

07

Aberdeen Income and Growth VCT PLC

Interim Report
Six months ended 31 August 2007



Aberdeen

Financial History

	31 August 2007	28 February 2007	31 August 2006
Assets			
Net assets (£ million)	£27.4	£28.7	£28.1
Cumulative returns to Shareholders since launch			
Dividends paid to date	25.3p	18.5p	15.5p
Total return* (without tax reliefs**)	102.7p	99.6p	94.4p
Total return* (with tax reliefs**)	122.7p	119.6p	114.4p
Ordinary Shares			
Net Asset Value per share	77.4p	81.1p	78.9p
Share price***	49.5p	57.3p	52.8p
Discount to Net Asset Value	36.0%	29.3%	33.1%
Ordinary Shares in issue at period end	35,463,992	35,463,992	35,563,992

* Sum of current Net Asset Value and dividends paid since launch.

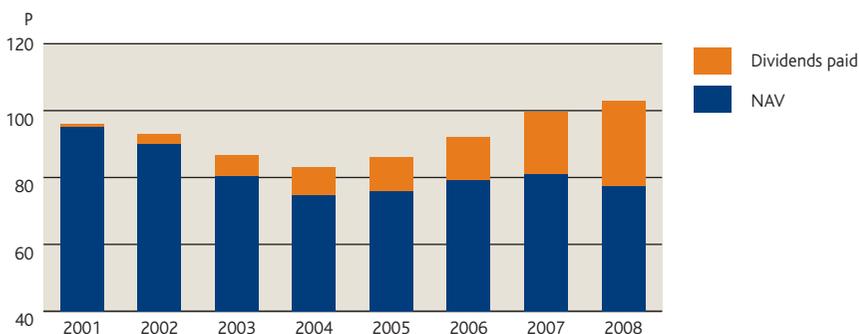
** Income tax relief at 20%.

*** Mid-market price.

Source: Aberdeen Asset Managers Limited, except share price (Bloomberg).

NAV total return performance

The bar chart below shows the NAV total return (Net Asset Value plus dividends paid since launch) at 28 February in each year, except 2008 which is as at 31 August 2007.



Dividend history

Year ended February	Payment date	Revenue/capital	Interim/final	Rate
2001	8 December 2000	Revenue	Interim	1.0
	13 July 2001	Revenue	Final	1.8
2002	7 December 2001	Revenue	Interim	1.0
	22 July 2002	Revenue	Final	1.5
2003	10 December 2002	Revenue	Interim	1.0
	18 July 2003	Revenue	Final	1.5
2004	12 December 2003	Revenue	Interim	0.5
	16 July 2004	Revenue	Final	1.2
2005	10 December 2004	Revenue	Interim	0.5
	22 July 2005	Revenue	Final	0.6
2006	9 December 2005	Capital	Interim	2.0
	9 December 2005	Revenue	Interim	0.5
	28 July 2006	Revenue	Final	0.8
2007	28 July 2006	Capital	Interim	1.6
	15 December 2006	Capital	Interim	3.0
	23 March 2007	Capital	Interim	4.0
	27 July 2007	Revenue	Final	0.8
2008	27 July 2007	Capital	Final	2.0
	7 December 2007	Revenue	Interim	0.5
	7 December 2007	Capital	Interim	3.0
				28.8

