



UNICORN AIM VCT PLC

Unaudited Half-Yearly Report
for the six months ended 31 March 2009

Investment Objective

The objective of the Company is to provide Shareholders with an attractive return from a diversified portfolio of investments, predominantly in the shares of AIM quoted companies, by maximising the stream of dividend distributions to Shareholders from the income and capital gains generated by the portfolio.

It is also the objective that the Company should continue to qualify as a Venture Capital Trust, so that Shareholders benefit from the taxation advantages that this brings. To achieve this at least 70% of the Company's total assets are to be invested in qualifying investments of which 30% by value must be in ordinary shares carrying no preferential rights to dividends or return of capital and no rights to redemption.

Investment Policy

In order to achieve the Company's Investment Objective, the Board has agreed an Investment Policy which requires the Investment Manager to identify and invest in a diversified portfolio, predominantly of VCT qualifying companies quoted on AIM, that displays a majority of the following characteristics:

- experienced and well-motivated management;
- products and services supplying growing markets;
- sound operational and financial controls; and
- good cash generation to finance development allied with a progressive dividend policy.

Asset allocation and risk diversification policies, including maximum exposures, are to an extent governed by prevailing VCT legislation. Specific conditions for HMRC approval of VCTs include the requirement that no single holding may represent more than 15% (by value) of the Company's investments, at the date of that investment.

The Investment Manager is responsible for managing sector and stock specific risk and the Board does not impose formal limits in respect of such exposures. However, in order to maintain compliance with HMRC rules and to ensure that an appropriate spread of investment risk is achieved, the Board receives and reviews comprehensive reports from the Investment Manager and the Administrator on a regular basis. When the Investment Manager proposes to make an investment in an unquoted company, the prior approval of the Board is required.

Where capital is available for investment while awaiting suitable VCT qualifying opportunities, or in excess of the 70% VCT qualification threshold, it may be invested in collective investment funds or in non-qualifying shares and securities in smaller listed UK companies.

To date the Company has operated without recourse to borrowing. The Board may however consider the possibility of introducing modest levels of gearing up to a maximum of 20% of net assets, should circumstances suggest that such action is in the interests of shareholders.

Chairman's Statement

I am pleased to present the Half-Yearly Report of the Company for the six months ended 31 March 2009.

Review of performance

The period under review saw a continuation of extraordinarily difficult investment conditions, especially at the smaller end of the quoted market. The severe economic and financial crisis currently being experienced has led to an acceleration in the rate of job losses, home repossessions and insolvencies. Scarcity of capital has created major problems for businesses seeking to re-finance, which in turn has had a substantially negative impact on equity valuations. As the economic outlook deteriorated, investors became increasingly risk averse and trading activity in the shares of small, illiquid quoted companies slowed dramatically which, in turn, dragged share prices even lower. For the time being, with the continued absence of any obvious catalysts to support a sustained recovery, it is likely that equity markets will remain volatile. In the six month period to the end of March 2009, the FTSE AIM All-Share Index fell by 33.1% on a total return basis, whilst the FTSE SmallCap Index fared somewhat better, registering a total return of -30.1%.

The Funds have performed well relative to the wider market. However, it is nonetheless disappointing to have to report substantial declines in Net Asset Values for the period. It is probably worth reminding investors that, partly because of the rules governing AIM based VCTs, your Investment Manager has limited flexibility to reposition portfolios.

Set out below is a summary of performance for each Fund over the six months ended 31 March 2009:-

	Ordinary Fund	S2 Fund	S3 Fund
Launch date	November 2001	February 2004	April 2007
Net asset value ("NAV") at 31 March 2009 (pence per share)	43.1	57.7	70.0
Change in NAV per Share since 30 September 2008 after adding back dividends paid in the period	(25.4)%	(20.7)%	(8.5)%
Cumulative dividends paid to date (pence per share)	42.0	18.75	1.0
Total net asset value return since launch (pence per share)	85.1	76.5	71.0
Return against NAV at launch of 94.5 pence per share	(9.9)%	(19.0)%	(24.8)%

Ordinary Share Fund

Over the six months there was a net loss on investments of £4.86 million (£6.37 million net loss for the six months ended 31 March 2008) and the total loss on ordinary activities after taxation was £4.95 million, the equivalent of 16.02 pence per share (£6.66 million loss or 21.94 pence per share for the six months ended 31 March 2008). The surplus on the revenue account for the Ordinary Share Fund was £28,000 (£84,000 deficit for the six months ended 31 March 2008).

During the period 422,100 Ordinary Shares were bought back for cancellation at an average price of 26.3 pence per share (before expenses) and at an average discount of 44% to the net asset value per share.

S2 Share Fund

Over the six months there was a net loss on investments of £2.21 million (£3.14 million net loss for the six months ended 31 March 2008) and the total loss on ordinary activities after taxation was £2.30 million, the equivalent of 15.58 pence per share (£3.28 million loss or 22.34 pence per share for the six months ended 31 March 2008). The deficit on the revenue account for the S2 Share Fund was £26,000 (£43,000 deficit for the six months ended 31 March 2008).

No S2 Shares were bought back during the period.

