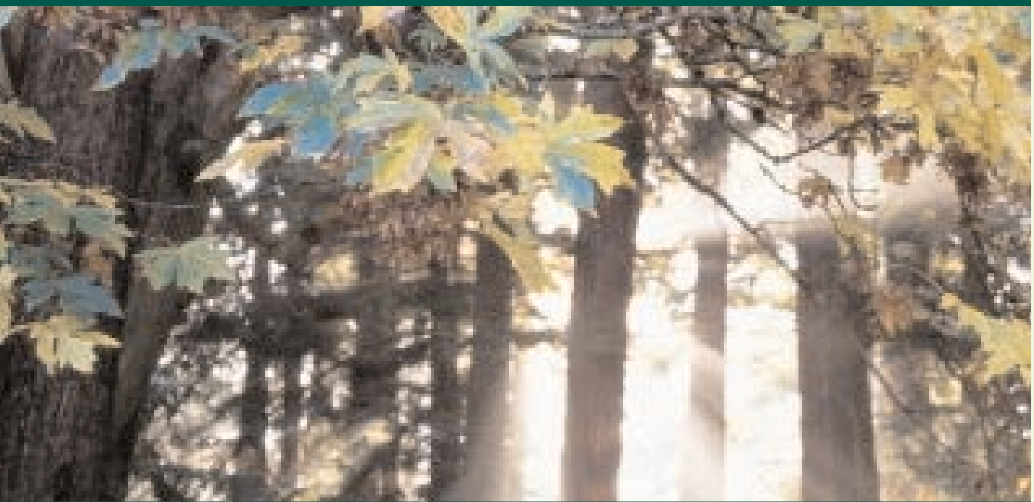
Aberdeen

Growth Opportunities VCT

PLC



To achieve long term capital appreciation principally through investment in smaller unquoted companies in the United Kingdom with strong growth potential

Annual Report

64 weeks ended 30 November 2002

Contents

Aberdeen
Growth Opportunities VCT
PLC

Corporate Summary

Investment Objective
The objective of Aberdeen Growth Opportunities VCT is to achieve long term capital appreciation principally through investment in smaller unquoted companies in the United Kingdom with strong growth potential.

Life of the Company
It is not intended that the Company should have a limited life, but it is considered desirable that shareholders should have the opportunity to review the future of the Company at appropriate intervals. Accordingly, the Articles of Association of the Company contain provisions requiring the Directors to put a proposal for the continuation of the Company, in its then form, to shareholders at the tenth Annual General Meeting following listing and thereafter at five year intervals.

Board of Directors
The Directors, the majority of whom are independent of the Manager, supervise the management of the Company and look after the interests of the shareholders.

Capital Structure
The Company's share capital consisted of 10,328,141 Ordinary shares of 10p each at 17 January 2003.

Summary Management Agreement
The Manager has agreed to provide investment management services to the Company for a fee, as detailed in Note 3 on pages 23 and 24. The management agreement is for an initial period of four years to 6 April 2005 and is terminable, by either party, on the expiry of one year's notice expiring on or at any time after the end of the initial period.

Corporate Information

Directors
W G M Michie (Chairman)
I A Craig
J B Diggines
M J Gilbert
A H Murison
S F Wood

Manager
Aberdeen Asset Managers Limited
Customer Services Department: 0500 00 00 40

Secretary
Aberdeen Asset Management PLC
123 St Vincent Street
Glasgow G2 5EA

Tel: 0141 306 7400

Registrar
Capita Registrars
Balfour House
390/398 High Road
Ilford
Essex IG1 1NQ

Shareholder Helpline: 0870 162 3100

Bankers
J P Morgan Chase Bank

Auditors
Ernst & Young LLP

Solicitor
S J Berwin

Stockbroker
UBS Warburg

Registered Office
One Bow Churchyard
London EC4M 9HH

Registered in England and Wales
Company No. 4283350

Board Members

Chairman

Gregor Michie, aged 54, was appointed a director and Chairman on 7 September 2001. He graduated with a Scottish law degree in 1968 and qualified as a Scottish chartered accountant in 1972. He joined Morgan Grenfell & Co Limited in 1972 and worked internationally and in the UK in banking and corporate finance, latterly diversifying into investment management, until leaving the Deutsche Bank Group in 1998. He is a director of several unquoted companies.

