CROWN PLACE VCT PLC

Interim accounts
for the period to
30 September 2007
(Unaudited)

Company Number: 3495287

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Company information

Directors	Patrick Crosthwaite FSI Chairman Andrew Cubie CBE Rachel Beagles MA Vikram Lall CBE, CA Geoffrey Vero FCA
Manager and Company Secretary	Close Ventures Limited 10 Crown Place London EC2A 4FT Tel 020 7422 7830
Registered office	10 Crown Place London EC2A 4FT
Registrar	Capita Registrars plc Northern House Woodsome Park Fenay Bridge Huddersfield HD8 0LA
Registered Auditors	Deloitte & Touche LLP Hill House 1 Little New Street London EC4A 3TR
Taxation adviser	Ernst & Young LLP 1 More London Place London SE1 2AF
Company number	3495287

Crown Place VCT PLC is a member of the Association of Investment Companies

Statement of Directors' responsibilities

The Directors are responsible for preparing these Interim Accounts The Directors have chosen to prepare the financial statements for the Company in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP")

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view in accordance with UK GAAP of the state of affairs of the Company at the end of the period and of the profit and loss of the Company for that period and comply with UK GAAP and the Companies Act 1985 In preparing those financial statements the Directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether all applicable accounting standards have been followed, and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985 They are also responsible for safeguarding the assets of the Company, for the systems of internal control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities The Directors confirm that the Financial Statements comply with the above requirements

The accounting policies applied to these Interim Accounts have been consistently applied in current and prior periods and are those applied in the Report and Financial Statements for the period ended 30 June 2007

These Interim Accounts has not been audited or reviewed by the auditors

By Order of the Board

Patrick Crosthwaite
Chairman
14 November 2007

Condensed Income Statement

	Notes	Unaudited Three months to 30 September 2007			Audited Sixteen months to 30 June 2007		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment income and deposit interest	3	362	-	362	2,309	-	2,309
Investment management fee		(45)	(133)	(178)	(291)	(872)	(1,163)
Other expenses		(66)	-	(66)	(452)	1	(451)
Non recurring operating expenses		-	-	-	(73)	-	(73)
Operating profit/(loss)		251	(133)	118	1,493	(871)	622
(Losses)/gains on investments	4	-	(918)	(918)	-	2,932	2,932
Return on ordinary activities before tax		251	(1,051)	(800)	1,493	2,061	3,554
Taxation	5	(58)	36	(22)	(294)	273	(21)
Return/(loss) attributable to equityholders		193	(1,015)	(822)	1,199	2,334	3,533
Basic and diluted return per Ordinary share (pence)	7	0 3	(1 3)	(1 0)	1 5	3 0	4 5

1 The total column of this Income Statement represents the profit and loss account of the Company The supplementary revenue and capital return columns have been prepared in accordance with the Association of Investment Trust Companies Statement of Recommended Practice

2 All of the Company's activities derive from continuing operations

3 The Company has no recognised gains or losses other than those disclosed above Accordingly a statement of total recognised gains and losses is not required

4 The notes on pages 8 to 11 form part of these accounts

Condensed balance sheet

	Notes	Unaudited 30 September 2007 £'000	Audited 30 June 2007 £'000
Fixed assets			
Investments		25,998	26,237
Investments in subsidiaries		18,033	17,978
Total fixed assets		44,031	44,215
Current assets			
Debtors		186	313
Cash at bank		3,427	3,900
		3,613	4,213
Total assets		47,644	48,428
Creditors: amounts falling due within one year		(14,037)	(14,054)
Net assets		33,607	34,374
Capital and reserves			
Called up share capital	8	8,392	8,392
Share premium		14,422	14,422
Capital redemption reserve		468	468
Own shares held		(2,849)	(2,849)
Retained earnings		13,174	13,941
Total equity shareholders' funds		33,607	34,374
Net asset value per Ordinary share (pence) excluding Treasury shares		43 8	44 8

The above financial information for the 3 months to 30 September 2007 and 16 months to 30 June 2007 does not constitute statutory financial statements as defined in Section 240 of the Companies Act 1985

These accounts were approved by the Board of Directors on 14 November 2007

Patrick Crosthwaite (Chairman)