S3 Share Fund

Over the six months there was a net loss on investments of £335,000 (£290,000 net loss for the six months ended 31 March 2008) and the total loss on ordinary activities after taxation was £329,000, the equivalent of 6.64 pence per share (£288,000 loss or 5.80 pence per share for the six months ended 31 March 2008). The surplus on the revenue account for the S3 Share Fund was £22,000 (£22,000 surplus for the six months ended 31 March 2008).

No S3 Shares were bought back during the period.

Dividends

The Board's policy remains to maximise the stream of dividend distributions to Shareholders from the income and capital gains generated by the portfolio. However, the continuing weakness of equity markets and consequent decline in asset values has resulted in a much reduced level of capital gains. In addition, revenue returns are lower than anticipated due to a reduced level of dividend income and lower interest earned on cash balances. As a consequence, the Board will not be declaring dividends for any of the three Funds for the period under review.

The Board will re-consider the payment of dividends when reviewing the Annual Report and Accounts after the end of the current financial year.

Qualifying Investments

In recent months, the Alternative Investment Market has experienced a rising number of profit warnings issued by companies which are struggling to adapt to an increasingly challenging trading environment. Many businesses have required re-financing in order to ensure their survival and some have been forced to accept very expensive terms to secure new capital investment. The steady flow of negative news combined with occasional forced selling has placed further pressure on the valuations of smaller quoted companies. Performance across all three Funds has been affected by these pressures to varying degrees.

In both the Ordinary Share Fund and the S2 Share Fund, a considerable number of investee companies saw their share prices fall by 50% or more during the period. Many of these declines were triggered either by the release of weaker than anticipated financial results or by often misplaced concerns over balance sheet strength and survivability. Profit warnings issued by Glisten, the manufacturer of confectionery and healthy snacks and by Maxima Holdings, an IT managed services business accounted for almost half of the total decline generated by the Ordinary Share Fund's qualifying portfolio. In common with many of the companies within the portfolios, both these businesses are in relatively good health and should survive

the current economic downturn. Glisten and Maxima remain profitable and both are capable of generating sustainable levels of free cashflow. The management teams of each of these businesses are now firmly focused on debt reduction. Unfortunately, the shares of both Shieldtech, a specialist manufacturer of body armour, and Strategic Retail, a DIY retailer, were suspended during the period. The Board of Shieldtech remains in negotiations regarding a possible refinancing, whilst Strategic Retail has been declared insolvent.

Although trading conditions generally remain extremely difficult, your Investment Manager is confident that most of the companies which have suffered recent setbacks should survive and have the potential to recover in due course. In addition, it is worth noting that many of the companies in which the Funds have invested continue to trade profitably and in some cases are still delivering significant earnings and share price growth. Abcam, a specialist manufacturer and distributor of therapeutic antibodies and Animalcare, a leading supplier of veterinary products, are worthy of particular note, having seen their share prices increase by 27% and 37% respectively in the six months to 31 March 2009. Abcam is held in the Ordinary and S2 Share Funds, whilst Animalcare is held in the S3 Share Fund.

The S3 Share Fund remains in the earlier stages of investment, being 29.9% invested in equities, and as a consequence it continued to perform relatively well during the period.

In December 2008, the Investment Manager made one further VCT qualifying investment which took the form of 8% Convertible Loan Stock in Snacktime, one of the UK's leading confectionery vending businesses. Each of the three Funds participated in this investment.

There were no outright disposals made during the period, although the Ordinary and the S2 Share Funds each received a substantial cash return from their investment in Clerkenwell Ventures, a cash shell, following a change in strategy. The Ordinary and S2 Share Funds effected a sale of their holding in Optare, a bus manufacturer, via an exchange of stock. The Ordinary Share Fund made a partial disposal of its holding in Printing.com, a specialist printing retailer.

In aggregate, the Funds remain well above the VCT qualifying threshold required by HM Revenue & Customs, with approximately 79% of the Company's assets being invested in VCT qualifying companies. All other HM Revenue & Customs tests have been complied with and your Board has been advised that the Company has maintained its venture capital trust status.

A full list of all the qualifying investments held in all Funds at the period end is included on page 7 of this report.

Outlook

Prospects for the Alternative Investment Market are currently uncertain. A significant proportion of the Index remains concentrated in non-producing, cash-consuming, mining and resource companies which may well find it difficult, if not impossible, to secure the funding required to ensure their survival. At the same time, there are also very many businesses, spread across a broad spectrum of other sectors, which remain profitable and cash generative and which carry little or no debt on their balance sheets. A high percentage of these companies are

currently valued by the market as though they are destined to fail. In reality, however, we believe the vast majority will survive the current malaise and emerge as stronger and more efficiently managed businesses. The portfolios are well diversified with a high proportion of each Fund's assets invested in just such businesses.

The Board remains optimistic that the Funds have the potential for substantial recovery of value in due course. In the meantime, given the Company's cash position your Investment Manager will, on a selective basis, be seeking to capitalise on the significant valuation anomalies which seem to have emerged at the smaller end of the quoted equity market.

Peter Dicks

Chairman

29 April 2009

Principal risks and uncertainties

In accordance with DTR 4.2.7, the Board confirms that the principal risks and uncertainties facing the Company have not materially changed since the publication of the Annual Report and Accounts for the year ended 30 September 2008. The Board acknowledges that there is regulatory risk and continues to manage the Company's affairs in such a manner as to comply with section 274 Income Tax Act 2007. Other risks relate to investment & strategic risk, operational risk and financial instruments risk. A more detailed explanation of these can be found in the Directors' Report on page 22 of the 2008 Annual Report and Accounts – copies are available on the Investment Manager's website, www.unicornam.com.