Directors

Alec Craig, aged 44, was appointed a director on 7 September 2001. He graduated with a law degree in 1982 and became a partner of Halliwell Landau, a law firm, in 1990 and the head of the corporate department in 1995. His areas of work include all forms of corporate transactions including venture capital investments, development capital investments and flotations, acting for individuals, corporations and companies. In October 2000 he became Senior Partner of Halliwell Landau. During his time at Halliwell Landau he has held various company secretarial and non-executive director positions with public and private companies.

Jonathan Diggines, aged 49, was appointed a director on 7 September 2001. He is a solicitor who practised in the public and private sectors for 12 years before joining Murray Johnstone in 1989. He is Managing Director of Aberdeen Murray Johnstone Private Equity and a Director of Aberdeen Asset Managers Limited, and a past Council Member of the British Venture Capital Association ("BVCA") and former Chairman of its Legal and Technical Committee. He also holds various non-executive positions in public and private companies. Jonathan Diggines' position at Aberdeen Murray Johnstone Private Equity requires him to act as a non-executive director to a number of portfolio companies.

Martin Gilbert, aged 47, was appointed a director on 7 September 2001. He qualified as a chartered accountant in 1982 and thereafter pursued a career in investment management. He was one of the founding directors, and is chief executive and investment director of Aberdeen Asset Management PLC. He is Chairman of FirstGroup plc and a director of a number of investment trusts and of Lombard International Assurance SA.

Andrew Murison, aged 54, was appointed a director on 7 September 2001. He began his career in 1970 as an investment analyst at fund managers John Govett & Co Limited, followed by three years as financial correspondent of The Economist. He then returned to investment banking and spent 14 years as a private investor in, and/or advisor to, companies, mainly in the United States. In 1995 he was appointed a Fellow and Senior Bursar of Peterhouse, Cambridge, in which capacity he is responsible for its finance and investments.

Stephen Wood, aged 64, was appointed a director on 7 September 2001. He is an actuary with 35 years fund management experience. He was responsible for the investment portfolios of The Co-operative Insurance Society Limited for 17 years. He is a non-executive director of The Enhanced Zero Trust PLC.

All of the Directors are members of the Management Engagement Committee, the Audit Committee and the Nomination Committee.

Manager

Aberdeen Asset Managers Limited, a wholly owned subsidiary of Aberdeen Asset Management PLC which, as at 30 November 2002, had over £23 billion under management. The Manager's private equity division, Aberdeen Murray Johnstone Private Equity, operates through a network of seven regional offices and as at 30 November 2002 had approximately £490 million under management.

Analysis of Unlisted Portfolio

As at 30 November 2002

FTSE Actuaries Industry Sector

	Cost		Valuation	
	£	**%**	**£**	**%**
Transport	168,665	52.9	168,665	52.9
Construction & Building Materials	150,000	47.1	150,000	47.1
	318,665	**100.0**	**318,665**	**100.0**

Deal Type

		Cost		Valuation	
	No	**£**	**%**	**£**	**%**
Development Capital	2	168,665	52.9	168,665	52.9
MBO	1	150,000	47.1	150,000	47.1
		318,665	**100.0**	**318,665**	**100.0**

Note: The portfolio of investments, including both unlisted and listed stocks, is valued at £9,301,000.

Chairman's Statement

This is the first Annual Report of your Company, which is in the early stages of its progress towards qualification as a venture capital trust. The Board is confident that Aberdeen Growth Opportunities VCT will achieve the target of having at least 70% of its total investments in qualifying holdings, to comply with the Venture Capital Trust legislation, within the three year period which ends on 30 November 2004. At January 2003, the actual level achieved was 4.3% which is a satisfactory start towards the target when prevailing economic and market conditions are taken into account.

