SHORE CAPITAL

PUMA VCT 8 PLC

ANNUAL REPORT & ACCOUNTS 2013

VCT 8
2013

Contents

Chairman's Statement

Highlights

- 70% of funds raised invested in a diverse range of high quality businesses and projects.
- One third of net assets in VCT qualifying investments at the year-end (on an HMRC basis), on track to meet its 3-year target.
- Three non-qualifying secured loans made during the year, offering a significantly higher yield than other deposits or quoted bonds of similar risk to these secured loans.
- 10p per share of dividends paid since inception, 5p in respect of 2013, equivalent to a 7.1% per annum tax-free running yield on net investment.
- Strong pipeline of investments as the Company completes its second year of operations.

Introduction

I am pleased to present to you the annual report for Puma VCT 8 plc for the year to 31 December 2013, its first full year of investment.

The Company began investing in May 2012 having completed its fund-raising and 2012 was therefore not a full year. The Company made good progress in 2013: it has now deployed a large proportion of its funds in medium-term investments, both qualifying and non-qualifying.

Investments

At the end of the year, the Company had invested a total of £8.6 million, representing just under 70% of funds raised, primarily in asset-backed businesses and projects generating weighted average annual return of c7%.

VCT qualifying investments

During the year, the Company deployed a total of £1.2 million across three new VCT-qualifying investments. Details of these investments can be found in the Investment Manager's report, below. The Investment Manager has continued to review a number of other suitable qualifying investments, generated by a strong pipeline, and expects to make further qualifying investments during the coming year to ensure the Company meets its HMRC qualifying target.

Non-qualifying investments

The Company's strategy is to seek a good return from its non-qualifying investments as well as its qualifying investments. During the year, the Company completed three non-qualifying loans for a total of £1.9 million. Its existing non-qualifying loans continue to perform well.

At the year end, the Company was holding £2.7 million on cash deposit in anticipation of the continued strong pipeline of opportunities.

VCT qualifying status

PricewaterhouseCoopers LLP ('PwC') provides the board and the investment manager with advice on the ongoing compliance with HMRC rules and regulations concerning VCTs. PwC will continue to assist the board and investment manager in establishing the status of potential investments as qualifying holdings in the future.

Results and dividends

The Company reported a loss of £39,000 for the year (2012: £145,000 loss), a loss of 0.30p per ordinary share (calculated on the weighted average number of shares). The Net Asset Value per ordinary share ("NAV") at the year end (adding back the dividend paid last year of 5p per Ordinary Share) was 93.23p. Following the year end, an interim dividend of 5p per Ordinary Share was paid on 21 February 2014 in respect of the year ended 31 December 2013.

The newly opened Brewhouse & Kitchen unit in Dorchester

Development at Crosland Road, Grimsby

Outlook

The Company has made good progress. At the time of writing we are pleased that we have invested over 75% of the Company's net assets in advance of the Company's second anniversary of operations, of these close to half are qualifying. There is a good flow of qualifying opportunities which should lead to further suitable investments. We will update you in due course as investments are completed.

Although there is an increased demand from smaller companies seeking finance as they perceive that the economy has returned to growth, the availability of bank finance continues to be restricted. Moreover the terms on which target companies can raise finance from banks remain problematic. This has increased and should continue to increase the demand for our offering and also improve the terms we can secure when we offer finance. There are many suitable companies which are well-managed, in good market positions, and which can offer security and need our finance. We therefore believe the Company is strongly positioned to deliver attractive returns to shareholders.

Sir Aubrey Brocklebank
Chairman
29 April 2014

Investment Manager's Report

Introduction

As set out in the Chairman's Statement, the on-going effects of the credit crisis mean that small and medium sized businesses (SMEs) are continuing to find it difficult to access the funding they need from the traditional banks. As a consequence, we have been able to make a number of attractive investments, both qualifying and non-qualifying, to smaller companies on a secured basis. We have also seen a significant increase in our pipeline of potential investments. In particular, we are seeing many established companies which have predictable revenue streams or substantial assets over which a security can be taken.

Qualifying investments

As indicated in the Company's interim report, the Company invested a further £480,000 (as part of £1.6 million across the Puma VCTs) into Brewhouse and Kitchen Limited in March 2013, taking its total exposure to £930,000. Brewhouse and Kitchen is managed by two highly experienced pub sector professionals and our funding will facilitate the acquisition of freehold pubs and the roll-out of the brand. The investment is largely in the form of senior debt, secured with a first charge over the business and each site acquired. Funds can be utilised to a maximum 65% loan-to-value ratio and are expected to produce an attractive return to the Company. During the year, Brewhouse and Kitchen opened its first pub, the White Swan in Portsmouth, which has been trading well, and exchanged contracts to acquire a pub in Dorchester which will open at the end of April 2014 after a substantial renovation.

In August 2013, the Company invested £450,000 (alongside other Puma VCTs) into Saville Services Limited, a contracting company, which is providing contracting services over a series of projects, including a contract to provide contracting services to HB Community Solutions 2 Limited in connection with the construction of up to 20 apartments for supported living for psychiatric and learning disabled service users in Grimsby, North East Lincolnshire. We are pleased to confirm that the project is progressing well.

As previously reported, the Company invested £2 million into two qualifying contracting companies, Isaacs Trading Limited and Jephcote Trading Limited. In December 2013, the Company invested £254,000 into Kinloss Trading Limited, another qualifying contracting company. We are pleased to report that all three of these companies have joined a limited liability partnership with other contracting companies which entered into a contracting contract with Ansgate (Barnes) Limited. The limited liability partnership has agreed to provide £8 million of project management and contracting services, of which the Company's share via the three contracting companies is an investment of £1.68 million. These services will be provided in connection with the construction of nine new houses and 12 new flats at a construction known as The Albany, in Barnes, south west London. The project has now commenced and is currently progressing to time and to budget.

We previously reported that Isaacs Trading Limited had joined a limited liability partnership which entered into a contracting contract with FreshStart Living to provide project management and contracting services in connection with a project known as Trafford Press in Manchester. We understand that this project is no longer proceeding. Isaacs Trading Limited's funds have since been re-allocated to the Barnes project referred to above.

In accordance with the HMRC VCT rules the Company has three years to invest 70 per cent of the portfolio (on an HMRC basis) into qualifying investments. We are on track to achieve this, with a current percentage of 32% and a strong pipeline.

Non-qualifying investments

We are following a strategy for the non-qualifying portfolio of moving away from quoted investments and instead investing in secured non-qualifying loans offering a good yield with hopefully limited downside risk. These loans take longer to identify and execute than buying deposits or bonds, but should work well for the VCT into the medium term. We have now completed five such non-qualifying loans for a total of £4.2 million.

As indicated in the Company's interim report, in March 2013 the Company advanced a £650,000 loan which (through a subsidiary, Latimer Lending Limited) together with another Puma VCT investing on the same basis provides a loan to Countywide Property Holdings Limited, a business with a strong track record of acquiring greenfield and brownfield sites for residential and commercial development. The loan is secured on a 5.6 acre site, including a large house, in Brackley near Silverstone. The loan was extended on a sub-50% loan to value basis and is earning an attractive rate of interest which is being paid monthly. Countywide Property Holdings has exchanged contracts with one of the UK's largest house builders to sell the property, subject to planning permission being granted, to develop up to 50 new homes on the site. There has recently been a favourable planning meeting and we expect planning to be granted.

In November 2013, the Company invested £750,000 (as part of a total investment by Puma VCTs of £2.16 million) in Gold Line Property Limited, a care and dementia treatment business which is currently developing new premises in Surrey. The management team have a long track record in operating similar treatment centres across the UK. The project is progressing well and the team expect the new facility to open in early 2015.

In December 2013, the Company completed a £500,000 non-qualifying loan which together with funding from other vehicles managed and advised by your Investment Manager extended a £5 million revolving credit facility to Citrus PX Two Limited, part of the Citrus Group (through a jointly held affiliate of the VCTs, Valencia Lending Limited). Citrus PX operates a property part exchange service facilitating the rapid purchase of properties for developers and homeowners. The Company's facility will provide a series of loans to Citrus PX on conservative terms, with the benefit of a first charge over each of the geographically diversified portfolio of residential properties.

The Company's £1,420,000 loan (as part of a £4 million financing with other Puma VCTs) to Puma Brandenburg Finance Limited, a subsidiary of Puma Brandenburg Holdings Limited, continues to perform. The loan is secured on a portfolio of flats in the middle class area of central Berlin, Germany. Since the loan was made, the property market in this area of Berlin has been very strong, further enhancing the excellent security we have for this loan.

As reported in the previous annual report, the Company provided a loan of £881,000 to provide, together with other Puma VCTs, an innovative £4 million revolving credit facility to Organic Waste Management Trading Limited (through another jointly held affiliate of the VCTs Buckhorn Lending Limited). The facility provides working capital for the purchase of used cooking oil for conversion into bio-diesel for sale to obligated off-take parties. The facility is structured to mitigate risks by being capable of drawn only once approved back-to-back purchase and sale contracts have been entered into with approved counterparties. The facility bears interest at a substantial rate for utilised funds and a lower rate for non-utilised fund, and has been performing very well over the year.

During the year, the Company held its original investment of £750,000 in a Tesco Bank 8 year bond, traded on the London Stock Exchange, bearing a 5% per annum coupon, but otherwise, and in anticipation of the strong pipeline of opportunities (both qualifying and non-qualifying), the rest of the Company's funds have been placed on cash deposit. Subsequent to the year end, the Tesco Bank bond has been sold, generating a capital gain of £46,000 in addition to the interest received.

Investment Strategy

We are pleased to have invested a substantial proportion of the funds raised by the Company in asset-backed qualifying and non-qualifying investments. We remain focused on generating strong returns for the Company in both the qualifying and non-qualifying portfolios whilst balancing these returns with maintaining an appropriate risk exposure and ensuring there is significant liquidity in the portfolio to free up cash for qualifying investments as they arise.

During the year, the Investment Management team have met and continue to meet a substantial number of companies which are potentially suitable for investment. In accordance with our mandate we have maintained a cautious approach and are performing due diligence on several potential investments. Over the course of the next year, the Company will build the qualifying portfolio to the required 70 per cent. We have a strong deal-flow and are meeting many potential investee companies with several interesting opportunities in the pipeline close to the investment being concluded.

