

KINGS ARMS YARD VCT PLC

Registered in England and Wales Registered Number 3139019

1 Kings Arms Yard, London, EC2R 7AF

Telephone: 020 7601 1850, Fax: 020 7601 1875

This letter is being sent to shareholders of Kings Arms Yard VCT plc (the “Company”) for information only and no action is required to be taken. If you have sold or transferred all of your shares in the Company please forward this letter to the purchaser, or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

15 October 2014

Dear Shareholder

Change of Auditor - Information only

I am writing to inform you that following the Company’s competitive process for the selection of an audit firm, Grant Thornton UK LLP was unsuccessful in its appointment to continue in its capacity as Auditor of the Company, and as a consequence has resigned as the Company’s auditor with effect from 15 October 2014.

In the meantime the Directors have appointed BDO LLP as auditor of the Company to fill the casual vacancy, and it will be eligible for re-appointment as the auditor to the Company at the next AGM.

Grant Thornton UK LLP has deposited with the Company a statement of circumstances connected with its resignation. A copy of this statement is attached as required by section 520(2) of the Companies Act 2006.

Yours faithfully

Robin Field

Chairman



Your Ref CS/JDS

The Company Secretary
Kings Arms Yard VCT PLC
1 King's Arms Yard
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10 October 2014

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Further to the requirements of section 519 of the Companies Act 2006 the circumstance connected with our ceasing to hold office is as follows:

- we were unsuccessful in retaining the statutory audit engagement following the conclusion of an audit tender process.

Chartered Accountants

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No.OC307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority.

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