Related Party Transactions

Details of related party transactions in accordance with Disclosure and Transparency Rule 4.2.8 can be found in Note 8 to the Accounts on page 18.

Responsibility Statement

The Directors confirm that to the best of their knowledge:

- (a) the condensed set of financial statements has been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) and the 2003 Statement of Recommended Practice "Financial Statements of Investment Trust Companies", revised December 2005, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, as required by Disclosure & Transparency Rule 4.2.4; and
- (b) the interim management report includes a fair review of the information required by Disclosure & Transparency Rules 4.2.7 - 8 in accordance with Disclosure & Transparency Rule 4.2.10.

For and on behalf of the Board:

for Matrix-Securities Limited

Secretary

29 April 2009

Investment Portfolio Summary – Ordinary Share Fund

as at 31 March 2009

Qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value
AIM quoted investments:			
Abcam plc	466	1,677	12.7%
Mattioli Woods plc	449	783	6.0%
Supporta plc	1,432	525	4.0%
Glisten plc	582	495	3.8%
Maxima Holdings plc	1,200	403	3.1%
Avingtrans plc	708	354	2.7%
SnackTime plc	520	335	2.5%
Prologic plc	589	251	1.9%
Pilat Media Global plc	480	214	1.6%
Zetar plc	406	193	1.5%
Huveaux plc	1,000	180	1.4%
Kiotech International plc	351	176	1.3%
Hasgrove plc	300	163	1.2%
Tracsis plc	120	150	1.1%
Lees Foods plc	260	124	0.9%
Dillistone Group plc	106	119	0.9%
Fountains plc	365	117	0.9%
Praesepe plc	253	115	0.9%
Hexagon Human Capital plc	429	99	0.8%
Access Intelligence plc	490	98	0.7%
Printing.com plc	123	90	0.7%
Sanderson Group plc	385	77	0.6%
Augean plc	350	55	0.4%
Datong Electronics plc	333	47	0.4%
Essentially plc	152	27	0.2%
Belgravium Technologies plc	117	15	0.1%
Cantono plc	300	3	0.0%
Assetco plc	0	0	0.0%
	12,266	6,885	52.3%
Fully listed investments:			
Mears Group plc	970	987	7.5%
Microgen plc	181	123	0.9%
	1,151	1,110	8.4%
Unlisted investments:			
Amber Taverns Limited	500	518	3.9%
Sanastro plc	500	125	1.0%
Synarbor plc (formerly Public Recruitment Group plc)	1,000	–	0.0%
Shieldtech plc	650	–	0.0%
Centurion Electronics plc	575	–	0.0%
Strategic Retail plc	426	–	0.0%
Greatfleet plc (in administration)	310	–	0.0%
	3,961	643	4.9%
Total qualifying investments	17,378	8,638	65.6%
Non-qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value
Money market funds ¹	3,519	3,519	26.7%
Unicorn Free Spirit Fund (OEIC)	332	426	3.3%
AIM quoted investments	434	292	2.2%
Listed UK equities	188	191	1.5%
Total non-qualifying investments	4,473	4,428	33.7%
Total investments	21,851	13,066	99.3%
Other assets		281	2.1%
Current liabilities		(191)	(1.4)%
Net assets		13,156	100.0%

¹ Disclosed within 'Current investments' under Current assets in the Balance Sheet.

Investment Portfolio Summary – S2 Share Fund

as at 31 March 2009

Qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value
AIM quoted investments:			
Abcam plc	334	1,200	14.1%
Mattioli Woods plc	396	690	8.1%
Cohort plc	507	656	7.7%
Melorio plc	360	338	4.0%
Driver Group plc	325	338	4.0%
Maxima Holdings plc	800	248	2.9%
SnackTime plc	388	240	2.8%
Zetar plc	366	174	2.0%
Hasgrove plc	300	163	1.9%
Tracsis plc	120	150	1.8%
Avingtrans plc	288	144	1.7%
IS Pharma plc (formerly Maelor plc)	154	126	1.5%
Relax Group plc (formerly Debts.co.uk plc)	400	124	1.5%
Invocas Group plc	344	118	1.4%
Kiotech International plc	195	98	1.1%
Prologic plc	218	93	1.1%
Keycom plc	120	90	1.1%
Printing.com plc	108	79	0.9%
Sanderson Group plc	385	77	0.9%
Praesepe plc	150	68	0.8%
Hexagon Human Capital plc	253	58	0.7%
Datong Electronics plc	333	47	0.6%
Fountains plc	135	43	0.5%
Access Intelligence plc	210	42	0.5%
eg solutions plc	250	35	0.4%
Essentially plc	152	27	0.3%
Augean plc	150	24	0.3%
Belgravium Technologies plc	117	15	0.2%
Cantono plc	200	2	0.0%
	8,058	5,507	64.8%
Fully listed investments:			
Mears Group plc	345	236	2.8%
Unlisted investments:			
Amber Taverns Limited	500	518	6.0%
Sanastro plc	500	125	1.5%
The Debt Advisor Group plc (formerly Compass Finance Group plc) (in administration)	1,000	–	0.0%
Shieldtech plc	350	–	0.0%
Strategic Retail plc	174	–	0.0%
	2,524	643	7.5%
Total qualifying investments	10,927	6,386	75.1%
Non-qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value
Unicorn UK Smaller Companies Fund (OEIC)	1,213	940	11.0%
Unicorn Free Spirit Fund (OEIC)	729	680	8.0%
Money market funds ¹	532	532	6.1%
AIM quoted investments	105	58	0.7%
Total non-qualifying investments	2,579	2,210	25.8%
Total investments	13,506	8,596	100.9%
Other assets		50	0.5%
Current liabilities		(121)	(1.4)%
Net assets		8,525	100.0%