Shore Capital Limited
29 April 2014

Investment Portfolio Summary

As at 31 December 2013

	Valuation £'000	Cost £'000	Gain/(loss) £'000	Valuation as a % of Net Assets
Qualifying Investment - Unquoted				
Kinloss Trading Limited	254	254	–	2%
Brewhouse & Kitchen Limited	930	930	–	8%
Saville Services Limited	450	450	–	4%
Isaacs Trading Limited	1,000	1,000	–	9%
Jephcote Trading Limited	1,000	1,000	–	9%
Total Qualifying Investments	3,634	3,634	–	32%
Non-Qualifying Investments				
Buckhorn Lending Limited	881	881	–	8%
Puma Brandenburg Finance Limited	1,420	1,420	–	13%
Gold Line Property Limited	750	750	–	7%
Latimer Lending Limited	650	650	–	6%
Valencia Lending Limited	500	500	–	4%
Tesco Personal Finance Bond*	785	750	35	7%
Total Non-Qualifying investments	4,986	4,951	35	45%
Total Investments	8,620	8,585	35	76%
Balance of Portfolio	2,692	2,692		24%
Net Assets	11,312	11,277	35	100%

Of the investments held at 31 December 2013, 84 per cent are incorporated in England and Wales and 16 per cent in Guernsey. Percentages have been calculated on the valuation of the assets at the reporting date.

* Quoted investment listed on the LSE.

Significant Investments

Kinloss Trading Limited

Cost (£'000):	254
Investment comprises:	
Ordinary shares (£'000):	178
Debt (£'000):	76
Valuation method:	Price of recent investment
Valuation (£'000):	254
Income received by the Company from this holding in the year (£'000):	–
Source of financial data*	
Turnover (£'000):	–
Profit before tax (£'000):	–
Net assets (£'000):	–
Proportion of equity held and voting rights held:	50%
Equity managed by the Shore Capital Group	100%

* The Company is yet to file accounts.

Kinloss Trading Limited was incorporated in February 2013 and is a contracting services company. On 5 December 2013, Kinloss Trading Limited entered into SKPB Services LLP along with a number of other companies to provide contracting services on a number of projects, including the construction of flats in Barnes, South West London.

Brewhouse & Kitchen Limited

Cost (£'000):	930
Investment comprises:	
B Ordinary shares (£'000):	651
Debt (£'000):	279
Valuation method:	Price of recent investment
Valuation (£'000):	930
Income received by the Company from this holding in the year (£'000):	27
Source of financial data	Abbreviated accounts for year ended 30 September 2012
Turnover (£'000):	Not disclosed
Profit before tax (£'000):	Not disclosed
Net assets (£'000):	477
Proportion of equity held:	14%
Equity managed by the Shore Capital Group	49%

Brewhouse & Kitchen Limited is a pub business seeking to build up a portfolio of freehold assets across the South of England. A microbrewery will be installed within the public area of each of the sites. Beer production, tastings, and demonstrations are a key attraction of the brand.

The equity held by the company and managed by Shore Capital Group is held in 'B' Ordinary shares of Brewhouse & Kitchen Limited which carry no voting rights.

Saville Services Limited

Cost (£'000):	450
Investment comprises:	
Ordinary shares (£'000):	315
Debt (£'000):	135
Valuation method:	Price of recent investment
Valuation (£'000):	450
Income received by the Company from this holding in the year (£'000):	17
Source of financial data	Abbreviated accounts for year ended 28 February 2013
Turnover (£'000):	Not disclosed
Profit before tax (£'000):	Not disclosed
Net assets (£'000):	43
Proportion of equity and voting rights held:	7%
Equity managed by the Shore Capital Group	91%

Saville Services Limited provides contracting services on a number of projects, including in connection with the construction of apartments in Grimsby.

Isaacs Trading Limited

Cost (£'000):	1,000
Investment comprises:	
Ordinary B shares (£'000):	700
Debt (£'000):	300
Valuation method:	Price of recent investment
Valuation (£'000):	1,000
Income received by the Company from this holding in the year (£'000):	22
Source of financial data	Abbreviated accounts for year ended 30 April 2013
Turnover (£'000):	Not disclosed
Profit before tax (£'000):	Not disclosed
Net assets (£'000):	1,154
Proportion of equity and voting rights held:	48%
Equity managed by the Shore Capital Group	95%

Isaacs Trading Limited was incorporated in April 2012 and is a contracting services company. On 28 November 2012 Isaacs Trading Limited entered into SKPB Services LLP along with a number of other companies to provide contracting services on a number of projects, including the construction of flats in Barnes, South West London.

Jephcote Trading Limited

Cost (£'000):	1,000
Investment comprises:	
Ordinary shares (£'000):	700
Debt (£'000):	300
Valuation method:	Price of recent investment
Valuation (£'000):	1,000
Income received by the Company from this holding in the year (£'000):	17
Source of financial data	Abbreviated accounts for year ended 30 April 2013
Turnover (£'000):	Not disclosed
Profit before tax (£'000):	Not disclosed
Net assets (£'000):	1,380
Proportion of equity and voting rights held:	28%
Equity managed by the Shore Capital Group	97%

Jephcote Trading Limited was incorporated in April 2012 and is a contracting services company. On 28 November 2012 Jephcote Trading Limited entered into SKPB Services LLP along with a number of other companies to provide contracting services on a number of projects, including the construction of flats in Barnes, South West London.

Buckhorn Lending Limited

Cost (£'000):	881
Investment comprises:	
Ordinary shares (£'000):	–
Debt (£'000):	881
Valuation method:	Discounted cash flow
Valuation (£'000):	881
Income received by the Company from this holding in the year (£'000):	122
Source of financial data*	
Turnover (£'000):	–
Profit before tax (£'000):	–
Net assets (£'000):	–
Proportion of equity and voting rights held:	25%
Equity managed by the Shore Capital Group	100%

* The Company is yet to file accounts.

Buckhorn Lending Limited was incorporated in December 2012, its business is the provision of financial instruments. Buckhorn Lending Limited has provided a £4m revolving credit facility to Organic Waste Management Trading Limited.

Puma Brandenburg Finance Limited

Cost (£'000):	1,420
Investment comprises:	
Ordinary shares (£'000):	–
Debt (£'000):	1,420
Valuation method:	Discounted cash flow
Valuation (£'000):	1,420
Income received by the Company from this holding in the year (£'000):	73
Source of financial data*	
Turnover (£'000):	–
Profit before tax (£'000):	–
Net assets (£'000):	–
Proportion of equity and voting rights held:	0%
Equity managed by the Shore Capital Group	0%

* Guernsey registered company and no publicly available accounts

Puma Brandenburg Finance Limited was incorporated in 9 July 2012, its business is the provision of financial instruments. Puma Brandenburg Finance Limited has provided a loan facility secured on a portfolio of flats in Berlin, Germany.

Gold Line Property Limited

Cost (£'000):	750
Investment comprises:	
B Ordinary shares (£'000):	525
Debt (£'000):	225
Valuation method:	Price of recent investment
Valuation (£'000):	750
Income received by the Company from this holding in the year (£'000):	6
Source of financial data	Abbreviated accounts for the year ended 30 June 2013
Turnover (£'000):	Not disclosed
Profit before tax (£'000):	Not disclosed
Net liabilities (£'000):	(51)
Proportion of equity held:	16%
Equity managed by the Shore Capital Group	45%

Gold Line Property Limited was incorporated in June 2012 and is a care and dementia treatment business.

The equity held by the company and managed by Shore Capital Group is held in 'B' Ordinary shares of Gold Line Property Limited which carry no voting rights.

Significant Investments continued

Latimer Lending Limited

Cost (£'000):	650
Investment comprises:	
Ordinary shares (£'000):	–
Debt (£'000):	650
Valuation method:	Discounted cash flow
Valuation (£'000):	650
Income received by the Company from this holding in the year (£'000):	52
Source of financial data*	
Turnover (£'000):	–
Profit before tax (£'000):	–
Net assets (£'000):	–
Proportion of equity held and voting rights held:	33%
Equity managed by the Shore Capital Group	100%

* The Company is yet to file accounts.

Latimer Lending Limited was incorporated in February 2013, its business is the provision of financial instruments. Latimer Lending Limited has provided loans to a number of companies, including a loan to Countrywide Property Holdings Limited.

Valencia Lending Limited

Cost (£'000):	500
Investment comprises:	
Ordinary shares (£'000):	–
Debt (£'000):	500
Valuation method:	Discounted cash flow
Valuation (£'000):	500
Income received by the Company from this holding in the year (£'000):	–
Source of financial data*	
Turnover (£'000):	–
Profit before tax (£'000):	–
Net assets (£'000):	–
Proportion of equity and votinng rights held:	50%
Equity managed by the Shore Capital Group	100%

* The Company is yet to file accounts

Valencia Lending Limited was incorporated in July 2013, its business is the provision of financial instruments. Valencia Lending Limited has provided a £5m revolving credit facility to Citrus PX Two Limited.

Directors' Biographies

Sir Aubrey Brocklebank Bt. (Non-Executive Chairman)

After Qualifying as a Chartered Accountant Sir Aubrey worked for Guinness Mahon from 1981 to 1986, initially in its corporate finance department before assisting in the establishment of a specialist development capital department. From 1986 to 1990 he was a Director of Venture Founders Limited, managing a £12 million venture capital fund, which had been raised to invest in early stage ventures. He managed the Avon Enterprise Fund (a venture capital fund of circa £4.5 million investing in approximately 20 companies) from 1990 until all investments had been realised in 1997. He is Chairman of two other VCTs, the Hargreave Hale AIM VCT plc and Downing Planned Exit 2011 VCT plc. He has been a director of seven other VCT's of which he was chairman of five, including Puma VCTs I-IV. He is and has been a director of a number of companies, several of which have been quoted on AIM.

David Brock

David was, until July 1997, a main board director of MFI Furniture Group plc and Managing Director of MFI International Limited having been involved at a senior level in both MFI's management buy-out and its subsequent flotation. He started his career at Marks and Spencer Group PLC. He is currently Chairman of Episys Limited, Kitwave Limited and Elderstreet VCT plc; a non executive director of Hargreave Hale Aim VCT 1 plc and acts as an advisor to Crystal Amber Fund plc. He has had interests in venture capital both as a private investor and as an adviser to various funds.