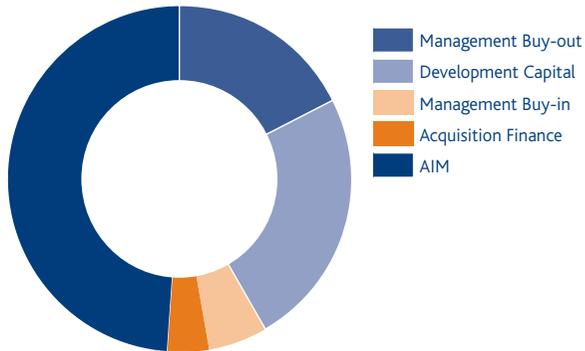
Analysis of Unlisted and AIM Portfolio

As at 31 August 2007

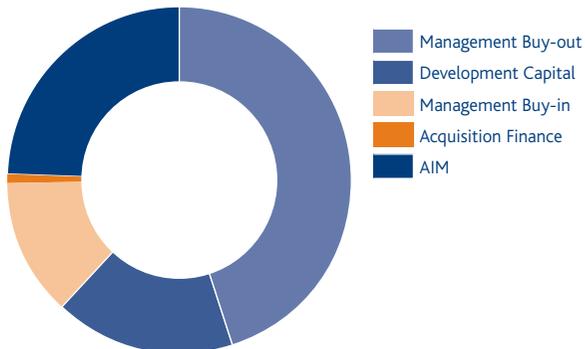
FT industrial sector	Valuation £'000	%
Unlisted		
Support Services	4,307	19.1
Engineering & Machinery	2,874	12.8
Media & Entertainment	1,658	7.4
Personal Care & Household Products	1,516	6.7
Food Producers & Processors	1,338	5.9
Telecommunication Services	1,007	4.5
Household Goods & Textiles	987	4.4
Oil & Gas	915	4.1
Electronic & Electrical Equipment	796	3.5
Chemicals	499	2.2
Transport	402	1.8
Aerospace & Defence	371	1.7
Financial General	148	0.7
Utilities (ex-electricity)	100	0.4
Construction & Building Materials	98	0.4
	17,016	75.6
AIM		
Support Services	1,288	5.7
Media & Entertainment	897	4.0
Software & Computer Services	690	3.1
Engineering & Machinery	627	2.8
Household Goods & Textiles	569	2.5
Pharmaceuticals & Biotechnology	396	1.8
Leisure & Hotels	362	1.6
Speciality & Other Finance	207	0.9
Food Producers & Processors	192	0.9
Health	164	0.7
Telecommunication Services	51	0.2
Information Technology Hardware	39	0.2
	5,482	24.4
Total unlisted and AIM	22,498	100.0

Deal type	No. of deals	Valuation £'000	%
Unlisted			
Management Buy-out	13	10,165	45.1
Development Capital	18	3,782	16.8
Management Buy-in	4	2,921	13.0
Acquisition Finance	3	148	0.7
	38	17,016	75.6
AIM	36	5,482	24.4
Total unlisted and AIM	74	22,498	100.0

Deal type analysis - no. of deals



Deal type analysis - valuation



Interim Management Report

For the six months ended 31 August 2007

The Directors are pleased to present the unaudited Interim Management Report for the six months ended 31 August 2007, this being the first report to Shareholders following the change of Company name from Murray VCT4 PLC to Aberdeen Income and Growth VCT PLC, effective from 25 July 2007.

Highlights

- Increase of 3.1% in NAV total return over the six months ended 31 August 2007.
- NAV total return of 102.7p per share ("pps") at 31 August 2007; compared to 99.6pps at 28 February 2007.
- Interim dividends of 3.5pps declared.
- 17 new unlisted and AIM investments made during the period under review.
- Disposals generated net realised gain of £2,232,000.
- Increase of 13.5% of the value of the AIM portfolio over the six months ended 31 August 2007, compared to an increase of 0.5% in the FTSE AIM All-Share Index.

Performance

The six-month period ending 31 August 2007 has seen a further increase in NAV total return on the Ordinary Shares which rose over the period by 3.1% to reach 102.7pps. The Net Asset Value ("NAV") per Ordinary Share at 31 August 2007 was 77.4pps compared with 81.1pps as at 28 February 2007; dividends totalling 6.8pps were paid to Shareholders in March and July 2007 which reduced the NAV at the time of payment.

There is no venture capital trust index with which to compare the performance of the Company; however, the value of the AIM portfolio rose by 13.5% over the six-month period, which compares with the increase in the AIM All-share Index which rose by 0.5% over the same period.

Unlisted investments held by Aberdeen Income and Growth VCT are valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines. Investments which are traded on the Alternative Investment Market (AIM) or a recognised stock exchange are valued at their bid price.