Net Asset Value

The Net Asset Value per share at 30 November 2002 was 93.2p compared with 95p immediately after launch. The decrease in the Net Asset Value of 1.9% compares with significant reductions in the UK stock market over the same period. The FTSE 100 index fell by 18.6% in capital terms over the same period, while the FTSE Small Cap Index and FTSE techMARK 100 Index fell by 27.6% and 52.3% respectively. Since the launch of the Company, there have been market concerns over recessionary fears in the US and the effect that this would have on other economies. Monetary policy has been consistent throughout the period and growth for the coming year in the UK is predicted to increase over the level achieved in the past year.

Aberdeen Growth Opportunities' investments are valued in accordance with the British Venture Capital Association guidelines. Investments are normally valued at cost or cost less a provision until they have been held for at least one year. As a result, should performance be ahead of plan, which may imply an increase in the value of the investment, this would not be reflected for at least 12 months; on the other hand material underperformance will be reflected immediately in a reduced valuation. All unquoted investments have been valued at cost.

Dividends

It was stated in the Company's Prospectus that in the early years dividends, if any, would be small until such time as capital realisations occurred. The Board is not proposing to pay a final dividend in respect of the sixty four weeks ended 30 November 2002 because the net profit on the revenue account is so small. The timing of realisations and resulting distributions of capital gains will be unpredictable and the dividend stream is likely to vary from year to year.

Co-Investment

Aberdeen Growth Opportunities VCT has co-invested with other funds managed by Aberdeen Asset Management Group in a number of investments and is expected to continue to do so. This has the advantage that, together, the funds are able to underwrite a wider range and larger size of transaction than would otherwise be the case.

Outlook

The first year of the Company's life has been marked by a continuation of the bear market which has now extended over three years. This has resulted in a modest decline in the current value of some of the quoted investments, although the bulk of the fund's assets continue to be held in bonds, gilts or bond funds, where performance has been encouraging.

It is also noteworthy that the recent falls in quoted markets has seen the pricing on private equity opportunities become increasingly attractive. Taken in conjunction with a continuing low interest rate environment, the Board and Manager believe that conditions remain favourable for the investment requirements of the Company, and that the recent levels of investment activity can continue throughout 2003.

W G M Michie
Chairman

28 January 2003

Investment Manager's Review

Investment activity

During the period to 30 November 2002, three private equity investments were made at a total cost of £318,665. Since the period end, three further investments have been made.

Six unquoted investments have now been completed to date totalling £0.7 million, representing a qualifying investment level of 4.3%. A 70% qualifying investment level is required before 30 November 2004 to achieve VCT qualifying status.

The following investments have been made since inception:

Transrent Holdings Limited (June 2002) – £119,000: Based in Stafford, Transrent provides packaged transport services to the UK distribution industry, including trailer rental, sales and leasing. The total fundraising was £4.25 million and Murray VCT, Murray VCT 2, Murray VCT 3, Murray VCT 4 and Aberdeen Growth VCT I were co-investors.

Palgrave Brown (Holdings) Limited (October 2002) – £150,000: Based in Lancashire, Palgrave Brown is a diversified supplier of specialist joinery products and also operates as a timber merchant. The total fundraising was £7.4 million and Murray VCT, Murray VCT 2, Murray VCT 3, Aberdeen Growth VCT I, Aberdeen City Council Superannuation Fund, Aberdeen Development Capital, West Yorkshire Pension Fund, Ventures North West and Aberdeeen Murray Johnstone Private Equity Fund were co-investors.