¹ Disclosed within 'Current investments' under current assets in the Balance Sheet.

Investment Portfolio Summary – S3 Share Fund

as at 31 March 2009

Qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value
AIM quoted investments:			
Animalcare Group plc	200	247	7.1%
Tracsis plc	220	244	7.0%
Melorio plc	187	176	5.1%
SnackTime plc	266	155	4.5%
IS Pharma plc (formerly Maelor plc)	154	126	3.6%
Keycom plc	120	90	2.6%
Total qualifying investments	1,147	1,038	29.9%
Non-qualifying investments	Book cost £'000	Valuation £'000	% of net assets by value
Money market funds ¹	1,075	1,075	31.0%
Unicorn Outstanding British Companies Fund (OEIC)	503	364	10.5%
Unicorn Free Spirit Fund (OEIC)	496	271	7.8%
Unicorn Mastertrust Fund (OEIC)	498	259	7.5%
Unicorn UK Smaller Companies Fund (OEIC)	496	256	7.4%
Unicorn UK Income Fund (OEIC)	480	238	6.9%
Total non-qualifying investments	3,548	2,463	71.1%
Total investments	4,695	3,501	101.0%
Other assets		25	0.7%
Current liabilities		(56)	(1.7)%
Net assets		3,470	100.0%

¹ Disclosed within 'Current investments' under current assets in the Balance Sheet.

Qualifying Investments

AIM quoted investments:

Abcam plc

Online distributor of antibodies for research purposes.

Access Intelligence plc

Subscription based sales and marketing support.

Animalcare Group plc

Manufacturer & supplier worldwide of livestock, healthcare & management products.

Assetco plc

Provision of ladders and ancillary equipment for the emergency services.

Augean plc

Operation of hazardous waste landfill sites.

Avingtrans plc

Provision of precision engineering services.

Belgravium Technologies plc

Development and supply of rugged, hand-held, battery powered, real time data capture devices.

Cantono plc

Managed IT services.

Cohort plc

Provision of a wide range of technical services to clients in the defence and security sectors.

Datong Electronics plc

Development of a range of advanced covert tracking and location systems.

Dillistone Group plc

Provider of software services to the executive recruitment industry.

Driver Group plc

Provision of specialist commercial, project planning and dispute resolution services to the construction industry.

EG Solutions plc

Provision of proprietary workflow management tools designed to improve operational efficiencies.

Essentially plc

Sports marketing and media services.

Fountains plc

Environmental services and grounds maintenance to utility companies and local authorities.

Glisten plc

Manufacturer of chocolate confectionery, sugar based sweets and edible decorations.

Hasgrove plc

Pan-European marketing and communications services.

Hexagon Human Capital plc

Specialist recruitment consultants.

Huveaux plc

Broadly based media group focusing upon political publishing, education and training.

Invocas Group plc

Provision of personal and corporate debt solutions based in Scotland.

IS Pharma plc (formerly Maelor plc)

Pharmaceuticals company.

Keycom plc

Designers and developers of communications strategies.

Kiotech International plc

Manufacturer of animal feed supplements.

Lees Foods plc

Confectionery manufacturer.

Mattioli Woods plc

Consultants in the provision of pension and wealth management services.

Maxima Holdings plc

Implementation and support of enterprise software solutions.

Melorio plc

NVQ training targeted at the Construction Industry.

Pilat Media Global plc

Development and support of scheduling software for digital TV.

Praesepe plc

Adult gaming centres.

Printing.com plc

Franchised high street printing.

Prologic plc

Development and maintenance of software to meet the operational, reporting and business intelligence needs of fashion businesses.

Relax Group plc (formerly Debts.co.uk plc)

Specialist advisors for personal debt solution management.

Sanderson Group plc

Implementation and support of proprietary enterprise software solutions.

SnackTime plc

Operator of vending machines.

Supporta plc

Provision of back office support and domiciliary care to the public and private sectors.

Tracsis plc

Provider of resource optimisation software to transport companies.

Zetar plc

Niche manufacturer of chocolate confectionery.

Fully Listed investments:

Mears Group plc

Social Housing and domiciliary care.

Microgen plc

IT consultancy and managed services provider.

Unlisted investments:

Amber Taverns Limited

Pub operator.

Centurion Electronics plc

Design and distribution of in-car audio-visual entertainment systems.

Greatfleet plc (in administration)

Recruitment consultant specialising in legal and financial search and selection.

Sanastro plc

Specialist financial publisher.