Dividends

During the reporting period, the Company paid dividends totalling 6.8pps to Shareholders and has also generated realised capital gains (which are shown in the table on page 10) amounting to 6.3pps. The Board has declared an interim capital dividend of 3.0pps, representing almost 50% of the gains realised during the six months ended 31 August 2007, to be paid along with an interim revenue dividend of 0.5pps on 7 December 2007 to Shareholders on the register on 9 November 2007. Upon payment of these dividends, the Company will have paid 10.3pps to Shareholders in the twelve-month period ending 31 December 2007, equivalent to an annual yield of 27.5% to a higher-rate taxpayer on the mid-market share price of 50p as at 11 October 2007.

Co-investment

Aberdeen Income and Growth VCT has co-invested with other funds managed by the Aberdeen Asset Management Group in a number of investments and expects to continue to do so. The advantage of this arrangement is that, by investing together, the funds are able to underwrite a wider range and size of transaction than would be the case on a stand-alone basis. In addition, the Manager's staff co-investment scheme has continued to co-invest alongside the Company in each investment made during the period.

Regulatory changes

The overall VCT market declined by approximately two thirds in the year to 5 April 2007 which reflects the changes to the VCT regulations announced in the last two Budgets. For funds raised after 5 April 2006, new restrictions on the size of company in which VCTs can invest, where those investments are to be treated as qualifying, were introduced. The regulations introduced in the 2007 Budget are particularly onerous in this regard, focussing on the maximum number of employees in addition to placing a limit on the amount which can be raised under venture capital schemes by the investee company. However, those new 2007 regulations do not affect the money raised originally by the Company, which can continue to invest in the same scale and type of company that has helped drive recent performance improvement.

Investment activity

We are pleased to report an exceptionally strong period of new investment activity. During the six months to 31 August 2007, seven new unlisted investments and ten significant AIM investments were made. A total of £5.4 million was invested during the six-month period. At 31 August 2007, the investment portfolio consisted of 74 active unlisted and AIM investments having a total cost of £29.9 million.

The following new investments were made during the reporting period.

Investment	Date	Activity	Cost £'000
Unlisted			
Adler & Allan Holdings	June 2007	Handling, transport, clean-up and disposal of oil and sewage based waste. www.adlerandallan.co.uk	499
Camwatch	March 2007	Provider of CCTV monitoring and installation services. www.cctv-monitoring.net	786
Cyclotech	May 2007	Provider of services to the energy sector. www.cyclotech.com	348
Funeral Services Partnership	March 2007	Operator of funeral director businesses. No website available	776
ID Support Services Holdings	March 2007	Installation and maintenance of CCTV security systems, air conditioning and industrial refrigeration systems for UK leisure and retail businesses. www.id-group.co.uk	746
Lime Investments	March 2007	Company formed to acquire branded premium-end or niche food and beverage businesses. No website available	696
MS Industrial Services	April 2007	Provider of industrial cleaning and waste management services to the oil and industrial sectors. www.msis.uk.com	546
Other			202
Total unlisted investment			4,599

Interim Management Report - continued

Investment	Date	Activity	Cost £'000
AIM			
Bglobal	April 2007	Provider of smart meters allowing the remote reading of electricity and gas meters, and data management. www.bglobalmetering.com	25
Concateno	March 2007	Provider of services for the testing of employees for drugs and alcohol. www.concateno.com	61
Essentially Group	July 2007	Sports marketing, media management and professional services group. www.essentiallygroup.com	49
eXpansys	April 2007	Re-seller of mobile and wireless technology products over the internet. www.expansys.com	30
Formation Group	June 2007	Provider of wealth management and related professional services. www.formationgroupplc.com	108
Mount Engineering	June 2007	Manufacturer, stockist and distributor of engineering products for a wide range of industrial markets. www.mountengineering.com	49
Neuropharm Group	March 2007	Developer of pharmaceuticals for neuro-development disorders. www.neuropharm.co.uk	100
SDI Group	June 2007	Specialist in the design, build and support of automated warehouse handling systems within the retail distribution sector. www.sdigroup.com	96
St Helen's Capital	April 2007	Provider of corporate advisory services. www.sthelenscapital.com	50
Worthington Nicholls Group	May 2007	Installation and maintenance of air conditioning units in the hotel and retail markets. www.worthington-nicholls.co.uk	200
Others			25
Total AIM investment			793
Total investment			5,392

