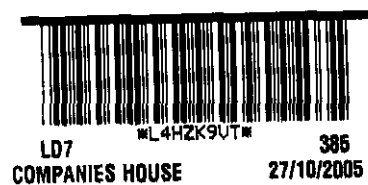


ProVen VCT plc

Interim Accounts for the six months ended 31 August 2005

Prepared in accordance with Section 272 of the Companies Act 1985



Registered in England & Wales No. 3911323

ProVen VCT plc

UNAUDITED STATEMENT OF TOTAL RETURN (incorporating the Revenue Account)

For the six months ended 31 August 2005

	Six months ended 31 August 2005			Six months ended 31 August 2004			Year ended 28 February 2005		
	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Gains/(losses) on investments									
- realised	-	1,616	1,616	-	254	254	-	1,000	1,000
- unrealised	-	(789)	(789)	-	1,026	1,026	-	2,248	2,248
Income	286	-	286	328	-	328	866	-	866
Investment management fee	(95)	(286)	(381)	(73)	(218)	(291)	(152)	(456)	(608)
Other expenses	(94)	-	(94)	(96)	-	(96)	(188)	-	(188)
Return on ordinary activities before taxation	97	541	638	159	1,062	1,221	526	2,792	3,318
Tax (charge)/credit on ordinary activities	(14)	14	-	(28)	28	-	(92)	92	-
Return on ordinary activities after taxation	83	555	638	131	1,090	1,221	434	2,884	3,318
Dividends									
- interim	-	(732)	(732)	(227)	(455)	(682)	(227)	(455)	(682)
- final	-	-	-	-	-	-	(281)	(501)	(782)
Transfers to/(from) reserves	83	(177)	(94)	(96)	635	539	(74)	1,928	1,854
Return per ordinary share Basic and fully diluted	0.3p	2.3p	2.6p	0.6p	4.8p	5.4p	1.9p	12.7p	14.6p

All revenue and capital items in the above statement are from continuing operations. Other than shown above, the company had no recognised gains and losses. The company has only one class of business and derives its income from investments made in shares and securities and from bank deposits.

ProVen VCT plc

UNAUDITED BALANCE SHEET

At 31 August 2005

	31 August 2005 £000	31 August 2004 £000	28 February 2005 £000
Fixed assets			
Investments – unquoted	16,260	15,973	18,171
Investments – AIM quoted	2,606	3,742	3,234
Investments – other listed	89	770	268
	<hr/>	<hr/>	<hr/>
	18,955	20,485	21,673
Current assets			
Debtors	624	213	256
Cash at bank and in hand	7,399	3,097	3,129
	<hr/>	<hr/>	<hr/>
	8,023	3,310	3,885
Creditors : amounts falling due within one year	(1,012)	(887)	(1,060)
	<hr/>	<hr/>	<hr/>
Net current assets	7,011	2,423	2,325
	<hr/>	<hr/>	<hr/>
Net assets	25,966	22,908	23,998
	<hr/>	<hr/>	<hr/>
Capital & reserves			
Share capital	1,221	1,137	1,125
Share premium	3,758	941	941
Special reserve	15,846	17,143	16,743
Capital redemption reserve	76	17	30
Capital reserve – realised	965	108	353
Capital reserve - unrealised	3,962	3,529	4,751
Revenue reserve	138	33	55
	<hr/>	<hr/>	<hr/>
Equity shareholders' funds	25,966	22,908	23,998
	<hr/>	<hr/>	<hr/>
Net asset value per share	106.7p	100.8p	106.7p

Approved by the Board and signed on its behalf by



Andrew Davison
Chairman
29 September 2005

ProVen VCT plc

UNAUDITED CASH FLOW STATEMENT

For the six months ended 31 August 2005

	Six months ended 31 August 2005 £000	Six months ended 31 August 2004 £000	Year ended 28 February 2005 £000
Net revenue from operating activities			
Net revenue from ordinary activities before tax	97	159	526
Decrease/(increase) in debtors	146	(31)	(176)
Increase/(decrease) in creditors	7	30	56
Capitalised interest receipts	-	-	(175)
Management fees charged to capital	(286)	(218)	(456)
	<hr/>	<hr/>	<hr/>
Net cash outflow from operating activities	(36)	(60)	(225)
	<hr/>	<hr/>	<hr/>
Financial investment			
Purchases of investments	-	(443)	(787)
Sales of investments	3,076	1,410	2,809
	<hr/>	<hr/>	<hr/>
Net cash inflow from financial investment	3,076	967	2,022
	<hr/>	<hr/>	<hr/>
Corporation tax paid	-	-	-
Equity dividends paid	(787)	(760)	(1,439)
	<hr/>	<hr/>	<hr/>
Net cash inflow before financing	2,253	147	358
	<hr/>	<hr/>	<hr/>
Financing			
Issue of ordinary shares	3,097	1,054	1,054
Share issue expenses	(137)	(58)	(58)
Purchase of ordinary shares for cancellation	(943)	(149)	(328)
	<hr/>	<hr/>	<hr/>
Net cash inflow from financing	2,017	847	668
	<hr/>	<hr/>	<hr/>
Increase in cash in period	4,270	994	1,026
	<hr/>	<hr/>	<hr/>
Analysis of cash balance			
At start of period	3,129	2,103	2,103
Net cash inflow for the period	4,270	994	1,026
	<hr/>	<hr/>	<hr/>
At end of period	7,399	3,097	3,129
	<hr/>	<hr/>	<hr/>

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

- 1 These accounts have been prepared in order that the company may comply with Section 272 of the Companies Act 1985.
- 2 The unaudited interim financial statements for the six months ended 31 August 2004 and 31 August 2005 do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985 and have not been delivered to the Registrar of Companies. The results for the year ended 28 February 2005 have been extracted from the financial statements for that year, which have been delivered to the Registrar of Companies; the auditors' report on those financial statements under Section 235 of the Companies Act 1985 was unqualified.
- 3 True and fair override
The company is no longer an investment company within the meaning of Section 266 of the Companies Act 1985, having revoked investment company status in July 2004 in order to pay a capital dividend. However, the company continues to conduct its affairs as a venture capital trust for taxation purposes under s842AA of the Income and Corporation Taxes Act 1988.

The financial statements are prepared in accordance with applicable accounting standards and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" (SORP). This is consistent with the presentation adopted in previous periods. Ordinarily, the absence of Section 266 status would require the company to adopt a different presentation of the accounts than that recommended by the SORP. However, the directors consider it appropriate to continue to present the accounts in accordance with the SORP. The departure has no effect on the total return or balance sheet.
- 4 The financial information contained in this interim report has been prepared on the basis of the accounting policies set out in the Annual Report 2005. Unquoted investments are valued in accordance with International Private Equity And Venture Capital Valuation Guidelines. These guidelines were issued in March 2005 and have been endorsed by the British Venture Capital Association. AIM quoted investments are valued at mid market prices discounted, where necessary, to reflect any lack of liquidity.
- 5 Returns per ordinary share are based on 24,214,531 ordinary shares, being the weighted average number of shares in issue during the period. There were 24,422,115 ordinary shares in issue at 31 August 2005.
- 6 Earnings for the period should not be taken as a guide to the results for the full year.
- 7 The directors will be paying a dividend of 3p per share for the period ended 31 August 2005 to be paid on 4 November 2005 to shareholders on the register at 14 October 2005.
- 8 Copies of the Interim Report will be mailed to shareholders and are available from the Registered Office of the company at 39 Earlham Street, London WC2H 9LT.