Graham Shore

Graham was previously a management consultancy partner in Touche Ross (now Deloitte) and was responsible for the London practice advising the telecommunications and new media industries. At Touche Ross he undertook strategic and economic assignments for a wide range of clients including appraisals of venture capital opportunities. In 1990 he joined the Shore Capital Group as managing director, and has been involved in managing the Puma VCTs and other venture capital funds managed by the Shore Capital Group, including evaluating new deals for the funds and representing the funds with investee companies. Graham has been involved with AIM since its inception as both a corporate financier and investor and with private equity for more than 20 years. He is a director of the other Puma VCTs and St Peter Port Capital Limited.

Strategic Report

The Directors present their Strategic Report of the Company for the year ended 31 December 2013.

Principal Activities and Status

The principal activity of the Company is the making of investments in qualifying and non-qualifying holdings of shares or securities. The Company is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company has been granted provisional approval by the Inland Revenue under Section 274 of the Income Tax Act 2007 as a Venture Capital Trust for the year ended 31 December 2013. The Directors have managed, and continue to manage, the Company's affairs in such a manner as to comply with Section 274 of the Income Tax Act 2007.

The Company has no employees (other than the Directors).

The Company's ordinary shares of 1p each have been listed on the Official List of the UK Listing Authority since 9 May 2012.

Investment Policy

Puma VCT 8 plc seeks to achieve its overall investment objective (of proactively managing the assets of the fund with an emphasis on realising gains in the medium term) to maximise distributions from capital gains and income generated from the Company's assets. It intends to do so whilst maintaining its qualifying status as a VCT, by pursuing the following Investment Policy:

The Company may invest in a mix of qualifying and non-qualifying assets. The qualifying investments may be quoted on AIM or a similar market or be unquoted companies. The Company may invest in a diversified portfolio of growth oriented qualifying companies which seek to raise new capital on flotation or by way of a secondary issue. The Company has the ability to structure deals to invest in private companies with an asset-backed focus to reduce potential capital loss. The Company must have had in excess of 70% of its assets invested in qualifying investments as defined for VCT purposes by 31 December 2014.

The portfolio of non-qualifying investments will be managed with the intention of generating a positive return. Subject to the Board and Investment Manager's view from time to time of desirable asset allocation, it will comprise quoted and unquoted investments (direct or indirect) in cash or cash equivalents, bonds, equities, vehicles investing in property and a portfolio of hedge funds.

A full text of the Company's investment policy can be found within the Company's prospectus at www.shorecap.gg.

Principal risks and uncertainties

The principal risks facing the company relate to its investment activities and include market price risk, interest rate risk, credit risk and liquidity risk. An explanation of these risks and how they are managed is contained in note 14 to the financial statements. Additional risks faced by the company are as follows:

Investment Risk – Inappropriate stock selection leading to underperformance in absolute and relative terms is a risk which the Investment Manager and the Board mitigate by reviewing performance throughout the year and formally at Board meetings. There is also a regular review by the Board of the investment mandate and long term investment strategy and monitoring of whether the Company should change its investment strategy.

Regulatory Risk – the Company operates in a complex regulatory environment and faces a number of related risks. A breach of s274 of the Income Tax Act 2007 could result in the Company being subject to capital gains on the sale of investments. A breach of the VCT Regulations could result in the loss of VCT status and consequent loss of tax relief currently available to shareholders. Serious breach of other regulations, such as the UKLA Listing Rules and the Companies Act 2006 could lead to suspension from the Stock Exchange. The Board receives quarterly reports in order to monitor compliance with regulations.

Risk management

The Company's investment policy allows for a large proportion of the Company's assets to be held in unquoted investments. These investments are not publicly traded and there may not be a liquid market for them, and therefore these investments may be difficult to realise.

The Company manages its investment risk within the restrictions of maintaining its qualifying VCT status by using the following methods:

- the active monitoring of its investments by the Investment Manager and the Board;
- seeking Board representation associated with each investment, if possible;
- seeking to hold larger investment stakes by co-investing with other companies managed by the Investment Manager, so as to gain more influence over the investment;
- ensuring a spread of investments is achieved.

Business Review and Future Developments

The Company's business review and future developments are set out in the Chairman's Statement and the Investment Manager's Report on pages 1 to 4.

Key performance indicators

At each board meeting, the Directors consider a number of performance measures to assess the Company's success in meeting its objectives. The Board believes the Company's key performance indicators are movement in NAV, Total Return and dividends per share. The Board considers that the Company has no non financial key performance indicators. In addition, the Board considers the Company's compliance with the Venture Capital Trust Regulations to ensure that it will maintain its VCT status. The performance of the Company's portfolios and specific investments is discussed in the Chairman's Statement and Investment Manager's Report on pages 1 to 4.

VCT status monitoring

The Company has retained PricewaterhouseCoopers LLP to advise it on compliance with VCT requirements, including evaluation of investment opportunities, as appropriate, and regular review of the portfolio. Although PricewaterhouseCoopers LLP work closely with the Investment Manager, they report directly to the Board.

Compliance with the VCT regulations (as described in the Investment Policy) for the year under review is summarised in the table below.

Environmental and social policy

As a VCT the Company is a pure investment company and therefore has no trading activities. Due to this, the Company does not have a policy on environmental matters or social, community and human rights issues.

Approved by the board and signed on its behalf by

Sir Aubrey Brocklebank
Chairman
29 April 2014

		Position at 31 Dec 2013
1.	The Company holds at least 70% of its investments in qualifying companies,	N/A*
2.	At least 70% of the Company's qualifying investments are held in "eligible shares";	N/A*
3.	No investment constitutes more than 15% of the Company's portfolio at time of investment;	Complied
4.	The Company's income for each financial period is derived wholly or mainly from shares and securities;	Complied
5.	The Company distributes sufficient revenue dividends to ensure that not more than 15% of the income from shares and securities in any one year is retained; and	Complied
6.	A maximum unit size of £5 million (£1 million limit to 16 July 2012) in each VCT qualifying investment (per tax year).	Complied

*Investment tests to be met by 3rd accounting year end and all accounting periods thereafter.

Report of the Directors

The Directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2013. The Company's Registered Number is 07696739.

Results and dividends

The results for the financial period are set out on page 22. The Directors do not propose a final dividend (2012: £nil). Interim dividends of 5p per Ordinary Share were paid on both 26 February 2013 and 21 February 2014 in respect of the 2012 and 2013 years respectively. It is the aim of the Directors to maximise tax free distributions to shareholders by way of dividends paid out of income received from investments and capital gains received following successful realisations.

Capital Structure

The issued share capital of the Company is detailed in note 12 of these accounts.

Directors

The Directors of the Company during the year and their beneficial interests in the issued ordinary shares of the Company at 31 December 2013 were as follows:

	1p ordinary shares 31 December 2012	1p ordinary shares 31 December 2012
Sir Aubrey Brocklebank (Chairman)	10,400	10,400
David Brock	10,400	10,400
Graham Shore	52,000	52,000

No options over the share capital of the Company have been granted to the Directors. There have been no changes in the holdings of the Directors since the year end.

Investment management, administration and performance fees

The Company has delegated the investment management of the portfolio to Shore Capital Limited (Shore Capital). The principal terms of the Company's management agreement with Shore Capital, are set out in note 3 of the financial statements. The annual running costs of the Company are subject to a cap of 3.5 per cent of the Company's net assets at the year end.

The Company has delegated company secretarial and other accounting and administrative support to Shore Capital Fund Administration Services Limited for an aggregate annual fee of 0.35 per cent of the Net Asset Value of the Fund at each quarter end, payable quarterly in arrears.

Shore Capital and members of the investment management team will be entitled to a performance related incentive of 20 per cent of the aggregate amounts realised by the Company in excess of £1 per Ordinary Share, and Shareholders will be entitled to the balance. This incentive will only be exercisable once the holders of Ordinary Shares have received distributions of £1 per share (whether capital or income). The performance incentive structure provides a strong incentive for the Investment Manager to ensure that the Company performs well, enabling the Board to approve distributions as high and as soon as possible.

The performance incentive has been satisfied through the issue of Loan Notes (as set out in Note 11 of the financial statements) to a nominee on behalf of the Investment Manager and members of the investment management team. In the event that distributions attributable to the Ordinary Shares of £1 per share have been made the Loan Notes will convert into sufficient Ordinary Shares to represent 20 per cent of the enlarged number of Ordinary Shares.

It is the Directors' opinion that the continued appointment of the Investment Manager, Shore Capital, on the terms agreed is in the best interest of the shareholders as a whole. The Investment Manager is a member of the Shore Capital Group which has a proven track record in VCT management and currently manages approximately £90 million of VCT funds and has a strong network within the industry.

Trail commission

The Company has an agreement to pay trail commission, annually, to or on behalf of the Investment Manager, in connection with funds raised under the original offers for subscription. Trail commission is calculated at agreed percentages of the respective net assets at each year end attributable to the original shareholdings.

Global greenhouse gas emissions

The Company has no direct greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under Companies Act 2006 (Strategic Report and Directors Reports) Regulations 2013.

Going concern

After making enquiries the Directors believe that it is appropriate to continue to apply the going concern basis in preparing the financial statements. This is appropriate as cash reserves are greater than the anticipated average annual running costs of the Company. Given the nature of the assets held it is considered that these can be realised with sufficient ease to provide any additional cash which may be required to enable the Company to meet its liabilities as they fall due for payment. The Directors have considered a period of 12 months from the date of this report for the purposes of determining the Company's going concern status which has been assessed in accordance with the guidance issued by the Financial Reporting Council.

Financial Instruments

The material risks arising from the Company's financial instruments are market price risk, credit risk, liquidity risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks and these are summarised in note 14. These policies have remained unchanged since the beginning of the financial year. As a Venture Capital Trust, it is the Company's specific business to evaluate and control the investment risk in its portfolio.

Substantial Shareholdings

As at 31 December 2013 and at the date of this report, the Company was not aware of any beneficial interest exceeding 3 per cent of any class of the issued share capital.

Third Party Indemnity Provision for Directors

Qualifying third party indemnity provision was in place for the benefit of all Directors of the Company.