The notes on pages 8 to 11 form part of these accounts

Condensed reconciliation of movements in shareholders' funds

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Own shares held £'000	Retained earnings £'000	Total £'000
At 1 July 2007	8,392	14,422	468	(2,849)	13,941	34,374
Movement in value of subsidiaries	-	-	-	-	55	55
Return attributable to equityholders	-	-	-	-	(822)	(822)
At 30 September 2007	8,392	14,422	468	(2,849)	13,174	33,607
At 1 March 2006	8,610	14,422	250	(1,908)	13,581	34,955
Cost of treasury shares repurchased	-	-	-	(941)	-	(941)
Purchase of own shares for cancellation (including costs)	(218)	-	218	-	(816)	(816)
Return attributable to equityholders	-	-	-	-	3,777	3,777
Dividends paid in period	-	-	-	-	(2,601)	(2,601)
At 30 June 2007	8,392	14,422	468	(2,849)	13,941	34,374

Notes to the condensed set of financial statements

1 **Basis of accounting**

The Company s financial statements have been prepared using accounting policies consistent with Financial Reporting Standards ('FRS'), and in accordance with the historical cost convention modified to include the revaluation of investments in accordance with applicable United Kingdom law and accounting standards and with the Statement of Recommended Practice ' Financial Statements of Investment Trust Companies ('SORP) issued by the Association of Investment Trust Companies ('AITC) in January 2003 and revised in December 2005

True and fair override

The Company is no longer an investment company within the meaning of s266, of the Companies Act 1985 However it conducts its affairs as a venture capital trust for taxation purposes under s842AA of the Income and Corporation Taxes Act 1988

The absence of Section 266 status does not preclude the Company from presenting its accounts in accordance with the AITC SORP and furthermore the Directors consider it appropriate to continue to present the accounts in accordance with the SORP

In the opinion of the Directors, the presentation adopted enables the Company to report in a manner consistent with the sector within which it operates The Directors therefore consider that these departures from the specific provisions of Schedule 4 of the Companies Act relating to the form and content of accounts for companies are necessary to give a true and fair view The departures have no effect on the return or balance sheet

Investment in subsidiaries

The acquisition of subsidiaries is accounted for using the purchase method The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange of assets given, liabilities incurred or assumed plus any costs directly attributable to the business combination The assets and liabilities of the subsidiaries have subsequently been measured at their fair value as at the balance sheet date The investments in subsidiaries are carried at fair value determined by Directors based on the net assets method

Investments

In accordance with FRS 26, equity investments are designated as fair value through profit or loss ("FVTPL') Unquoted investments' fair value is determined by the Directors in accordance with the International Private Equity and Venture Capital Valuation Guidelines Fair value movements on equity investments and gains and losses arising on the disposal of investments are reflected in the capital column of the Income Statement in accordance with the AITC SORP

Unquoted loan stock is classified as loans and receivables in accordance with FRS 26 and carried at amortised cost using the Effective Interest Rate method ("EIR) Loan stock accrued interest is recognised in the Balance Sheet as part of the carrying value of the loans and receivables at the end of each reporting period

Investments listed on recognised exchanges are valued at the closing bid prices at the end of the accounting period

Investments are recognised as financial assets on legal completion of the investment contract and are de-recognised on legal completion of the sale of an investment

It is not the Company's policy to exercise control or significant influence over investee companies Therefore in accordance with the exemptions under FRS 9 "Associates and Joint Ventures", those undertakings in which the Company holds more than 20% of the equity are not regarded as associated undertakings

Taxation

Taxation is applied on a current basis in accordance with FRS 16, "Current tax" Taxation associated with capital expenses is applied in accordance with the SORP In accordance with FRS 19 "Deferred Tax", deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered The specific nature of taxation of venture capital trusts mean that it is unlikely that any deferred tax will arise The Directors have considered the requirements of FRS19 and do not believe that any provision should be made

Dividends

In accordance with FRS 21, "Events after the balance sheet date ' dividends are accounted for in the period in which the dividend has been paid or approved by shareholders

Notes to the condensed set of financial statements (continued)

Issue costs
Issue costs associated with the allotment of share capital have been deducted from the share premium account in accordance with FRS 25

Investment income
Dividends receivable on equity investments are taken to revenue on an ex-dividend basis Fixed returns on debt securities are recognised on a time apportionment basis using an effective interest rate over the life of the financial instrument

Investment management fees, performance incentive fees and other expenses
All expenses have been accounted for on an accruals basis Expenses are charged through the revenue account of the Income Statement except for management fees and performance incentive fees which are allocated in part to the capital account on the Income Statement to the extent that these relate to an enhancement in the value of the investments and in line with the Board s expectation that over the long term 75% of the Company's investment returns will be in the form of capital gains

Debtors and creditors
Debtors are non-interest bearing and are short term in nature and are accordingly stated at their nominal value, as reduced by appropriate allowances for estimated irrecoverable amounts The Directors consider that the carrying amount of debtors approximates their fair value