Shieldtech plc

Design, manufacture and supply of body armour.

Strategic Retail plc

Operation of retail outlets specialising in home décor and furnishings market.

Synarbor plc (formerly Public Recruitment Group plc)

Public sector recruitment and services group specialising in the education, healthcare and social work sectors.

The Debt Advisor Group plc (formerly Compass Finance Group plc) (in administration)

Consumer financial solutions through mortgages, secured and unsecured loans.

Unaudited Non-Statutory Analysis between the Ordinary Share, S2 Share and S3 Share Funds

Profit and loss accounts for the six months ended 31 March 2009

	Notes	Ordinary Share Fund			S2 Share Fund		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Unrealised losses on investments		–	(4,974)	(4,974)	–	(2,285)	(2,285)
Gains on realisations of investments		–	119	119	–	72	72
Income		205	–	205	61	–	61
Investment management fees	2	(42)	(127)	(169)	(21)	(62)	(83)
Other expenses		(135)	–	(135)	(66)	–	(66)
Profit/(loss) on ordinary activities before taxation		28	(4,982)	(4,954)	(26)	(2,275)	(2,301)
Tax on ordinary activities		–	–	–	–	–	–
Profit/(loss) attributable to equity shareholders		28	(4,982)	(4,954)	(26)	(2,275)	(2,301)
Basic and diluted earnings per 1p share	4	0.09p	(16.11)p	(16.02)p	(0.17)p	(15.41)p	(15.58)p

Balance Sheets as at 31 March 2009

	Notes	Ordinary Share Fund		S2 Share Fund	
		£'000	£'000	£'000	£'000
Non current assets					
Investments at fair value			9,547		8,064
Current assets					
Debtors and prepayments			163		8
Current investments			3,519		532
Cash at bank			118		42
			3,800		582
Creditors: amounts falling due within one year			(191)		(121)
Net current assets					
			3,609		461
Net assets					
			13,156		8,525
Share capital and reserves					
Called up share capital			306		148
Capital redemption reserve			54		12
Share premium account			640		200
Revaluation reserve			(6,695)		(3,810)
Special distributable reserve			15,214		11,000
Profit and loss account			3,637		975
Equity shareholders' funds					
			13,156		8,525
Number of shares in issue:					
			30,558,244		14,764,738
Net asset value per 1p share:	6				
			43.1p		57.7p

	S3 Share Fund			Total of all three Funds (per Statutory Profit and Loss account)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
	–	(335)	(335)	–	(7,594)	(7,594)
	–	–	–	–	191	191
	31	–	31	297	–	297
	(5)	(16)	(21)	(68)	(205)	(273)
	(4)	–	(4)	(205)	–	(205)
	22	(351)	(329)	24	(7,608)	(7,584)
	–	–	–	–	–	–
	22	(351)	(329)	24	(7,608)	(7,584)
	0.44p	(7.08)p	(6.64)p			

	S3 Share Fund		Adjustments (see note below) £'000	Total of all three Funds (per Statutory Balance Sheet) £'000	
	£'000	£'000		£'000	£'000
		2,426			20,037
	7		(138)	40	
	1,075			5,126	
	18			178	
	1,100		(138)	5,344	
	(56)		138	(230)	
		1,044	–		5,114
		3,470	–		25,151
		50			504
		–			66
		–			840
		(1,194)			(11,699)
		4,546			30,760
		68			4,680
		3,470			25,151
		4,958,036			
		70.0p			

Note: The adjustment above nets off the inter-fund debtor and creditor balances, so that the "Total of all three Funds" balance sheet agrees to the Statutory Balance Sheet on page 12.

Unaudited Profit and Loss Account

for the six months ended 31 March 2009

	Notes	Six months ended 31 March 2009			Six months ended 31 March 2008		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Unrealised losses on investments		–	(7,594)	(7,594)	–	(9,752)	(9,752)
Gains/(losses) on realisations of investments		–	191	191	–	(46)	(46)
Income		297	–	297	268	–	268
Vat recoverable		–	–	–	–	–	–
Investment management fees	2	(68)	(205)	(273)	(109)	(327)	(436)
Other expenses		(205)	–	(205)	(264)	–	(264)
Profit/(loss) on ordinary activities before income tax		24	(7,608)	(7,584)	(105)	(10,125)	(10,230)
Tax on profit/(loss) on ordinary activities		–	–	–	–	–	–
Profit/(loss) on ordinary activities after taxation for the financial period		24	(7,608)	(7,584)	(105)	(10,125)	(10,230)
Basic and diluted earnings per share:							
Ordinary Shares	4			(16.02)p			(21.94)p
S2 Shares	4			(15.58)p			(22.34)p
S3 Shares	4			(6.64)p			(5.80)p

The total column of this statement is the profit and loss account of the Company.

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

There were no other recognised gains or losses in the period.

Other than revaluation movements arising on investments held at fair value through Profit and Loss Account, there were no differences between the profit/(loss) as stated above and at historical cost.

The notes on pages 15 to 18 form part of these half-yearly financial statements.