Annual General Meeting

The Annual General Meeting of the Company will be held at Bond Street House, 14 Clifford Street, London, W1S 4JU on 26 June 2014 at 2.30pm. Notice of the Annual General Meeting and Form of Proxy are inserted within this document.

Auditor

The Directors resolved that Baker Tilly UK Audit LLP be re-appointed as auditor in accordance with the provisions of the Companies Act 2006, s489. Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

Statement as to Disclosure of Information to the Auditor

The Directors in office at the date of this report have confirmed that, as far as they are aware, there is no relevant information of which the auditor is unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, the Report of the Directors, the Directors' Remuneration Report, the separate Corporate Governance Statement and the financial statements in accordance with applicable law and regulations. They are also responsible for ensuring the Annual Report includes information required by the Listing and Disclosure and Transparency Rules of the Financial Conduct Authority.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing those financial statements, the directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and accounting estimates that are reasonable and prudent;

c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position

Report of the Directors continued

of the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Directors, whose names and functions are listed in the Directors' Biographies on page 12, confirms that, to the best of each person's knowledge:

a. the financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and

b. the Chairman's Statement, Investment Manager's Report, the Strategic Report and Report of the Directors include a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces.

The Directors consider that the report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

One of the properties in the Puma Brandenburg Finance portfolio

Electronic publication

The financial statements are published on www.shorecap.gg, a website maintained by the investment manager, Shore Capital. Legislation in the United Kingdom regulating the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

By order of the Board

Eliot Kaye
Company Secretary
29 April 2014

Directors' Remuneration Report

This report is prepared in accordance with Schedule 420-422 of the Companies Act 2006. A resolution to approve this report will be put to the members at the Annual General Meeting to be held on 26 June 2014.

Directors' Remuneration Policy

The Board as a whole considers Directors' remuneration and, as such, a Remuneration Committee has not been established. The Board's policy is that the remuneration of non-executive Directors should reflect time spent and the responsibilities borne by the Directors on the Company's affairs and should be sufficient to enable candidates of high calibre to be recruited. Directors' fees payable during the year totalled £60,000 including VAT of £4,000 as set out in note 4.

On 26 July 2011, the non-executive Directors were appointed for a period of twelve months after which either party must give three calendar months' notice to end the contract.

Directors' Remuneration

The Directors are all non-executive and received emoluments as detailed below:

	Unaudited Current Annual Fee 12 months	Audited Year ended 31 December 2013	Audited Period ended 31 December 2012
	£	£	£
Sir Aubrey Brocklebank (Chairman)	20,000	20,000	17,000
David Brock	18,000	18,000	15,000
Graham Shore	18,000	18,000	15,000
	56,000	56,000	47,000

These are the total emoluments. There are no pension contributions or share options. There is no requirement for the directors to hold shares in the Company. Directors' share interests are disclosed in the Report of the Directors on page 12.

Brief biographical notes on the Directors are given on page 9.

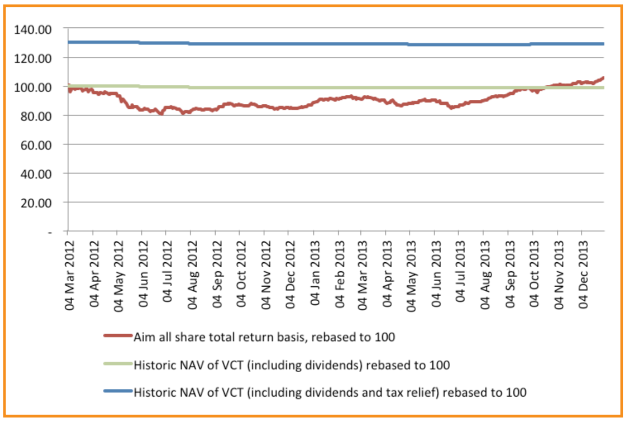
2014 Remuneration

The remuneration levels for the forthcoming year are expected to be at the annual levels shown in the table above. The Directors shall be paid by the Company all travelling, hotel and other expenses they may incur in attending meetings of the Directors or general meetings or otherwise in connection with the discharge of their duties.

Directors' and Officers' liability insurance cover is held by the Company in respect of the Directors.

Performance Graph

The following chart represents the Company's performance from inception to 31 December 2013 and compares the rebased Net Asset Value to a rebased FTSE AIM All-Share Index. This index is considered to be the most appropriate equity market against which investors can measure the relative performance of the Company. This has been rebased to 100 at 4 March 2012, the effective start of operations for the Company.



On behalf of the Board

Sir Aubrey Brocklebank
Chairman
29 April 2014

Corporate Governance Statement

The Directors support the relevant principles of the new UK Corporate Governance Code issued in September 2012 and published on the Financial Reporting Council's Website (www.frc.org.uk), being the principles of good governance and the code of best practice. Due to the VCT being a limited life vehicle some areas of the Code have not been complied with, these are set out in the Compliance Statement below.

The Board

The Company has a Board comprising three non-executive Directors. All of the Directors are independent as defined by the UK Corporate Governance Code except for Graham Shore as a result of his holding a Directorship of the Investment Manager. The Board considers that all Directors have sufficient experience to be able to exercise proper judgement within the meaning of the UK Corporate Governance Code. The Board has appointed Sir Aubrey Brocklebank as the senior independent Director and he is also the Chairman. Biographical details of all Board members are shown on page 9.

Graham Shore is to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer himself for re-election. The Board believe that Graham Shore has made valuable contributions during the term of his appointment and remains committed to the role. The Board therefore recommends that shareholders re-elect Graham Shore at the forthcoming AGM.

Full Board meetings take place quarterly and additional meetings are held as required to address specific issues. The Board has a formal schedule of matters specifically reserved for its decision. These include:

- considering recommendations from the Investment Manager;
- making all decisions concerning the acquisition or disposal of qualifying investments; and
- reviewing, annually, the terms of engagement of all third party advisers (including investment managers and administrators).

The attendance of individual Directors at full Board meetings during the year were as follows:

	Scheduled Board meetings
Sir Aubrey Brocklebank	4/4
David Brock	4/4
Graham Shore	4/4

The Board has also established procedures whereby Directors wishing to do so in the furtherance of their duties may take independent professional advice at the Company's expense.

All Directors have access to the advice and services of the Company Secretary. The Company Secretary provides the Board with full information on the Company's assets and liabilities and other relevant information requested by the Chairman, in advance of each Board meeting.

The Board has not appointed a nominations committee or remuneration committee as they consider the Board to be small and comprise wholly of non-executive Directors. Appointments of new Directors and Directors' remuneration are dealt with by the full Board.

The Board reviewed Directors' remuneration during the year. Details of the specific levels of remuneration to each Director are set out in the Directors' Remuneration Report on page 15, and this is subject to shareholder approval.

There have been no changes to the composition of the Board since the date of issue of the prospectus and there are no planned changes. As a result, the Company has not established a diversity policy for new appointments in relation to the composition of the Board.

Audit Committee

The Audit Committee is composed of the entire board with the exception of Graham Shore. The Audit Committee is chaired by Sir Aubrey Brocklebank and meets annually with the external auditor prior to approval of the Company's financial statements. During the year, there were three Audit Committee meetings which were attended by both of the independent non-executive directors. The Audit Committee monitors the external auditor's independence, the effectiveness of the audit process and other relevant matters. The Audit Committee receives written confirmation each year of the auditor's independence.

The Audit Committee considered the need for an internal audit function and concluded that this function would not be an appropriate control for a Venture Capital Trust.

The Audit Committee reviews and agrees the audit strategy paper, presented by the Auditor in advance of the audit, which sets out the significant risk areas to be covered during the audit.

The Audit Committee considers that the most significant issues relating to these financial statements are the carrying value and disclosure of the unquoted investments. The Audit Committee challenge findings and comments received from the Investment Manager on the financial performance of the investments.

The Audit Committee meets prior to the approval of the financial statements to consider the Auditor's finding and challenges the work performed, especially in relation to unquoted investments.

Baker Tilly UK Audit LLP was appointed by the Board prior to the issue of the Prospectus. This is the Company's 2nd Annual Report and Accounts and they both have been reported on by Baker Tilly UK Audit LLP. The Audit Committee, after taking into consideration comments from the Investment Manager and Administrator regarding the effectiveness of the audit process, recommend to the Board that Baker Tilly UK Audit LLP continue in office.

Relations with shareholders

Shareholders have the opportunity to meet representatives of the Investment Management team and the Board at the AGM. The Board is also happy to respond to any written queries made by shareholders, or to meet with shareholders if so requested. In addition to the formal business of the AGM, representatives of the Investment Management team and the Board are available to answer any questions a shareholder may have.

Separate resolutions are proposed at the AGM on each substantially separate issue. The Registrars collate proxy votes and the results (together with the proxy forms) are forwarded to the Company Secretary immediately prior to the AGM. In order to comply with the UK Corporate Governance Code, proxy votes are announced at the AGM, following each vote on a show of hands, except in the event of a poll being called. The notice of the next AGM and proxy form are at the end of this document.

Financial Reporting

The Directors' statement of responsibilities for preparing the accounts is set out in the Report of the Directors on page 13, and a statement by the auditors about their reporting responsibilities is set out in the Auditor's Report on pages 20 to 21.

Internal control

The Company has adopted an Internal Control Manual ("Manual"), which has been compiled in order to comply with the UK Corporate Governance Code. The Manual is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, which it achieves by detailing the perceived risks and controls to mitigate them. The Board is responsible for ensuring that the procedures to be followed by the advisers and themselves are in place, and review the effectiveness of the Manual on an annual basis to ensure that the controls remain relevant and were in operation throughout the year. The Board will implement additional controls when new risks are perceived and update the Manual as appropriate.

Although the Board is ultimately responsible for safeguarding the assets of the Company, the Board has delegated, through written agreements, the day-to-day operation of the Company to the following advisers:

Administration	Shore Capital Fund Administration Services Limited
Investment Management	Shore Capital Limited

Shore Capital Limited identifies investment opportunities and monitors the portfolio of investments and makes recommendations to the Board in terms of suggested disposals and further acquisitions.

Shore Capital Fund Administration Services Limited is engaged to carry out the accounting function and manages the retention of physical custody of the documents of title relating to unquoted investments. Quoted investments are held in Crest. Shore Capital Fund Administration Services Limited regularly reconciles the client asset register with the physical documents.