PLM Dollar Group Limited (November 2002) – £50,000: Based in Inverness, PLM Dollar Group, which trades as PDG Helicopters, is an established operator of on shore helicopter services throughout the UK and Ireland. The total fundraising was £2.8 million and Murray VCT, Murray VCT 2, Murray VCT 3, Murray VCT 4, Aberdeen Growth VCT I, Aberdeen City Council Superannuation Fund, West Yorkshire Pension Fund and HIE Ventures were co-investors.

ScotNursing Limited (December 2002) – £135,000: Based near Glasgow, ScotNursing provides temporary and agency nursing and care staff to both the public and private sector. The total fundraising was £1.2 million and Murray VCT 4 and Aberdeen Growth VCT I were co-investors.

Inovas Limited (December 2002) – £77,000: Based in Stirlingshire, Inovas is a software development business which has developed technology which inserts location references into a moving data source. The total fundraising was £0.6 million and Aberdeen Growth VCT I and Nova Technology Fund were co-investors.

Public Service Communications Agency Limited (December 2002) – £157,000: Based in Stoke, Public Service Communications Agency Limited is a publisher of periodicals to the public sector. The total fundraising was £2.9 million and Murray VCT 3, Murray VCT 4, Aberdeen Growth VCT I, Aberdeen Development Capital, Aberdeen City Council Superannuation Fund and Ventures North West were co-investors.

Portfolio developments

The companies in the portfolio are performing in line with expectations at this early stage of their development; however, it is too early to judge the long term prospects of those companies as the fund's investment in each is less than one year old.

Outlook

Pricing expectations in private equity markets are now more realistic following the falls in stock market indices which occurred during 2002. This together with a continuing strong flow of deals being generated should allow the investment momentum of recent months to be sustained. The Manager continues to expect the fund to achieve the VCT qualifying level within the required timetable.

28 January 2003 **Aberdeen Asset Managers Limited**

Summary of Investment Changes

For the 64 weeks ended 30 November 2002

	Net proceeds of share issue* £'000	%	Net investment (disinvestment) £'000	Appreciation (depreciation) £'000	Valuation 30 November 2002 £'000	%
Listed investments						
Unit Trusts	–	–	2,600	(221)	2,379	24.7
Fixed income	–	–	6,513	90	6,603	68.6
Unlisted Investments						
UK Equities	–	–	51	–	51	0.5
Fixed income	–	–	268	–	268	2.8
Total investments	**–**	**–**	**9,432**	**(131)**	**9,301**	**96.6**
Other net assets	9,812	100.0	(9,488)	–	324	3.4
Total Assets	**9,812**	**100.0**	**(56)**	**(131)**	**9,625**	**100.0**

** Includes £204,507 received on shares subscribed after the closing date of 28 June 2002. Issue expenses of £516,407 have been deducted.*

Investment Portfolio Summary

As at 30 November 2002

		Valuation £'000	% of Total Assets
Unlisted Investments	**Nature of business**		
Palgrave Brown Holdings	Manufacturer of timber products	150	1.6
Transrent Holdings	Provider of trailer and transport solution services	119	1.2
PLM Dollar Group	Operator of commercial helicopter fleet	50	0.5
		319	**3.3**
Listed Unit Trusts			
Aberdeen Sterling Bond Unit Trust Income		925	9.6
Aberdeen Fixed Interest Income		843	8.7
Aberdeen UK Growth Income		306	3.2
Aberdeen UK Blue Chip Income		305	3.2
		2,379	**24.7**
Listed fixed income investments			
Treasury 6.75% 26/11/2004		1,154	12.0
Treasury 6.5% 7/12/2003		953	9.9
Treasury 8.5% 7/12/2005		781	8.1
Treasury 5% 7/6/2004		517	5.4
Treasury 3.5% 14/7/2004		506	5.3
Treasury 7.5% 7/12/2006		500	5.2
Treasury 8% 10/6/2003		358	3.7
Bank Voor Nederlandsche Gemeenten 6.375% 30/3/2005		312	3.2
European Investment Bank 6% 26/11/2004		309	3.2
KFW International Finance 5.5% 18/6/2004		305	3.2
KFW International Finance 6% 27/10/2003		305	3.2
European Investment Bank 6% 7/5/2003		302	3.1
Sweden 7.5% 30/12/2002		301	3.1
		6,603	**68.6**
Total investments		**9,301**	**96.6**