Portfolio developments

Unlisted investments

Following the five successful realisations during the year ending 28 February 2007 which resulted in the payment of the capital dividends in December 2006, March and July 2007 to Shareholders, two further complete realisations have occurred in the reporting period as shown in the table on page 10. The sale of Enterprise Food Group was the final realisation in a series of disposals which has seen total proceeds of £1,059,000 compared to the original investment cost of £598,000. RMS Europe was sold in a secondary management buy-out generating proceeds of £1,481,000 compared to the original cost of £784,000. The proceeds were in line with an earlier approach from a trade buyer which did not proceed. The realisations from Astraeus and ELE Advanced Technologies were partial repayments of loan stocks in line with the terms of those investments. The proceeds from EIG (Investments) were in respect of deferred consideration on finalisation of the completion accounts following the sale of that company in January 2007 on which a gain of £705,000 had already been accounted for.

During the reporting period, seven new substantial unlisted investments have been added to the portfolio. We are pleased to note that each has traded in line with, or ahead of, its business plan since investment; however, it is likely to be some time before these investments reach a level of maturity which enables profitable exits to be negotiated.

The Board continues to take a prudent view on the valuation of unlisted investments and there has been a net reduction in the value of the portfolio of £403,000 as at 31 August 2007. Provisions taken against a small number of legacy investments have been offset by increased valuations of companies where trading has improved and earnings are forecast to increase.

AIM investments

The AIM portfolio has continued to be actively managed during the reporting period, resulting in net realised gains over cost of £1,209,000; details of these transactions can be found in the table on page 10.

In addition to the realised gains shown, unrealised gains over the valuations as at 28 February 2007 amounting to £163,000 were achieved during a period when the market, towards the end of the reporting period, became more unstable. The shares which achieved the largest gains were Amazing Holdings (£92,000), Axelon (£69,000), Neuropharm Group (£45,000) and Tanfield Group (£197,000). These gains were partially offset by unrealised losses on 1st Dental Laboratories (£42,000), Imprint (£75,000), Synexus Clinical Research (£88,000) and Worthington Nicholls Group (£161,000). The reduction in Worthington Nicholls Group followed a trading statement at the end of June which did not meet market expectations and the share price fell by 35%. The company made a further trading statement in mid-August, after which the share price fell by a further 40% compared to the cost of investment and management changes have ensued.

AIM was volatile in the weeks immediately prior to 31 August 2007, in line with markets generally, but the Company's AIM portfolio has achieved an increase of 13.5% for the six-month period, which compares to the increase in the AIM All-share Index of 0.5% for the same period.

Realisations

The following table shows all sales from the investment portfolio made by the Company during the reporting period:

	Year first invested	Complete/ partial exit	Cost of shares disposed of £'000	Sales proceeds £'000	Realised gain/loss £'000
Unlisted					
Astraeus	2007	Partial	135	135	–
EIG (Investments)	2005	Deferred consideration	–	59	59
ELE Advanced Technologies	2000	Partial	149	149	–
Enterprise Food Group	2003	Complete	–	267	267
RMS Europe	2004	Complete	784	1,481	697
Others			3	3	–
			1,071	2,094	1,023
AIM					
Assetco	2003	Complete	56	105	49
AT Communications Group	2005	Partial	257	290	33
Careforce	2004	Complete	137	195	58
Cello Group	2004	Partial	149	222	73
eXpansys	2007	Partial	20	25	5
Inspicio	2005	Complete	71	124	53
Tanfield Group	2004	Partial	83	1,041	958
Others			146	126	(20)
			919	2,128	1,209
Total			1,990	4,222	2,232

Risk and uncertainties

The Board has reviewed the principal risks and uncertainties facing the Company in the second half of its financial year and these are unchanged from those that it faced at the start of the year. The Directors ensure that the Manager closely monitors the position of the Company to ensure that it complies with the venture capital trust regulations at all times and, in order to minimise the Company's exposure to investment risk, the Manager has constructed a portfolio of investments in over 70 unlisted and AIM quoted companies across a diverse range of industrial sectors in the United Kingdom.