The Directors confirm that they have established a continuing process throughout the year and up to the date of this report for identifying, evaluating and managing the significant potential risks faced by the Company, and have reviewed the effectiveness of the internal control systems. As part of this process, an annual review of the internal control systems is carried out in accordance with the Financial Reporting Council guidelines for internal control.

Internal control systems include: production and review of monthly management accounts. All outflows made from the VCT's bank accounts require the authority of two signatories from Shore Capital, the Investment Manager. The Investment Manager is subject to regular review by the Shore Capital Compliance Department.

Corporate Governance Statement continued

Share capital, rights attaching to the shares and restrictions on voting and transfer

Ordinary shares are freely transferable in both certificated and uncertificated form and can be transferred by means of the CREST system. There are no restrictions on the transfer of any fully paid up share. With respect to voting rights the shares rank pari passu as to rights to attend and vote at any general meeting of the Company. The Company's shareholders do not have differing voting rights. Full details of the rights and restrictions attached to the share capital as required by the Takeover Directive are contained within the Company's prospectus which can be found at www.shorecap.gg.

Repurchase of Ordinary shares

Although the Ordinary Shares are traded on the London Stock Exchange, there is likely to be an illiquid market and in such circumstances Shareholders may find it difficult to sell their Ordinary Shares in the market. In order to try to improve the liquidity in the Ordinary Shares, the Board may establish a buy back policy whereby the Company will purchase Ordinary Shares for cancellation.

The Board does not currently have authority from shareholders to issue new shares or repurchase existing shares and there are currently no plans to obtain authority from shareholders and establish a policy.

Gearing

The Board has the authority to borrow up to 25% of the amount received from the issued share capital but there are currently no plans to take advantage of this authority.

Compliance statement

The Listing Rules require the Board to report on compliance with the UK Corporate Governance Code provisions throughout the accounting year. With the exception of the items outlined below, the Company has complied throughout the accounting year ended 31 December 2013 with the provisions set out in the UK Corporate Governance Code. Due to the special nature of the Company being a VCT, the following provisions of the UK Corporate Governance Code have not been complied with:

a) Provision A4-2 and B6-3 – Due to the size of the Board, they feel it unnecessary to formalise procedures to appraise the Chairman's performance, as the Board deem it appropriate to address matters as they arise.

b) Provision B4-1, B4-2 and E1-1 – New Directors do not receive a full, formal and tailored induction on joining the Board and the Chairman does not review and agree with each Director their training and development needs because matters are addressed on an individual basis as they arise.

Also the Company has no major shareholders so shareholders are not given the opportunity to meet any new non-executive Directors at a specific meeting other than the annual general meeting.

c) Provision B6-1 and B7-2 – Due to the size of the Board, a formal performance evaluation of the Board, its committees and the individual Directors has not been undertaken. Specific performance issues are dealt with as they arise.

d) Provisions B2-1, B2-2, B2-4, D2-1 & D2-2 – Due to the size of the Board and because there are no executive Directors or senior management, the Company does not have a formal nominations committee or remuneration committee. Since appointment there have been no changes to the Board of the Directors.

e) Provision B2-3 – On 26 July 2011 the Directors were appointed for a period of twelve months after which either party must give three calendar months' notice to end the contract. The recommendation of the Combined Code is for fixed term renewable contracts. This is deemed unnecessary by the Board because all Directors are subject to re-election at the first AGM and from that point forward by rotation at least every three years.

f) Provision A4-1 – Due to the size of the Board, the role of Chairman and Senior Independent Director are both performed by Sir Aubrey Brocklebank. The recommendation in the Code is for the Senior Independent Director and Chairman to be separate positions on the Board. The Board believes that Sir Aubrey Brocklebank's experience allows him to exercise proper judgement in distinguishing between the roles.

g) Provision C3-1 – Due to the size of the Board, the Chairman of the Company is also the Chairman of the Audit Committee. The recommendation in the Code is that the Chairman of the Company can be a member of the Audit Committee, but should not be the Chairman. The Board believes that Sir Aubrey Brocklebank's experience allows him to exercise proper judgement in distinguishing between the roles.

h) Provisions C3-2 and C3-3 – Due to the size of the Board and as the majority of the Board are independent non-executive Directors, the audit committee does not have formal written terms of reference.

i) Provision C3-5 – As the Company has no employees, other than Directors, there are no procedures in place relating to whistleblowing.

Independent Auditor's Report to the Members of Puma VCT 8 plc

We have audited the financial statements on pages 22 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 13, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006;
- the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the information given in the Corporate Governance Statement set out on pages 16 to 19 in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook issued by the Financial Conduct Authority (information about internal control and risk management systems in relation to financial reporting processes and about share capital structures) is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the ISAs (UK and Ireland) we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the company acquired in the course of performing our audit; or
- is otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a Corporate Governance Statement has not been prepared by the company.

Under the Listing Rules we are required to review:

- the directors' statement, set out on page 13, in relation to going concern; and
- the part of the Corporate Governance Statement set out on pages 16 to 19 relating to the company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review.

Our assessment of risks of material misstatement

We identified the following risk which had the most significant impact on our audit strategy and set out below how this was addressed by the scope of our audit:

Valuation of unquoted investments

Unquoted investments are measured at fair value, which is established in accordance with the International Private Equity and Venture Capital Valuation Guidelines. This has been identified as an area of significant risk and is the key area that our audit has focussed on, given that the measurement of unquoted investments includes significant assumptions and judgements about the performance of the investee company.

Our procedures included:

- understanding and challenging the key assumptions and judgements affecting investee company valuations prepared by the investment manager based on observable data and the provisions of the International Private Equity and Venture Capital Valuation Guidelines;
- challenging the appropriateness of the valuation basis by comparison with observed industry practice and the provisions of the International Private Equity and Venture Capital Valuation Guidelines;
- assessing whether the investee company's performance was significantly different from expected performance when the investment was made, by reviewing management information and discussing the investee's performance with the Audit Committee;
- considering whether events that occurred subsequent to the year end up until the date of this audit report affected the underlying assumptions of the valuations at 31 December 2013; and
- consideration of the appropriateness of the disclosures in the financial statements in respect of unlisted investments.

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures and to evaluate the effects of misstatements, both individually and on the financial statements as a whole. During planning we determined a magnitude of uncorrected misstatements that we judge would be material for the financial statements as a whole (FSM). During planning FSM was calculated as £116,000 and this figure was not amended during the course of our audit. This has been calculated based on a percentage of gross assets which is the key element influencing net asset value which is considered to be one of the principal considerations for members of the company in assessing financial performance.

We agreed with the Audit Committee that we would report to the Committee all adjusted and unadjusted misstatements in excess of £10,000, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The company is a single entity, subject to local statutory audit, and our audit work was designed to address the risks of material misstatements identified to the level of materiality indicated above.

RICHARD COATES (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP,
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

29 April 2014

Income Statement

For the year ended 31 December 2013

	Note	Year ended 31 December 2013 Revenue £'000	Capital £'000	Total £'000	Period from 6 July 2011 to 31 December 2012 Revenue £'000	Capital £'000	Total £'000
(Loss)/gain on investments	8 (c)	**–**	**(10)**	**(10)**	–	61	61
Income	2	**402**	**–**	**402**	158	–	158
		402	**(10)**	**392**	158	61	219
Investment management fees	3	**(57)**	**(171)**	**(228)**	(48)	(144)	(192)
Other expenses	4	**(203)**	**–**	**(203)**	(172)	–	(172)
		(260)	**(171)**	**(431)**	(220)	(144)	(364)
Return/(loss) on ordinary activities before taxation		**142**	**(181)**	**(39)**	(62)	(83)	(145)
Tax on return on ordinary activities	5	**–**	**–**	**–**	–	–	–
Return/(loss) on ordinary activities after tax attributable to equity shareholders		**142**	**(181)**	**(39)**	(62)	(83)	(145)
Basic and diluted Return/(loss) per Ordinary Share (pence)	6	**1.11p**	**(1.41p)**	**(0.30p)**	(0.91p)	(1.23p)	(2.14p)

The total column represents the profit and loss account and the revenue and capital columns are supplementary information.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the year.

No separate Statement of Total Recognised Gains and Losses is presented as all gains and losses are included in the Income Statement.

Balance Sheet

As at 31 December 2013

	Note	As at 31 December 2013 £'000	As at 31 December 2012 £'000
Fixed Assets			
Investments	8	**8,620**	5,546
Current Assets			
Debtors	9	**92**	67
Cash		**2,743**	6,498
		2,835	6,565
Creditors - amounts falling due within one year	10	**(142)**	(118)
Net Current Assets		**2,693**	6,447
Total Assets less Current Liabilities		**11,313**	11,993
Creditors - amounts falling due after more than one year (including convertible debt)	11	**(1)**	(1)
Net Assets		**11,312**	11,992
Capital and Reserves			
Called up share capital	12	**128**	128
Share premium account		**–**	12,009
Capital reserve – realised		**(299)**	(128)
Capital reserve – unrealised		**35**	45
Revenue reserve		**11,448**	(62)
Equity Shareholders' Funds		**11,312**	11,992
Net Asset Value per Ordinary Share	13	**88.23p**	93.54p
Diluted Net Asset Value per Ordinary Share	13	**88.23p**	93.54p

The financial statements were approved and authorised for issue by the Board of Directors on 29 April 2014 and were signed on their behalf by:

Sir Aubrey Brocklebank
Chairman
29 April 2014

Cash Flow Statement

For the year ended 31 December 2012

	Year ended 31 December 2013 £'000	Period from 6 July 2011 to 31 December 2012 £'000
Loss on ordinary activities before taxation	**(39)**	(145)
Loss/(gains) on investments	**10**	(61)
Increase in debtors	**(25)**	(67)
Increase in creditors	**37**	105
Net cash outflow from operating activities	**(17)**	(168)
Capital expenditure and financial investment		
Purchase of investments	**(3,084)**	(6,501)
Proceeds from sale of investments	**–**	1,016
Net cash outflow from capital expenditure and financial investment	**(3,084)**	(5,485)
Dividends paid	**(641)**	–
Net cash outflow before financing	**(3,742)**	(5,653)
Financing		
Proceeds received from issue of ordinary share capital	**–**	12,441
Expenses paid for issue of share capital	**–**	(304)
Proceeds received from issue of redeemable preference shares	**–**	13
Redemption of redeemable preference shares	**(13)**	–
Proceeds received from convertible loan notes	**–**	1
Net cash (outflow)/inflow from financing	**(13)**	12,151
(Decrease)/increase in cash in the year/period	**(3,755)**	6,498
Reconciliation of net cash flow to movement in net funds		
(Decrease)/increase in cash in the year/period	**(3,755)**	6,498
Net funds at start of year/period	**6,498**	–
Net funds at end of year/period	**2,743**	6,498