Unlisted Investments

PALGRAVE BROWN (HOLDINGS) LIMITED

Manufacturer of timber products

Incorporated in England and Wales

Holding details as at 30 November	2002 £'000
Cost of investment	150
Directors' valuation	150
Effective equity interest	1.1%
Gross income received in the year	Nil
Basis of valuation	Cost
Cumulative realisation proceeds	Nil

Palgrave Brown manufactures specialist timber products, roof trusses and wooden windows servicing the major house builders and builders' merchants. The head office is in Lancashire with depots throughout the country.

The secondary management buy-out was completed in October 2002 and was led, structured and arranged by Aberdeen Murray Johnstone Private Equity.

As the new company was formed only at the end of October 2002, no audited accounts have yet been produced.

TRANSRENT HOLDINGS LIMITED

Provider of trailer and transport solution services

Incorporated in England and Wales

Holding details as at 30 November	2002 £'000
Cost of investment	119
Directors' valuation	119
Effective equity interest	0.4%
Gross income received in the year	Nil
Basis of valuation	Cost
Cumulative realisation proceeds	Nil

Transrent derives its principal income through the rental of its fleet to hauliers and large distribution companies throughout the UK with much of the business being generated from large quoted companies.

The development capital financing in June 2002 was led, structured and arranged by Aberdeen Murray Johnstone Private Equity.

Year ended 31 December	2001 £'000	2000 £'000
Turnover	14,873	8,339
Profit before interest and tax	5,370	2,758
Profit before tax	1,967	827
Profit after tax	1,294	412
Ordinary share dividends	45	21
Net assets attributable to ordinary shareholders	11,815	6,163
Earnings per ordinary share	£18.58	£8.09
Dividend per ordinary share	£0.64	£0.42
Ordinary dividend cover	29.0	19.3

Unlisted Investments (continued)

PLM DOLLAR GROUP LIMITED

Operator of commercial helicopter fleet

Incorporated in Scotland

Holding details as at 30 November	2002 £'000
Cost of investment	50
Directors' valuation	50
Effective equity interest	0.58%
Gross income received in the year	Nil
Basis of valuation	Cost
Cumulative realisation proceeds	Nil

PLM Dollar, which trades as PDG Helicopters, is one of the largest providers of on-shore helicopter services in the UK and has an operational pedigree stretching back over 30 years. The company provides a wide range of services including passengers and corporate contracts, fish transportation, path maintenance, filming, construction, tree lifting and erecting radio masts. The customer base also includes 8 regional electricity companies, the MOD and UK nuclear industry.

The development capital round of funding in November 2002 was led, structured and arranged by Aberdeen Murray Johnstone Private Equity.

Year ended 30 September	2001 £'000	2000 £'000
Turnover	7,527	6,000
Profit before interest and tax	1,022	762
Profit before tax	676	406
Profit after tax	674	405
Ordinary share dividends	96	83
Net assets attributable to ordinary shareholders	3,543	3,078
Earnings per ordinary share	£0.39	£0.29
Dividend per ordinary share	£0.056	£0.059
Ordinary dividend cover	7.0	4.9

Directors' Report

The Directors submit their Annual Report together with the financial statements of the Company for the sixty-four weeks ended 30 November 2002.

Results and dividends

The revenue attributable to equity shareholders amounted to £29,000. The sum of £29,000 has been transferred to the Company's revenue reserves.

The Net Asset Value per Ordinary share at 30 November 2002 was 93.2p. The Net Asset Value per Ordinary share has been calculated using the number of shares in issue at 30 November 2002 of 10,328,141.

Review of the business

The Company was incorporated as a public limited company on 7 September 2001.