Outlook

In contrast to the profitable exits achieved during 2006, the first half of 2007 has seen the Company invest in a number of new transactions which offer significant medium-term return potential. The Manager hopes to maintain the momentum in completing new unlisted investments as the process of rebuilding this element of the portfolio continues.

The strategy applied by the Manager is to use its extensive UK network to identify suitable private companies and invest the majority of the portfolio in private equity transactions which offer growth potential and a healthy running yield, in tandem with an actively managed AIM portfolio primarily focused on new companies seeking an IPO on that market. AIM investments are traded out as soon as market liquidity permits, providing the opportunity for early capital gains if the company proves attractive to retail investors post IPO. Going forward, the Manager believes that this dual approach on AIM and private equity provides the optimum return model for VCT investors.

11 October 2007

On behalf of the Board
Murray Johnstone Limited
Secretary

Summary of Investment Changes

For the six months ended 31 August 2007

	Valuation 28 February 2007		Net investment/ (disinvestment) £'000	Appreciation/ (depreciation) £'000	Valuation 31 August 2007	
	£'000	%			£'000	%
Unlisted investments						
Equities	5,994	20.9	(703)	860	6,151	22.4
Preference shares	750	2.6	50	(553)	247	0.9
Loan stocks	7,675	26.7	3,158	(215)	10,618	38.7
	14,419	50.2	2,505	92	17,016	62.0
AIM investments						
Equities	6,165	21.4	(1,335)	652	5,482	20.0
Listed investments						
Fixed income	975	3.4	1,262	–	2,237	8.2
Total investments	21,559	75.0	2,432	744	24,735	90.2
Other net assets	7,186	25.0	(4,476)	–	2,710	9.8
Net assets	28,745	100.0	(2,044)	744	27,445	100.0

Investment Portfolio Summary

As at 31 August 2007

Investment	Bookcost £'000	Valuation £'000	% of net assets	% of equity held	% of equity held by other clients*
Unlisted					
Transys Projects					
Provider of engineering services to the rail industry	825	2,874	10.4	20.9	20.9
TLC (Tender Loving Childcare)					
Operator of daycare nurseries	1,516	1,516	5.5	23.2	–
House of Dorchester					
Speciality chocolate manufacturer	910	1,338	4.8	44.2	–
PSCA International					
Producer of publications aimed at public sector officials	660	1,257	4.6	7.6	15.5
MoneyPlus Group					
Arranger and manager of debt management plans and IVAs	750	1,016	3.7	15.0	16.0
Homelux Nenplas					
Manufacturer of tile trims and related products	522	986	3.6	8.9	36.1
Martel Instruments Holdings					
Manufacturer of hand-held printers and terminals	796	796	2.9	11.3	22.1
Camwatch					
Provider of CCTV monitoring and installation services	786	786	2.9	14.8	28.6
Funeral Services Partnership					
Operator of funeral director businesses	776	776	2.8	7.4	24.6
Oliver Kay Holdings					
Distributor of fresh produce to the on-trade catering industry	771	771	2.8	4.9	15.1
ID Support Services Holdings					
Provider of CCTV security and air conditioning systems	746	746	2.7	7.9	25.4
Lime Investments					
Shell company set up to acquire branded food and beverage businesses	696	696	2.5	26.6	53.4
MS Industrial Services					
Provider of industrial cleaning and waste management services	546	546	2.0	9.3	35.7
Adler & Allan Holdings					
Provider of environmental services for the disposal of liquid waste	499	499	1.8	2.2	38.8

