limited	1,250	1,250	-	13%
Opes Industries Limited	852	1,000	(148)	9%
Total Qualifying Investments	7,141	7,289	(148)	73%
Non-Qualifying Investments				
Palmer Lending Limited	1,000	1,000	-	10%
Latimer Lending Limited	750	750	-	8%
Total Non-Qualifying investments	1,750	1,750	-	18%
Total Investments	8,891	9,039	(148)	91%
Balance of Portfolio	988	988	-	9%
Net Assets	9,879	10,027	(148)	100%

Copies of this Interim Statement will be posted to shareholders in due course and made available on the website:
www.pumainvestments.co.uk/pages/view/investors-information-vcts

Puma VCT 8 plc
Bond Street House
14 Clifford Street
London W1S 4JU

www.shorecap.gg

Tel: 020 7408 4050
Fax: 020 7408 4051