The investment objective of the Company is to achieve long term capital appreciation principally through investment in smaller unquoted companies in the United Kingdom with strong growth potential.

A review of the Company's operations is given in the Chairman's Statement on page 5 and in the Investment Manager's Review on page 6.

From incorporation until the close of the offer period on 28 June 2002, a total of 10,112,871 Ordinary shares of 10p each were allotted for cash at £1 per share. From 29 June 2002 to 14 October 2002, a further 215,270 Ordinary shares of 10p each were allotted for cash at £1 per share, under the terms of the Prospectus, bringing the total issued share capital to 10,328,141 Ordinary shares of 10p each.

Investment during the period took the unlisted portfolio to 3 investments at a cost of £318,665. Since then, three further investments have been made, bringing the total unquoted investments to £0.7 million. This represented a qualifying investment level of 4.3 per cent compared with the 70 per cent required before 30 November 2004 in order to achieve venture capital trust qualifying status.

Purchase of Ordinary shares

As outlined in the Prospectus, the Company applied to the court and was granted authority to reduce its share premium account and establish a new special reserve which may be treated as a distributable profit out of which purchases of Ordinary shares can be made.

A Special Resolution, numbered 10 in the Notice of Annual General Meeting, will be put to shareholders for their approval to renew the authority to purchase in the market an aggregate of 10% of Ordinary shares in issue (1,032,814 Ordinary shares) at 17 January 2003. Such authority will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of passing of the Resolution, whichever is the earlier. This means in effect that the authority will have to be renewed at the next Annual General Meeting of the Company.

Purchases of Ordinary shares will be made within guidelines established from time to time by the Board, but only if it is considered that such purchases would be to the advantage of the Company and its shareholders taken as a whole. Purchases will be made in the market for cash only at prices below the prevailing Net Asset Value per Ordinary share. Under the Listing Rules of the UK Listing Authority, the maximum price that may be paid on the exercise of this authority must not exceed 105 per cent of the average of the middle market quotations for the shares over the five business days immediately preceding the date of purchase. The minimum price that may be paid is 10p per share. In making purchases, the Company will only deal with member firms of the London Stock Exchange. Shares which are purchased will be cancelled. Purchases of Ordinary shares by the Company will be made from reserves and the purchase price will normally be paid out of cash balances held by the Company from time to time.

Directors' Report (continued)

The purchase of Ordinary shares by the Company is intended to provide liquidity in the shares and enhance the NAV for the remaining shareholders. Since it is anticipated that any purchases will be made at a discount to Net Asset Value at the time of purchase, the Net Asset Value of the remaining Ordinary shares in issue should increase as the result of any such purchase.

Shares will not be purchased by the Company in the period of 2 months immediately preceding the notification of the Company's interim results and the 2 months immediately preceding the preliminary announcement of the annual results or, if shorter, the period from the end of the Company's relevant financial period up to and including the time of the relevant announcement.

Issue of new Ordinary shares

A Resolution, numbered 11 in the Notice of Meeting, will be put to shareholders at the Annual General Meeting for their approval to issue up to an aggregate nominal amount of £103,281 (equivalent to 1,032,814 Ordinary shares or 10% of the total issued share capital at 17 January 2003). Further issues of new Ordinary shares will be made only at a premium to Net Asset Value per share, thus ensuring existing investors will not be disadvantaged by such issues. The proceeds of any issue may be used to purchase the Company's Ordinary shares in the market or to fund further investments in accordance with the Company's investment policy. This authority shall expire either at the conclusion of the next Annual General Meeting of the Company or on the expiry of 15 months from the date of the passing of the Resolution, whichever is the earlier.