Investment Portfolio Summary - continued

Investment	Bookcost £'000	Valuation £'000	% of net assets	% of equity held	% of equity held by other clients*
PLM Dollar Group					
Provider of on-shore helicopter services	402	402	1.5	4.6	26.2
Sanastro					
Provider of business to business financial publishing	750	402	1.5	9.6	3.5
ELE Advanced Technologies					
Provider of precision engineering services	192	371	1.4	11.3	–
Cyclotech					
Provider of services to the energy sector	348	348	1.3	4.8	15.3
Voxsurf					
Provider of software development	750	221	0.8	4.8	–
Driver Hire Investments Group					
Supplier of temporary drivers	203	203	0.7	1.1	43.6
Enpure Holdings					
Provider of project engineering in the water and waste water sector	100	100	0.4	0.4	79.2
The BigWord Holdings					
Provider of translation services	99	99	0.4	–	–
Buildstore					
Provider of on-line services to self-build home owners	98	98	0.4	0.6	7.0
Other unlisted investments (15)	9,594	169	0.6		
	23,335	17,016	62.0		

Investment	Bookcost £'000	Valuation £'000	% of net assets	% of equity held	% of equity held by other clients*
AIM					
Strategic Retail					
Retailer of home furnishings	700	569	2.1	2.0	2.0
Concateno					
Provider of services for the testing of employees for drugs and alcohol	332	483	1.8	0.7	1.8
Tanfield Group					
Manufacturer of zero-emission vehicles and powered access platforms	31	441	1.6	0.1	0.1
Cello Group					
Provider of marketing and media services	310	433	1.6	0.8	0.3
Amazing Holdings					
Leisure and hotel developer	251	312	1.1	0.8	1.4
Avanti Communications Group					
Provider of communications integration services	283	280	1.0	0.5	0.9
Synexus Clinical Research					
Manager of clinical trials	328	251	0.9	1.8	1.3
Axeon					
Developer of semi-conductor intellectual properties	185	250	0.9	1.0	5.1
Hasgrove					
Provider of communication services in public relations	168	204	0.7	0.7	1.4
Individual Restaurant Company					
Restaurant operator	133	192	0.7	0.4	0.8
System C Healthcare					
Provider of information services and IT systems to the healthcare sector	311	158	0.6	0.6	0.7
Autoclenz					
Provider of valeting services	185	148	0.5	1.4	0.3
Neuropharm Group					
Developer of pharmaceuticals for neuro-development disorders	100	145	0.5	0.2	0.5
Formation Group					
Provider of wealth management and related professional services	108	135	0.5	0.3	1.1
Brulines (Holdings)					
Provider of data systems that monitor the flow rate of beer in public houses	112	132	0.5	0.4	0.8

Investment Portfolio Summary - continued

Investment	Bookcost £'000	Valuation £'000	% of net assets	% of equity held	% of equity held by other clients*
Mattioli Woods					
Provider of pension consultancy, troubleshooting and administration services	59	123	0.5	0.3	–
Fountains					
Provider of land management services	136	122	0.5	0.7	0.7
Imprint					
Provider of recruitment and search services	204	118	0.4	0.2	0.4
Public Recruitment Group					
Provider of temporary staff for the public sector	447	118	0.4	0.7	0.5
Neutrahealth					
Provider of BioCare products to health practitioners and specialist retailers	91	104	0.4	0.6	1.3
Tangent Communications					
Provider of digital printing and marketing services	99	102	0.4	0.5	0.9
SDI Group					
Specialist in the design, build and support of automated warehouse handling systems	96	100	0.4	0.3	0.7
St Helen's Capital					
Provider of corporate advisory services	50	84	0.3	2.3	7.0
Hexagon Human Capital					
Provider of executive search and recruitment services	73	76	0.3	0.2	0.5
1st Dental Laboratories					
Provider of dental laboratory services	180	60	0.2	1.4	–
Essentially Group					
Sports marketing, media management and professional services group	49	49	0.2	0.9	7.2
AT Communications Group					
Provider of communications integration services	44	48	0.2	0.2	0.1
Mount Engineering					
Manufacturer, stockist and distributor of engineering products	49	47	0.2	0.3	2.9
Spectrum Interactive					
Provider of payphones and internet access terminals	209	41	0.1	0.7	0.9
Citel Technologies					
Provider of integrated solutions for the telephony and communications sector	166	39	0.1	–	0.5