Reconciliation of Movements in Shareholders' Funds

For the year ended 31 December 2013

	Called up share capital £'000	Share Premium Account £'000	Capital reserve– realised £'000	Capital reserve– unrealised £'000	Revenue reserve £'000	Total £'000
Share issues in the period	128	12,693	–	–	–	12,821
Expenses of share issues	–	(684)	–	–	–	(684)
Return after taxation attributable to equity shareholders	–	–	(128)	45	(62)	(145)
Balance as at 31 December 2012	128	12,009	(128)	45	(62)	11,992
Capital reconstruction	–	(12,009)	–	–	12,009	–
Return after taxation attributable to equity shareholders	–	–	(171)	(10)	142	(39)
Dividends paid	–	–	–	–	(641)	(641)
Balance as at 31 December 2013	**128**	**–**	**(299)**	**35**	**11,448**	**11,312**

Distributable reserves comprise: Capital reserve – realised, Capital reserve – unrealised (excluding gains on unquoted investments) and the Revenue reserve. At the year end distributable reserves were £11,184,000 (2012: £nil).

The Capital reserve-realised shows gains/losses that have been realised in the year due to the sale of investments, net of related costs. The Capital reserve-unrealised represents the investment holding gains/losses and shows the gains/losses on investments still held by the company not yet realised by an asset sale.

There was a capital reorganisation on 13 February 2013 which transferred £12,009,000 from the share premium reserve to the revenue reserve.

Notes to the Accounts

For the year ended 31 December 2013

1. Accounting Policies

Basis of Accounting

Puma VCT 8 plc ("the Company") was incorporated and is domiciled in England and Wales. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments held at fair value, and in accordance with UK Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice, 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ("SORP") revised in 2009.

Income Statement

In order to better reflect the activities of a Venture Capital Trust and in accordance with guidance issued by the Association of Investment Companies ("AIC"), supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The net loss of £39,000 as per the Income Statement on page 22 is the measure that the Directors believe is appropriate in assessing the Company's compliance with certain requirements set out in s274 of the Income Tax Act 2007.

Investments

All investments have been designated as fair value through profit or loss, and are initially measured at cost which is the best estimate of fair value. A financial asset is designated in this category if acquired to be both managed and its performance evaluated on a fair value basis with a view to selling after a period of time in accordance with a documented risk management or investment strategy. All investments held by the Company have been managed in accordance with the investment policy set out on pages 6 to 8. The investments are measured at subsequent reporting dates at fair value. Listed investments and investments traded on AIM are stated at bid price at the reporting date. Hedge funds are valued at their respective quoted Net Asset Values per share at the reporting date. Unlisted investments are stated at Directors' valuation with reference to the International Private Equity and Venture Capital Valuation Guidelines ("IPEVC") and in accordance with FRS26 "Financial Instruments: Measurement":

- Investments which have been made within the last twelve months or where the investee company is in the early stage of development will usually be valued at the price of recent investment except where the company's performance against plan is significantly different from expectations on which the investment was made in which case a different valuation methodology will be adopted.
- Investments in debt instruments will usually be valued by applying a discounted cashflow methodology based on expected future returns of the investment.
- Alternative methods of valuation such as net asset value may be applied in specific circumstances if considered more appropriate.

Realised surpluses or deficits on the disposal of investments are taken to realised capital reserves, and unrealised surpluses and deficits on the revaluation of investment are taken to unrealised capital reserves.

It is not the Company's policy to exercise a controlling influence over investee companies. Therefore the results of the companies are not incorporated into the revenue account except to the extent of any income accrued.

Cash at bank and in hand

Cash at bank and in hand comprises cash on hand and demand deposits.

Equity instruments

Equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at proceeds received net of issue costs.

1. Accounting Policies (continued)

Income

Dividends receivable on listed equity shares are brought into account on the ex-dividend date. Dividends receivable on unlisted equity shares are brought into account when the Company's right to receive payment is established and there is no reasonable doubt that payment will be received. Interest receivable is recognised wholly as a revenue item on an accruals basis.

Performance fees

Upon its inception, the Company agreed performance fees payable to the Investment Manager, Shore Capital Limited, and members of the investment management team at 20 per cent of the aggregate excess of amounts realised over £1 per Ordinary Share returned to Ordinary Shareholders. This incentive will only be exercisable once the holders of Ordinary Shares have received distributions of £1 per share. The performance fee is accounted for as an equity-settled share-based payment.

FRS 20 Share-Based Payment requires the recognition of an expense in respect of share-based payments in exchange for goods or services. Entities are required to measure the goods or services received at their fair value, unless that fair value cannot be estimated reliably in which case that fair value should be estimated by reference to the fair value of the equity instruments granted.

At each balance sheet date, the Company estimates that fair value by reference to any excess of the net asset value, adjusted for dividends paid, over £1 per share in issue at the balance sheet date. Any change in fair value is recognised in the Income Statement with a corresponding adjustment to equity.

Expenses

All expenses (inclusive of VAT) are accounted for on an accruals basis. Expenses are charged wholly to revenue, with the exception of:

- expenses incidental to the acquisition or disposal of an investment charged to capital; and
- the investment management fee, 75 per cent of which has been charged to capital to reflect an element which is, in the directors' opinion, attributable to the maintenance or enhancement of the value of the Company's investments in accordance with the Board's expected long-term split of return; and
- the performance fee which is allocated proportionally to revenue and capital based on the respective contributions to the Net Asset Value.

Taxation

Corporation tax is applied to profits chargeable to corporation tax, if any, at the applicable rate for the year. The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue return on the marginal basis as recommended by the SORP.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more, or right to pay less, tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent years. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the years in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the Accounts continued

For the year ended 31 December 2013

1. Accounting Policies (continued)

Reserves

Realised losses and gains on investments, transaction costs, the capital element of the investment management fee and taxation are taken through the Income Statement and recognised in the Capital Reserve – Realised on the Balance sheet. Unrealised losses and gains on investments and the capital element of the performance fee are also taken through the Income Statement and are recognised in the Capital Reserve – Unrealised.

Foreign exchange

The base currency of the Company is Sterling. Transactions denominated in foreign currencies are translated into Sterling at the rates ruling at the dates that they occurred. Assets and liabilities denominated in a foreign currency are translated at the appropriate foreign exchange rate ruling at the balance sheet date. Translation differences are recorded as unrealised foreign exchange losses or gains and taken to the Income Statement.

Debtors

Debtors include accrued income which is recognised at amortised cost, equivalent to the fair value of the expected balance receivable.

Dividends

Final dividends payable are recognised as distributions in the financial statements when the Company's liability to make payment has been established. The liability is established when the dividends proposed by the Board are approved by the Shareholders. Interim dividends are recognised when paid.

2. Income

	Year ended 31 December 2013 £'000	Period from 6 July 2011 to 31 December 2012 £'000
Income from investments		
Loan stock interest	**336**	53
Arrangement fees	**–**	15
Bond yields	**38**	23
	374	91
Other income		
Bank deposit interest	**28**	67
	402	158

3. Investment Management Fees

	Year ended 31 December 2013 £'000	Period from 6 July 2011 to 31 December 2012 £'000
Shore Capital Limited	**228**	192

Shore Capital Limited ("Shore Capital") has been appointed as the Investment Manager of the Company for an initial period of five years, which can be terminated by not less than twelve months' notice, given at any time by either party, on or after the fifth anniversary. The Board is satisfied with the performance of the Investment Manager. Under the terms of this agreement Shore Capital is paid an annual fee of 2 per cent of the Net Asset Value payable quarterly in arrears calculated on the relevant quarter end NAV of the Company. These fees are capped, the Investment Manager having agreed to reduce its fee (if necessary to nothing) to contain total annual costs (excluding performance fee and trail commission) to within 3.5 per cent of Net Asset Value. Total annual costs this year were 3.5 per cent of the year end Net Asset Value (2012: 3.5%).

In addition to the investment manager fees disclosed above, in June 2012 a payment of £244,000 was made to Shore Capital Limited in relation to share issue costs. This fee of 2% of funds raised was detailed in the prospectus of the fund.

4. Other expenses

	Year ended 31 December 2013 £'000	Period from 6 July 2011 to 31 December 2012 £'000
Administration – Shore Capital Fund Administration Services Limited	**40**	33
Directors' remuneration*	**60**	50
Social security costs	**1**	1
Auditor's remuneration for statutory audit	**21**	17
Insurance	**5**	4
Legal and professional fees	**28**	37
Trail commission	**35**	21
Other expenses	**13**	9
	203	172

* Directors' remuneration includes VAT of £4,000 (2012: £3,000).

Shore Capital Fund Administration Services Limited provides administrative services to the Company for an aggregate annual fee of 0.35 per cent of the Net Asset Value of the Fund, payable quarterly in arrears.

The total fees paid or payable (excluding VAT and employers NIC) in respect of individual Directors for the year are detailed in the Directors' Remuneration Report on page 15. The Company had no employees (other than Directors) during the year. The average number of non-executive Directors during the year was 3 (2012: 3).

The Auditor's remuneration of £17,500 has been grossed up in the table above to be inclusive of VAT.

Notes to the Accounts continued

For the year ended 31 December 2013

5. Tax on Ordinary Activities

	Year ended 31 December 2013 £'000	Period from 6 July 2011 to 31 December 2012 £'000
UK corporation tax charged to revenue reserve	**–**	–
UK corporation tax charged to capital reserve	**–**	–
UK corporation tax charge for the period	**–**	–
Factors affecting tax charge for the period		
Loss on ordinary activities before taxation	**(39)**	(145)
Tax charge calculated on loss on ordinary activities before taxation at the applicable rate of 20%	**(8)**	(29)
Capital income not taxable	**2**	(12)
Tax losses carried forward	**6**	41
	–	–

The income statement shows the tax charge allocated to revenue and capital. Capital returns are not taxable as VCTs are exempt from tax on realised capital gains subject that they comply and continue to comply with the VCT regulations.