	Year ended 30 September 2008 (audited)			
	Revenue £'000	Capital £'000	Total £'000	
	–	(14,209)	(14,209)	
	–	(182)	(182)	
	729	–	729	
	168	503	671	
	(172)	(514)	(686)	
	(504)	–	(504)	
	221	(14,402)	(14,181)	
	18	(18)	–	
	239	(14,420)	(14,181)	
			(27.67)p	
			(33.65)p	
			(14.66)p	

Unaudited Balance Sheet

as at 31 March 2009

	Notes	As at 31 March 2009 £'000	As at 31 March 2008 £'000	As at 30 September 2008 (audited) £'000
Non current assets				
Investments at fair value	1b	20,037	32,940	28,042
Current assets				
Debtors and prepayments		40	83	2,068
Current investments	7	5,126	4,969	4,152
Cash at bank		178	470	48
		5,344	5,522	6,268
Creditors: amounts falling due within one year				
Other creditors		(142)	(918)	(15)
Accruals		(88)	(171)	(172)
		(230)	(1,089)	(187)
Net current assets		5,114	4,433	6,081
Net assets		25,151	37,373	34,123
Share capital and reserves				
Share capital		504	498	508
Capital redemption reserve		66	60	62
Share premium account		840	10	840
Revaluation reserve		(11,699)	(955)	(4,603)
Special distributable reserve		30,760	34,132	31,396
Profit and loss account		4,680	3,628	5,920
Equity shareholders' funds		25,151	37,373	34,123
Net asset value per share of 1p each				
Ordinary Shares	6	43.1p	67.7p	61.8p
S2 Shares	6	57.7p	86.6p	75.3p
S3 Shares	6	70.0p	86.5p	77.6p

The financial information for the six months ended 31 March 2009 and the six months ended 31 March 2008 has not been audited.

Unaudited Reconciliation of Movements in Shareholders' Funds

for the six months ended 31 March 2009

	Notes	Six months ended 31 March 2009 £'000	Six months ended 31 March 2008 £'000	Year ended 30 September 2008 (audited) £'000
Opening Shareholders' funds		34,123	48,670	48,670
Net share capital bought back in the period		(114)	(328)	(469)
Net share capital subscribed in the period		–	–	842
Loss for the period		(7,584)	(10,230)	(14,181)
Dividends paid in period	5	(1,274)	(739)	(739)
Closing Shareholders' funds		25,151	37,373	34,123

The financial information for the six months ended 31 March 2009 and the six months ended 31 March 2008 has not been audited.

Unaudited Statement of Cash Flows

for the six months ended 31 March 2009

	Six months ended 31 March 2009	Six months ended 31 March 2008	Year ended 30 September 2008 (audited)
	£'000	£'000	£'000
Operating activities			
Investment income received	320	334	713
VAT recovered/interest on VAT	891	–	–
Investment management fees paid	(273)	(435)	(807)
Other cash payments	(167)	(303)	(600)
Net cash inflow/(outflow) from operating activities	771	(404)	(694)
Investing activities			
Purchase of investments	(352)	(1,732)	(3,710)
Sale of investments	2,073	5,640	5,967
Net cash inflow from investing activities	1,721	3,908	2,257
Dividends			
Dividends paid	(1,274)	(739)	(739)
Cash inflow before financing and liquid resource management	1,218	2,765	824
Financing			
Share capital raised	–	–	842
Share capital re-purchased	(114)	(373)	(513)
	(114)	(373)	329
Management of liquid resources			
Increase in monies held pending investment	(974)	(2,030)	(1,213)
Increase/(decrease) in cash	130	362	(60)
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash for the period	130	362	(60)
Net funds at start of period	48	108	108
Net funds at end of period	178	470	48
Reconciliation of operating loss to net cash inflow/(outflow) from operating activities			
Loss on ordinary activities before taxation	(7,584)	(10,230)	(14,181)
Net (gains)/losses on realisations of investments	(191)	46	182
Net unrealised losses on investments	7,594	9,752	14,209
Decrease/(increase) in debtors	870	19	(920)
Increase in creditors	82	9	16
Net cash inflow/(outflow) from operating activities	771	(404)	(694)

Notes to the unaudited financial statements

1. Principal accounting policies

The following accounting policies have been applied consistently throughout the period. Full details of principal accounting policies will be disclosed in the Annual Report.

a) Basis of accounting

The unaudited results cover the six months to 31 March 2009 and have been prepared under UK Generally Accepted Accounting Practice (UK GAAP), consistent with the accounting policies set out in the statutory accounts for the year ended 30 September 2008 and, to the extent that it does not conflict with the Companies Act 1985, the 2003 Statement of Recommended Practice, 'Financial Statements of Investment Trust Companies', revised December 2005.

The Half-Yearly Report has not been audited, nor has it been reviewed by the auditors pursuant to the Auditing Practices Board (APB)'s guidance on Review of Interim Financial Information.

As a result of the Directors' decision to distribute capital profits by way of a dividend, the Company revoked its investment company status as defined under section 266 (3) of the Companies Act 1985, on 17 August 2004.

Consequently, the financial statements have been drawn up to include a statutory profit and loss account in accordance with Schedule 4 of the Companies Act 1985 and Financial Reporting Standard 3 "Reporting Financial Performance" and the comparatives have been presented on a consistent basis. This has no effect on total returns or net assets per share.

b) Investments

All investments held by the Company are classified as "fair value through profit and loss" as the Company's business is to invest in financial assets with a view to profiting from their total return in the form of capital growth and income. For investments actively traded in organised financial markets, fair value is generally determined by reference to Stock Exchange market quoted bid prices at the close of business on the balance sheet date.