Investment	Bookcost £'000	Valuation £'000	% of net assets	% of equity held	% of equity held by other clients*
Worthington Nicholls Group					
Installation and maintenance of air conditioning units in the hotel and retail markets	200	39	0.1	0.1	1.4
Leisure & Gaming					
Provider of on-line gaming services	314	32	0.1	0.3	0.3
Other AIM quoted investments (4)	593	47	0.2		
	6,596	5,482	20.0		
Listed fixed income					
Treasury 4.0% 2009	1,237	1,240	4.5		
Treasury 5.0% 2008	999	997	3.7		
	2,236	2,237	8.2		
Total	32,167	24,735	90.2		

* other clients of the Aberdeen Asset Management Group.

Income Statement

For the six months ended 31 August 2007

	Six months to 31 August 2007 (unaudited)		
	Revenue £'000	Capital £'000	Total £'000
Investment income and deposit interest	771	–	771
Investment management fees	(58)	(234)	(292)
Other expenses	(105)	–	(105)
Gains on investments	–	744	744
Net return on ordinary activities before taxation	608	510	1,118
Tax on ordinary activities	(168)	168	–
Profit on ordinary activities after taxation	440	678	1,118
Earnings per Ordinary Share (pence)	1.2	1.9	3.1

A Statement of Total Recognised Gains and Losses has not been prepared, as all gains and losses are recognised in the Income Statement.

All items in the above statement are derived from continuing operations. The Company has only one class of business and derives its income from investments made in shares, securities and bank deposits.

The total column of this Statement is the Profit and Loss Account of the Company.

Reconciliation of movements in Shareholders' funds

	Six months to 31 August 2007 £'000	Six months to 31 August 2006 £'000	Year to 28 February 2007 £'000
Opening Shareholders' funds	28,745	28,488	28,488
Total profit for year	1,118	740	2,538
Repurchase and cancellation of shares	–	(299)	(356)
Dividends paid - revenue	(284)	(286)	(286)
Dividends paid - capital	(2,134)	(573)	(1,639)
Closing Shareholders' funds	27,445	28,070	28,745

The accompanying Notes are an integral part of the Financial Statements.

Six months to 31 August 2006
(unaudited)

Year to 28 February 2007
(audited)

Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
253	–	253	687	–	687
(40)	(161)	(201)	(141)	(563)	(704)
(77)	–	(77)	(193)	–	(193)
–	765	765	–	2,748	2,748
136	604	740	353	2,185	2,538
(14)	14	–	(51)	51	–
122	618	740	302	2,236	2,538
0.4	1.7	2.1	0.8	6.3	7.1

Balance Sheet

As at 31 August 2007

		31 August 2007 (unaudited)	31 August 2006 (unaudited)	28 February 2007 (audited)
	Notes	£'000	£'000	£'000
Fixed assets				
Investments at fair value through profit or loss		24,735	26,023	21,559
Current assets				
Debtors		1,040	1,799	899
Cash and overnight deposits		1,819	439	6,922
		2,859	2,238	7,821
Creditors: amounts falling due within one year		149	191	635
Net current assets		2,710	2,047	7,186
Net assets		27,445	28,070	28,745
Capital and reserves				
Called up share capital	2	3,546	3,556	3,546
Share premium account	2	17,235	17,235	17,235
Realised capital reserve	2	2,618	(3,459)	452
Unrealised capital reserve	2	(6,758)	(3,550)	(5,270)
Capital redemption reserve	2	339	329	339
Profit and loss account	2	10,465	13,959	12,443
Net assets attributable to Ordinary Shareholders		27,445	28,070	28,745
Net Asset Value per Ordinary Share (pence)		77.4	78.9	81.1

The Financial Statements were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

11 October 2007

Fiona Wollocombe
Director

The accompanying Notes are an integral part of the Financial Statements.