No provision for deferred tax has been made in the current accounting period. No deferred tax assets have been recognised as the timing of their recovery cannot be foreseen with any certainty. Due to the Company's status as a Venture Capital Trust and the intention to continue meeting the conditions required to obtain approval in the foreseeable future, the Company has not provided deferred tax on any capital gains and losses arising on the revaluation or disposal of investments.

6. Basic and diluted return per Ordinary Share

	Year ended 31 December 2013		
	Revenue	**Capital**	**Total**
Result for the year (£'000)	**142**	**(181)**	**(39)**
Weighted average number of shares	**12,820,841**	**12,820,841**	**12,820,841**
Return/(loss) per share	**1.11p**	**(1.41)p**	**(0.30)p**

	Period from 6 July 2011 to 31 December 2012		
	Revenue	**Capital**	**Total**
Result for the period (£'000)	(62)	(83)	(145)
Weighted average number of shares	6,774,461	6,774,461	6,774,461
Loss per share	(0.91)p	(1.23)p	(2.14)p

The total loss per ordinary share is the sum of the revenue return/(loss) and capital loss.

7. Dividends

The Directors do not propose a final dividend in relation to the year ended 31 December 2013 (2012: £nil). Interim dividends of 5p per Ordinary Share were paid on both 26 February 2013 and 21 February 2014. Each interim dividend payment totalled £641,000.

8. Investments

(a) Summary	Historic Cost as at 31 December 2013 £'000	Market Value as at 31 December 2013 £'000	Historic Cost as at 31 December 2012 £'000	Market Value as at 31 December 2012 £'000
Qualifying venture capital investments	**3,634**	**3,634**	2,450	2,450
Non qualifying investments	**4,951**	**4,986**	3,051	3,096
	8,585	**8,620**	5,501	5,546

(b) Movements in investments	Qualifying venture capital investments £'000	Non qualifying investments £'000	Total £'000
Opening value	2,450	3,096	5,546
Purchases at cost	1,184	1,900	3,084
Net unrealised losses	–	(10)	(10)
Valuation at 31 December 2013	3,634	4,986	8,620
Book cost at 31 December 2013	3,634	4,951	8,585
Net unrealised gains at 31 December 2013	–	35	35
Valuation at 31 December 2013	3,634	4,986	8,620

(c) Gains/(losses) on investments

The gains/(losses) on investments for the period shown in the Income Statement on page 22 is analysed as follows:

	Year ended 31 December 2013 £'000	Period from 6 July 2011 to 31 December 2012 £'000
Realised gain on disposal	**–**	16
Net unrealised (loss)/gain on investments held at the year end	**(10)**	45
	(10)	61

(d) Quoted and unquoted investments	Market Value as at 31 December 2013 £'000	Market Value as at 31 December 2012 £'000
Quoted investments	**785**	795
Unquoted investments	**7,835**	4,751
	8,620	5,546

Notes to the Accounts continued

For the year ended 31 December 2013

8. Investments (continued)

(e) Significant interests

As at 31 December 2013, the Company held more than 20% of the equity of the following undertakings. These holdings are included within the unquoted investments disclosed above and are held as part of the Company's investment portfolio.

	Percentage of equity directly held in Investee Company				Fair value of Company's investment as at 31/12/2013	Fair value of Company's investment as at 31/12/2012
Investee Company	Company	Puma VCT High Income plc	Puma VCT VII plc	Puma VCT 9 plc	£'000	£'000
Buckhorn Lending Limited	25%	25%	25%	25%	881	881
Latimer Lending Limited	33%	–	33%	33%	650	–
Valencia Lending Limited	50%	–	–	50%	500	–
Jephcote Trading Limited	28%	–	45%	24%	1,000	1,000
Isaacs Trading Limited	47.5%	47.5%	–	–	1,000	1,000
Kinloss Trading Limited	50%	–	–	50%	254	–
					4,285	2,881

Shore Capital Limited is the investment manager of the Company, Puma VCT VII plc and Puma High Income VCT plc and a subsidiary of Shore Capital Limited is the investment manager of Puma VCT 9 plc.

The Company is able to exercise significant influence over all of the above-named investee companies.

These investments have not been accounted for as associates or joint ventures since FRS 9: Associates and Joint Ventures and the SORP require that Investment Companies treat all investments held as part of their investment portfolio in the same way, even those over which the Company has significant influence.

Further details of these investments are disclosed in the Investment Portfolio Summary on page 5 of the Annual Report.

9. Debtors

	As at 31 December 2013 £'000	As at 31 December 2012 £'000
Prepayments and accrued income	**92**	67

10. Creditors – amounts falling due within one year

	As at 31 December 2013 £'000	As at 31 December 2012 £'000
Accrued management fees and administration costs	**142**	118

11. Creditors – amounts falling due after more than one year (including convertible debt)

	As at 31 December 2013 £'000	As at 31 December 2012 £'000
Loan Notes	**1**	1

On 26 July 2011, the Company issued Loan Notes in the amount of £1,000 to a nominee on behalf of Shore Capital Limited and members of the investment management team. The Loan Notes accrue interest of 5 per cent per annum.

The Loan Notes entitle Shore Capital and members of the investment management team to receive a performance related incentive of 20 per cent of the aggregate amounts realised by the Company in excess of £1 per Ordinary Share. The Shareholders will be entitled to the balance. This incentive, to be effected through the issue of shares in the Company, will only be exercised once the holders of Ordinary Shares have received dividends of £1 per share (whether capital or income). The performance incentive structure provides a strong incentive for the Investment Manager to ensure that the Company performs well, enabling the Board to approve distributions as high and as soon as possible.

In the event that distributions to the holders of Ordinary Shares totalling £1 per share have been made, the Loan Notes will convert into sufficient Ordinary Shares to represent 20 per cent of the enlarged number of Ordinary Shares. The amount of the performance fee will be calculated as 20 per cent of the excess of the net asset value (adjusted for dividends paid) over £1 per issued share.

12. Called Up Share Capital

	As at 31 December 2013 £'000	As at 31 December 2012 £'000
12,820,841 ordinary shares of 1p each	**128**	128

13. Net Asset Value per Ordinary Share

	As at 31 December 2013	As at 31 December 2012
Net assets (£'000)	**11,312**	11,992
Shares in issue	**12,820,841**	12,820,841
Net asset value per share		
Basic	**88.23p**	93.54p
Diluted	**88.23p**	93.54p

Notes to the Accounts continued

For the year ended 31 December 2013

14. Financial Instruments

The Company's financial instruments comprise its investments, cash balances, debtors and certain creditors. Fixed Asset investments held are valued at Bid market prices or price of recent investment. The fair value of all of the Company's financial assets and liabilities is represented by the carrying value in the Balance Sheet. The Company held the following categories of financial instruments at 31 December 2013:

	As at 31 December 2013 £'000	As at 31 December 2012 £'000
Assets at fair value through profit or loss		
Investments managed through Shore Capital Limited	**8,620**	5,546
Loans and receivables		
Cash at bank and in hand	**2,743**	6,498
Interest, dividends and other receivables	**92**	67
Other financial liabilities		
Financial liabilities measured at amortised cost	**(143)**	(119)
	11,312	11,992

Management of risk

The main risks the Company faces from its financial instruments are market price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or currency movements, liquidity risk, credit risk and interest rate risk. The Board regularly reviews and agrees policies for managing each of these risks. The Board's policies for managing these risks are summarised below and have been applied throughout the year.

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Investment Manager monitors counterparty risk on an ongoing basis. The carrying amount of financial assets best represents the maximum credit risk exposure at the balance sheet date. The Company's financial assets maximum exposure to credit risk is as follows:

	As at 31 December 2013 £'000	As at 31 December 2012 £'000
Investments in loans, loan notes and bonds	**5,551**	3,831
Cash at bank and in hand	**2,743**	6,498
Interest, dividends and other receivables	**92**	67
	8,386	10,396

The cash held by the Company at the year end is split between a U.K. bank and a BBB rated South African bank. Bankruptcy or insolvency of either bank may cause the Company's rights with respect to the receipt of cash held to be delayed or limited. The Board monitors the Company's risk by reviewing regularly the financial position of the banks and should it deteriorate significantly the Investment Manager will, on instruction of the Board, move the cash holdings to another bank.

Credit risk associated with interest, dividends and other receivables are predominantly covered by the investment management procedures.

14. Financial Instruments (continued)

Credit risk (continued)

Investments in loans, loan notes and bonds comprises a fundamental part of the Company's venture capital investments, therefore credit risk in respect of these assets is managed within the Company's main investment procedures.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held by the Company. It represents the potential loss the Company might suffer through holding investments in the face of price movements. The Investment Manager actively monitors market prices and reports to the Board, which meets regularly in order to consider investment strategy.

The Company's strategy on the management of market price risk is driven by the Company's investment policy as outlined in the Report of the Directors on page 13. The management of market price risk is part of the investment management process. The portfolio is managed with an awareness of the effects of adverse price movements through detailed and continuing analysis, with an objective of maximising overall returns to shareholders.

Holdings in unquoted investments may pose higher price risk than quoted investments. Some of that risk can be mitigated by close involvement with the management of the investee companies along with review of their trading results.

9% of the Company's investments are listed on the London Stock Exchange (2012: 14%) and 91% are unquoted investments (2012: 86%).

Liquidity risk

Details of the Company's unquoted investments are provided in the Investment Portfolio summary on page 5. By their nature, unquoted investments may not be readily realisable, the Board considers exit strategies for these investments throughout the period for which they are held. As at the year end, the Company had no borrowings other than loan notes amounting to £1,000 (2012: £1,000) (see note 11).

The Company's liquidity risk associated with investments is managed on an ongoing basis by the Investment Manager in conjunction with the Directors and in accordance with policies and procedures in place as described in the Report of the Directors. The Company's overall liquidity risks are monitored on a quarterly basis by the Board.

The Company maintains sufficient investments in cash and readily realisable securities to pay accounts payable and accrued expenses.