Unquoted investments are valued by the Directors in accordance with the following rules, which are consistent with the International Private Equity Venture Capital Valuation (IPEVCV) guidelines:

- (i) Investments which have been made in the last 12 months are at fair value which, unless another methodology gives a better indication of fair value, will be at cost;
- (ii) Investments in companies at an early stage of their development are also valued at fair value which, unless another methodology gives a better indication of fair value, will be at cost;
- (iii) Where investments have gone beyond the stage of their development in (ii) above, the shares may be valued by applying a suitable price-earnings ratio to that company's post-tax earnings (the ratio used being based on a comparable listed company or sector but discounted to reflect lack of marketability);
- (iv) Where a value is indicated by a material arms-length transaction by a third party in the shares of a company, this value will be used.

Unlisted investments will not normally be re-valued upwards for a period of at least twelve months from the date of acquisition for early stage investments. Where a company's underperformance against plan indicates a diminution in the value of the investment, provision against cost is made, as appropriate.

2. The Directors have charged 75% of the investment management fee to the capital reserve.

3. Taxation

There is no tax charge for the period, as the Company has incurred taxable losses in the period.

Notes to the unaudited financial statements

4. Basic and diluted earnings and return per share

	Six months ended 31 March 2009				Six months ended 31	
	Ordinary Share Fund £'000	S2 Share Fund £'000	S3 Share Fund £'000	Total £'000	Ordinary Share Fund £'000	S2 Share Fund £'000
Total earnings after taxation	(4,954)	(2,301)	(329)	(7,584)	(6,660)	(3,282)
Basic and diluted earnings per share	(16.02)p	(15.58)p	(6.64)p		(21.94)p	(22.34)p
Net revenue from ordinary activities after taxation	28	(26)	22		(84)	(43)
Revenue return per share	0.09p	(0.17)p	0.44p		(0.28)p	(0.29)p
Net unrealised capital (losses)/gains	(4,974)	(2,285)	(335)		(6,411)	(3,051)
Net realised capital gains/(losses)	119	72	–		39	(85)
Capital element of VAT recoverable	–	–	–		–	–
Capital expenses (net of taxation)	(127)	(62)	(16)		(204)	(103)
Total capital return	(4,982)	(2,275)	(351)		(6,576)	(3,239)
Capital return per share	(16.11)p	(15.41)p	(7.08)p		(21.66)p	(22.05)p
Weighted average number of shares in issue in the period	30,927,399	14,764,738	4,958,036		30,357,257	14,691,444

5. Dividends

	Six months ended 31 March 2009				Six months ended 31	
	Ordinary Share Fund £'000	S2 Share Fund £'000	S3 Share Fund £'000	Total £'000	Ordinary Share Fund £'000	S2 Share Fund £'000
Ordinary Share Fund:						
Interim paid	–	–	–	–	–	–
Final paid re prior year	929	–	–	929	–	–
S2 Share Fund:						
Interim paid	–	–	–	–	–	–
Final paid re prior year	–	295	–	295	–	739
S3 Share Fund:						
Interim paid	–	–	–	–	–	–
Final paid re prior year	–	–	50	50	–	–
	929	295	50	1,274	–	739

6. Net asset values

	Six months ended 31 March 2009				Six months ended 31	
	Ordinary Share Fund £'000	S2 Share Fund £'000	S3 Share Fund £'000	Total £'000	Ordinary Share Fund £'000	S2 Share Fund £'000
Net assets	13,156	8,525	3,470		20,454	12,631
Number of shares in issue	30,558,244	14,764,738	4,958,036		30,233,787	14,578,973
Net asset value per share	43.1p	57.7p	70.0p		67.7p	86.6p

March 2008 S3 Share Fund £'000	Total £'000	Ordinary Share Fund (audited) £'000	Year ended 30 September 2008 S2 Share Fund (audited) £'000	S3 Share Fund (audited) £'000	Total (audited) £'000
(288) (5.80)p	(10,230)	(8,496) (27.67)p	(4,958) (33.65)p	(727) (14.66)p	(14,181)
22 0.44p		180 0.59p	12 0.08p	47 0.95p	
(290)		(8,751)	(4,714)	(744)	
–		4	(186)	–	
–		411	89	3	
(20)		(340)	(159)	(33)	
(310) (6.24)p		(8,676) (28.26)p	(4,970) (33.73)p	(774) (15.61)p	
4,958,036		30,699,263	14,731,850	4,958,036	

March 2008 S3 Share Fund £'000	Total £'000	Ordinary Share Fund (audited) £'000	Year ended 30 September 2008 S2 Share Fund (audited) £'000	S3 Share Fund (audited) £'000	Total (audited) £'000
–	–	–	–	–	–
–	–	–	–	–	–
–	–	–	–	–	–
–	739	–	739	–	739
–	–	–	–	–	–
–	–	–	–	–	–
–	739	–	739	–	739

March 2008 S3 Share Fund £'000	Ordinary Share Fund (audited) £'000	Year ended 30 September 2008 S2 Share Fund (audited) £'000	S3 Share Fund (audited) £'000
4,288	19,154	11,121	3,848
4,958,036	30,980,344	14,764,738	4,958,036
86.5p	61.8p	75.3p	77.6p

Notes to the unaudited financial statements

7. Current investments

These comprise investments in two Dublin based OEIC money market funds, managed by Royal Bank of Scotland and Blackrock Investment Management (UK) Ltd and one UK based money market fund managed by Prime Rate Capital Management LLP. £5,125,000 (31 March 2008: £4,969,000; 30 September 2008: £4,151,000) of this sum is subject to same day access, while £1,000 (31 March 2008: £nil; 30 September 2008: £1,000) is subject to two day access. These sums are regarded as monies held pending investment.