Cash Flow Statement

For the six months ended 31 August 2007

	Six months to 31 August 2007 (unaudited)	Six months to 31 August 2006 (unaudited)	Year to 28 February 2007 (audited)
	£'000	£'000	£'000
Operating activities			
Investment income received	618	276	1,065
Deposit interest received	56	9	44
Investment management fees paid	(621)	(531)	(700)
Secretarial fees paid	(25)	(25)	(50)
Directors' expenses paid	(31)	(38)	(64)
Other cash payments	(68)	(63)	(89)
Net cash (outflow)/inflow from operating activities	(71)	(372)	206
Financial investment			
Purchase of investments	(8,974)	(3,152)	(6,283)
Sale of investments	6,360	4,858	15,038
Net cash (outflow)/inflow from financial investment	(2,614)	1,706	8,755
Equity dividends paid	(2,418)	(855)	(1,925)
Net cash (outflow)/inflow before use of liquid resources and financing	(5,103)	479	7,036
Financing			
Repurchase of Ordinary Shares	–	(282)	(356)
Net cash outflow from financing	–	(282)	(356)
(Decrease)/increase in cash	(5,103)	197	6,680

The accompanying Notes are an integral part of the Financial Statements.

Notes to the Financial Statements

1. Accounting policies

The financial information for the six months ended 31 August 2007 and the six months ended 31 August 2006 comprises non-statutory accounts within the meaning of Section 240 of the Companies Act 1985.

The financial information contained in this report has been prepared on the basis of the accounting policies set out in the Annual Report and Financial Statements for the year ended 28 February 2007.

The results for the year ended 28 February 2007 are extracted from the full accounts for that year, which received an unqualified report from the Auditors and have been filed with the Registrar of Companies.

	Share premium account	Realised capital reserve	Unrealised capital reserve	Capital redemption reserve	Profit and loss account
	£'000	£'000	£'000	£'000	£'000
2. Movement in reserves					
At 28 February 2007	17,235	452	(5,270)	339	12,443
Gains on sales of investments	–	2,232	–	–	–
Net decrease in value of investments	–	–	(1,488)	–	–
Investment management fees	–	(234)	–	–	–
Dividends paid	–	–	–	–	(2,418)
Tax effect of capital items	–	168	–	–	–
Profit on ordinary activities after taxation	–	–	–	–	440
As at 31 August 2007	17,235	2,618	(6,758)	339	10,465

3. Return per Ordinary Share

Six months to
31 August 2007

The returns per share have been based on the following figures:

Weighted average number of Ordinary Shares	35,463,992
Revenue return	£440,000
Capital return	£678,000

Directors' Responsibility Statement

The implementation of the EU Transparency Obligations Directive and the associated amendments to the rules laid down by the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm that, to the best of their knowledge:

- the Financial Statements for the six months ended 31 August 2007 have been prepared in accordance with applicable accounting standards and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" ("the SORP") issued in December 2005;
- the Interim Management Report includes a fair review of the information required by DTR 4.2.7R in relation to the indication of important events during the first six months, and of the principal risks and uncertainties facing the Company during the second six months, of the year ending 29 February 2008; and
- the Interim Management Report includes adequate disclosure of the information required by DTR 4.2.8R in relation to related party transactions and any changes therein.

11 October 2007

On behalf of the Board
Murray Johnstone Limited
Secretary

Corporate Information

Directors	Fiona E Wollocombe (Chairman) Arthur G MacMillan John D W Pocock Charles G Stuart-Menteth
Manager and Secretary	Aberdeen Asset Managers Limited Sutherland House 149 St Vincent Street Glasgow G2 5NW Customer Services Department Freephone 0845 300 2830 (open Monday to Friday, 9am to 5pm) e-mail: vccts@aberdeen-asset.com
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Registered Office	One Bow Churchyard London EC4M 9HH Registered in England and Wales – Company Number 3908220
Registrars	Capita Registrars Northern House Woodsome Park Fenay Bridge West Yorkshire HD8 0LA Shareholder Helpline 0870 162 3100
Custodian Bankers	J P Morgan Chase Bank
Solicitors	S J Berwin
Stockbrokers	Teather & Greenwood Limited
Auditors	Deloitte & Touche LLP
Website	www.aberdeen-asset.com/vct

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Authorised and regulated by the Financial Services Authority
Member of the Aberdeen Asset Management Group of Companies