Interest rate risk profile of financial assets

The following analysis sets out the interest rate risk of the Company's financial assets as at 31 December 2013.

	Rate status	Weighted average interest rate	Weighted average period until maturity	Total £'000
Cash at bank – RBS	Floating	0.90%	–	126
Cash at bank – Investec	Fixed	1.65%	32 day notice	2,617
Loans and loan notes	Floating	17.38%	49 months	2,696
Loans, loan notes and bonds	Fixed	6.07%	49 months	2,855
Balance of financial assets		Non-interest bearing	–	3,018
				11,312

Notes to the Accounts continued

For the year ended 31 December 2013

14. Financial Instruments (continued)

Interest rate risk profile of financial assets (continued)

The following analysis sets out the interest rate risk of the Company's financial assets as at 31 December 2012.

	Rate status	Weighted average interest rate	Weighted average period until maturity	Total £'000
Cash at bank – RBS	Floating	0.90%	–	1,747
Cash at bank – Investec	Fixed	1.65%	32 day notice	4,242
Cash held by custodian – Pershing	Non-interest bearing	–	–	509
Loans and loan notes	Floating	16.19%	57 months	1,616
Loans, loan notes and bonds	Fixed	5.00%	61 months	2,215
Balance of assets		Non-interest bearing	–	1,782
				12,111

Cash flow interest rate risk

The Company has exposure to interest rate movements primarily through its cash deposits and loan notes which track either the Bank of England base rate or LIBOR.

Fair value interest rate risk

The benchmark that determines the interest paid or received on the current account is the Bank of England base rate, which was 0.5 per cent at 31 December 2013 and 2012. All of the loan and loan note investments are unquoted and hence not directly subject to market movements as a result of interest rate movements.

At the year end and throughout the year, the Company's only liability subject to fair value interest rate risk were the Loan Notes of £1,000 at 5.0 per cent (see note 11).

Foreign currency risk

The reporting currency of the Company is Sterling. The Company has not held any non-Sterling investments during the year.

14. Financial Instruments (continued)

Fair value hierarchy

Fair values have been measured at the end of the reporting period as follows:

	Level 1 'Quoted prices' £'000	Level 2 'Observable inputs' £'000	Level 3 'Unobservable inputs' £'000	Total £'000
As at 31 December 2013				
At fair value through profit and loss	**785**	**–**	**7,835**	**8,620**
As at 31 December 2012				
At fair value through profit and loss	795	–	4,751	5,546

Financial assets and liabilities measured at fair value are disclosed using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements, as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical asset or liabilities ('quoted prices');
- Level 2 – Inputs (other than quoted prices in active markets for identical assets or liabilities) that are directly or indirectly observable for the asset or liability ('observable inputs'); or
- Level 3 – Inputs that are not based on observable market data ('unobservable inputs').

The Level 3 investments have been valued at the price of recent investment, in line with the Company's accounting policies and IPEVC guidelines. Further details of these investments are provided in the significant interests section of the Annual Report.

Reconciliation of fair value for level 3 financial instruments held at the year end:

	Unquoted shares £'000	Loan notes £'000	Total £'000
Purchases at cost	1,715	3,036	4,751
Sales proceeds	–	–	–
Balance as at 31 December 2012	1,715	3,036	4,751
Purchases at cost	**1,354**	**1,730**	**3,084**
Sales proceeds	**–**	**–**	**–**
Balance as at 31 December 2013	**3,069**	**4,766**	**7,835**

Notes to the Accounts continued

For the year ended 31 December 2013

15. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide an adequate return to shareholders by allocating its capital to assets commensurate with the level of risk.

By its nature, the Company has an amount of capital, at least 70% (as measured under the tax legislation) of which must be, and remain, invested in the relatively high risk asset class of small UK companies within three years of that capital being subscribed.

The Company accordingly has limited scope to manage its capital structure in the light of changes in economic conditions and the risk characteristics of the underlying assets. Subject to this overall constraint upon changing the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to maintain a level of liquidity to remain a going concern.

The Board has the opportunity to consider levels of gearing, however there are no current plans to do so. It regards the net assets of the Company as the Company's capital, as the level of liabilities is small and the management of it is not directly related to managing the return to shareholders. There has been no change in this approach from the previous period.

16. Contingencies, Guarantees and Financial Commitments

There were no commitments, contingencies or guarantees of the Company at the year-end (2012: nil).

17. Controlling Party and Related Party Transactions

In the opinion of the Directors there is no immediate or ultimate controlling party.

Puma VCT 8 plc
Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held at Bond Street House, 14 Clifford Street, London W1S 4JU on 26 June 2014 at 2:30 p.m. for the following purposes:

Ordinary Business

1 To approve and adopt the Accounts for the financial period ended 31 December 2013, together with the reports of the Directors and Auditors thereon.

2 To re-elect Graham Shore as a Director who retires pursuant to article 116 of the Company's Articles of Association and, being eligible, offers himself for re-election.

3 To re-appoint Baker Tilly as Auditors of the Company and to authorise the Directors to determine their remuneration.

4 To approve the policy set out in the Remuneration Report in the Annual Report and Accounts 2013.

5 To approve the implementation report set out in the Remuneration Report in the Annual Report and Accounts 2013

BY ORDER OF THE BOARD

Eliot Kaye
Company Secretary

Dated: 23 May 2014

Registered Office:
Bond Street House
14 Clifford Street
London
W1S 4JU

Notes:
Information regarding the Annual General Meeting, including the information required by section 311A of the CA 2006, is available from: **www.shorecap.gg/puma-vct-information/**.

Puma VCT 8 plc
Notice of Annual General Meeting continued

Notes:

(a) Any member of the Company entitled to attend and vote at the Annual General Meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of that member. A member may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company but must attend the Annual General Meeting in order to represent his appointor. A member entitled to attend and vote at the Annual General Meeting may appoint the Chairman or another person as his proxy although the Chairman will not speak for the member. A member who wishes his proxy to speak for him should appoint his own choice of proxy (not the Chairman) and give instructions directly to that person. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in these Notes. Please read Note (h) below. Under section 319A of the CA 2006, the Company must answer any question a member asks relating to the business being dealt with at the Annual General Meeting unless:

- answering the question would interfere unduly with the preparation for the Annual General Meeting or involve the disclosure of confidential information;
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the Annual General Meeting that the question be answered.

(b) To be valid, a Form of Proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to the Company's registrars, SLC Registrars, Thames House, Portsmouth Road, Esher, Surrey KT10 9AD or electronically at pumav@davidvenus.com, in each case not less than 48 hours (excluding weekends and public holidays) before the time appointed for holding the Annual General Meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote. In the case of a poll taken more than 48 hours (excluding weekends and public holidays) after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours (excluding weekends and public holidays) before the time appointed for taking the poll, or where the poll is taken not more than 48 hours (excluding weekends and public holidays) after it was demanded, be delivered at the meeting at which the demand is made.

(c) In order to revoke a proxy instruction a member will need to inform the Company using one of the following methods:

- by sending a signed hard copy notice clearly stating the intention to revoke the proxy appointment to the Company's registrars, SLC Registrars, Thames House, Portsmouth Road, Esher, Surrey KT10 9AD. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- by sending an e-mail to pumav@davidvenus.com.

In either case, the revocation notice must be received by the Company's registrars, SLC Registrars, Thames House, Portsmouth Road, Esher, Surrey KT10 9AD before the Annual General Meeting or the holding of a poll subsequently thereto. If a member attempts to revoke his or her proxy appointment but the revocation is received after the time specified then, subject to Note (d) directly below, the proxy appointment will remain valid.

(d) Completion and return of a Form of Proxy will not preclude a member of the Company from attending and voting in person. If a member appoints a proxy and that member attends the Annual General Meeting in person, the proxy appointment will automatically be terminated.

(e) Copies of the Directors' Letters of Appointment, the Register of Directors' interests in the Shares of the Company and a copy of the current Articles of Association will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturday and Public Holidays excluded) from the date of this notice, until the end of the Annual General Meeting and at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.

(f) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those holders of the Company's shares registered on the Register of Members of the Company as at 6 p.m. on 24 June 2014 or, in the event that the Annual General Meeting is adjourned, on the Register of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the said Annual General Meeting in respect of such shares registered in their name at the relevant time. Changes to entries on the Register of Members after 6 p.m. on 24 June 2014 or, in the event that the Annual General Meeting is adjourned, on the Register of Members less than 48 hours before the time of any adjourned meeting, shall be disregarded in determining the right of any person to attend and vote at the Annual General Meeting.

(g) As at 23 May 2014, the Company's issued share capital comprised 12,820,841 Ordinary Shares. The total number of voting rights in the Company as at 23 May 2014 is 12,820,841. The website referred to above will include information on the number of shares and voting rights.

(h) If you are a person who has been nominated under section 146 of the CA 2006 to enjoy information rights ("Nominated Person"):

- You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights ("Relevant Member") to be appointed or to have someone else appointed as a proxy for the Annual General Meeting;
- If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights;
- Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

(i) A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

(j) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.

(k) Except as provided above, members who have general queries about the General Meeting should call the Company's registrars, SLC Registrars, Thames House, Portsmouth Road, Esher, Surrey KT10 9AD on 01372 467308 (no other methods of communication will be accepted).

(l) Members may not use any electronic address provided either in this notice of Annual General Meeting, or any related documents (including the Chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

(m) Resolution 2: Information about the Director who is proposed by the Board for re-election at the Annual General Meeting is shown in the Annual Report and Accounts 2013.

Officers and Professional Advisers

Directors
Sir Aubrey Brocklebank (Chairman)
David Brock
Graham Shore

Secretary
Eliot Kaye

Registered Number
07696739

Sponsors and Solicitors
Howard Kennedy Corporate Services LLP
19 Cavendish Square
London W1A 2AW

Registered Office
Bond Street House
14 Clifford Street
London W1S 4JU

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

Auditor
Baker Tilly UK Audit LLP
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

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

VCT Tax Advisor
PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Registrar
SLC Registrars
Thames House
Portsmouth Road
Esher
Surrey KT10 9AD

Custodian
Pershing Securities Limited
Capstan House
One Clove Crescent
East India Dock
London E14 2BH

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

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

www.shorecap.gg

Tel: 020 7408 4050
Fax: 020 7408 4051