8. Related party transactions

David Royds is a director and shareholder of Matrix Group Limited, which owns Matrix-Securities Limited and has significant interests in Prime Rate Capital Management LLP ("PRCM") and Matrix Corporate Capital LLP ("MCC"). David Royds is also a director of Matrix-Securities Limited, which acted as Promoter to the Company for a fee of £nil (31 March 2008: £nil, 30 September 2008: £nil) and provides administration services to the Company for a fee of £97,000 (31 March 2008: £96,000; 30 September 2008: £193,000). £49,000 (31 March 2008: £48,000; 30 September 2008: £nil) was due to Matrix at the end of the period.

The Company has invested £1,000,000 in a liquidity fund managed by PRCM, and earned income of £11,000 from this fund in the period to 31 March 2009. MCC were appointed as the Company's brokers on 10 December 2008. No fees have been charged for the period. Two share buybacks were undertaken by MCC on the Company's instruction totalling £114,000. £80,000 was owed to MCC at the period-end.

9. The financial information for the six months ended 31 March 2009 and the six months ended 31 March 2008 has not been audited.

The information for the year ended 30 September 2008 does not comprise full financial statements within the meaning of section 240 of the Companies Act 1985. The financial statements for the year ended 30 September 2008 have been filed with the Registrar of Companies. The auditors have reported on these financial statements and that report was unqualified and did not contain a statement under section 237(2) of the Companies Act 1985. The accounting policies used by Unicorn AIM VCT plc in preparing the Half-Yearly Report are consistent with those used in preparing the statutory accounts for the year ended 30 September 2008.

10. Copies of this statement are being sent to all shareholders. Further copies are available free of charge from the Company's registered office, One Vine Street, London W1J 0AH, or from www.unicornam.com or www.matrixgroup.co.uk/asset_management/vct_services/unicorn_vcts.

Shareholder Communications

The Company's Ordinary Shares (Code: UAV), S2 Shares (UAVB) and S3 Shares (UAV3) are listed on the London Stock Exchange. Shareholders can visit the London Stock Exchange website, www.londonstockexchange.com, for the latest news and share prices of the Company. The share prices are also quoted in the Financial Times.

Shareholder enquiries:

For general Shareholder enquiries, please contact Robert Brittain of Matrix-Securities Limited (the Company Secretary) on 020 3206 7000 or by e-mail on unicorn@matrixgroup.co.uk.

For enquiries concerning the performance of the Company, please contact the Investment Manager, Unicorn Asset Management Limited, on 020 7253 0889 or by e-mail on info@unicornam.com.

Electronic copies of this report and other published information is available on the Company Secretary's website, www.matrixgroup.co.uk and the Investment Manager's website, www.unicornam.com.

To notify the Company of a change of address or to request a dividend mandate form (should you wish to have future dividends paid directly into your bank account) please contact the Company's Registrars, Capita Registrars on 0871 664 0300, (calls cost 10p per minute plus network extras – if calling from overseas please dial +44 208 639 3399) or by writing to them at Capita Registrars, Northern House, Woodsome Park, Fennay Bridge, Huddersfield, West Yorkshire HD8 0LA. Should you prefer you may visit their website, www.capitaregistrars.com.

Information rights for beneficial owners of shares

Please note that beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares, rather than to the Company's registrar, Capita Registrars, or to the Company directly.

Corporate Information

Directors

Peter Dicks (Chairman)

James Grossman

Jocelin Harris

David Royds

All of whom are non-executive and of:

One Vine Street

London W1J 0AH

Secretary & Administrator

Matrix-Securities Limited

One Vine Street

London W1J 0AH

www.matrixgroup.co.uk

Company Registration Number : 04266437

Investment Manager

Unicorn Asset Management Limited

First Floor Office

Preacher's Court

The Charterhouse

Charterhouse Square

London EC1M 6AU

www.unicornam.com

Auditors

PKF (UK) LLP

Farringdon Place

20 Farringdon Road

London

EC1M 3AP

Registrar

Capita Registrars

Northern House

Woodsome Park

Fennay Bridge

Huddersfield

West Yorkshire

HD8 0LA

VCT Tax Adviser

PricewaterhouseCoopers LLP

1 Embankment Place

London

WC2N 6RH

Custodian

The Bank of New York

One Canada Square

London

E14 5AL

Solicitors

Martineau

No 1 Colmore Square

Birmingham

B4 6AA

Stockbroker

Matrix Corporate Capital LLP

One Vine Street

London

W1J 0AH

Bankers

National Westminster Bank plc

City of London Office

PO Box 12264

1 Princes Street

London

EC2R 8PB