Taxation and creditors are non-interest bearing and are stated at their nominal value The Directors consider that the carrying amount of creditors approximates their fair value

Reserves
Capital redemption reserve
This reserve accounts for amounts by which the issued share capital is diminished through the repurchase and cancellation of the Company s own shares

Own shares held reserve
This reserve accounts for amounts paid on buying Treasury shares

3 Investment income and deposit interest

	Three months to 30 September 2007 £'000	Sixteen months to 30 June 2007 £'000
Income from investments		
Dividend income	59	148
Loan stock interest	234	1 840
Interest receivable and similar income	69	321
	362	2,309

4 (Losses)/gains on investments

	Three months to 30 September 2007 £'000	Sixteen months to 30 June 2007 £'000
Income from investments		
Net realised gains/(losses)	1 477	853
Unrealised (losses)/gains	(2 395)	2 079
	(918)	2,932

Notes to the condensed set of financial statements (continued)

5 Taxation

	Three months to 30 September 2007			Sixteen months to 30 June 2007		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Corporation tax	(58)	36	(22)	(294)	273	(21)
	(58)	36	(22)	(294)	273	(21)

The tax charge for the period shown in the income statement is lower than the standard rate of corporation tax in the UK of 30% The differences are explained below

	Three months to 30 September 2007 £'000	Sixteen months to 30 June 2007 £'000
(Loss)/profit on ordinary activities before tax	(800)	3,554
Profit on ordinary activities multiplied by standard rate of corporation tax	(240)	675
Effect of gains/(losses) on capital assets not subject to taxation	276	(557)
Effect of income not subject to taxation	(18)	(28)
Effect of disallowed expenditure	-	14
Unrelieved expenses carried forward	-	(83)
Marginal relief	4	-
	22	21

Notes

(i) Venture Capital Trusts are not subject to corporation tax upon any capital gains

(ii) Tax relief on expenses charged to capital has been determined by allocating tax relief to all expenses proportionately by reference to the applicable corporation tax rate of 30% and allocating the relief in the same ratio as expenses between revenue and capital

(iii) No deferred tax on any asset or liability has arisen in the year

(iv) Tax is provided at the average rate of 30 per cent

6 Dividends

A first interim dividend of 1 25 pence per share (0 8 pence to be paid out of revenue profits and 0 45 pence out of realised capital gains) has been approved by the Board This dividend is subject to approval by HM Revenue & Customs The record date and payment date for this dividend will be announced on the London Stock Exchange RNS Service

Notes to the condensed set of financial statements (continued)

7 **Basic and diluted return per share**

	Three months to 30 September 2007		
	Revenue	Capital	Total
The return per share has been based on the following figures			
Return attributable to equity shares £'000	193	(1,015)	(822)
Weighted average shares in issue (excluding treasury shares)	76 660,024	76,660,024	76,660,024
Return attributable per equity share	0 3	(1 3)	(1 0)

	Sixteen months to 30 June 2007		
	Revenue	Capital	Total
The return per share has been based on the following figures			
Return attributable to equity shares £'000	1,199	2,334	3 533
Weighted average shares in issue (excluding treasury shares)	76,660 024	76,660,024	76,660,024
Return attributable per equity share	1 51	2 95	4 46

There are no convertible instruments, derivatives or contingent share agreements in issue, and therefore no dilution affecting the return per share

8 **Called up share capital**

	September 2007	30 June
	2007	2007
	£'000	£'000
Authorised		
140,000,000 Ordinary shares of 10p each	14,000	14,000
Allotted		
83,920,434 shares of 10p each (June 2007 83,920,434)	8,392	8,392
Allotted excluding treasury shares		
76,660,024 shares of 10p each (June 2007 76,660,024)	7,666	7,666

9 **Related party transactions**

The Manager, Close Ventures Limited, is considered to be a related party by virtue of the fact that it is party to a management contract During the period, services of a total value of £178,000 (June 2007 1,163 000) were provided to the Company At the financial period end, the amount due to Close ventures limited, disclosed as accruals was £175,000 (June 2007 £176,000)

10 **Other information**

The information set out in these Interim Accounts does not constitute the Company's statutory accounts within the terms of section 240 of the Companies Act 1985 for the period ended 30 September 2007 and is unaudited The information for the period ended 30 June 2007 does not constitute statutory accounts within the terms of section 240 of the Companies Act 1985 and is derived from the statutory accounts for the financial period, which have been delivered to the Registrar of Companies The auditors reported on those accounts their report was unqualified and did not contain a statement under s237 (2) or (3) of the Companies Act 1985

11 **Publication**

These Interim Accounts will be made available to the public at the registered office of the Company and at Companies House