When shares are to be allotted for cash, Section 89(1) of the Companies Act 1985 provides that existing shareholders have pre-emption rights and that the new shares are offered first to such shareholders in proportion to their existing shareholdings. However shareholders can, by Special Resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing shareholders. Resolution 12 will, if passed, also give the Directors power to allot for cash, Ordinary shares up to an aggregate nominal amount of £1,032,814 as if Section 89(1) does not apply. This is the same amount of share capital that the Directors are seeking the authority to allot pursuant to Resolution 11. This authority will also expire either at the conclusion of the next Annual General Meeting of the Company or at the end of fifteen months from the passing of the relevant resolution, whichever is the first one to occur. The Company will not use this authority in connection with a rights issue.

Share capital

Following the allotment of Ordinary shares under the terms of the Prospectus, the issued Ordinary share capital at 30 November 2002 amounted to 10,328,141 Ordinary shares of 10p each.

Directors

The Directors who held office during the period under review and their interests in shares of the Company are shown in Note 19 on page 29.

All the Directors of the Company, whose biographies are shown on page 3, retire at the first Annual General Meeting and seek re-election. Resolutions 2 to 7 to this effect will be proposed at the Annual General Meeting.

Mr M J Gilbert is a director of Aberdeen Asset Management PLC, and Mr J B Diggines is a director of Aberdeen Asset Managers Limited. Aberdeen Asset Managers Limited is entitled to receive investment management and secretarial fees as described in Note 3 on pages 23 and 24.

Directors' Report (continued)

Manager and Company Secretary

Investment management services are provided to the Company by Aberdeen Asset Managers Limited. The Manager also provides company secretarial, accounting and administrative services through its parent Company, Aberdeen Asset Management PLC. The details of the management and secretarial fees are shown in note 3 on pages 23 and 24.

Corporate Governance

The Statement of Corporate Governance is shown on pages 14 to 17.

Directors' and officers' insurance

The Company purchases and maintains liability insurance covering the Directors and Officers of the Company.

Principal activity and status

The Company is an investment company within the meaning of Section 266 of the Companies Act 1985. Its affairs have been conducted in a manner to satisfy the conditions to enable it to obtain, and continue to obtain, approval as a venture capital trust under Section 842AA of the Income and Corporation Taxes Act 1988. The Inland Revenue will grant Section 842AA status, if requested provided that the Company's affairs have been conducted in such a manner as to satisfy the conditions of that Section.

Going concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the financial statements, as the Company has adequate financial resources to enable it to continue in operational existence for the foreseeable future.

Creditor payment policy

The Company's creditor payment policy is to agree terms of payment before business is transacted, to ensure suppliers are aware of these terms and to settle bills in accordance with them. The Company did not have any trade creditors at the period end.

Annual General Meeting

The Notice of Annual General Meeting, which will be held on 5 March 2003, is contained on pages 34 and 35.

Auditors

Ernst & Young LLP, have expressed their willingness to continue in office and a resolution to re-appoint Ernst & Young LLP as Auditors will be proposed at the forthcoming Annual General Meeting, along with a resolution to authorise the Directors to fix their remuneration.

123 St Vincent Street
Glasgow G2 5EA
28 January 2003

By order of the Board
Aberdeen Asset Management PLC
Secretaries

Statement of Corporate Governance

The Company is committed to a high standard of corporate governance. The Board has put in place a framework for corporate governance, which it believes is appropriate for a venture capital trust and which enables it to comply with the Principles of Good Governance and Code of Best Practice ("the Combined Code") prepared by the Committee on Corporate Governance and published in June 1998.

The Board is accountable to the Company's shareholders for good governance and this statement describes how the principles identified in the Combined Code have been applied by the Company throughout the period ended 30 November 2002, except where disclosed below.

The Listing Rules of the UK Listing Authority require the Board to report on compliance with the forty-five Combined Code provisions throughout the period. Save the limited exceptions outlined below, the Company has complied throughout the period ended 30 November 2002 with the provisions set out in Section 1 of the Combined Code.

The exceptions to compliance with the Combined Code, which are explained more fully under the headings of 'The Board' and 'Directors' remuneration', were as follows:

- a senior non-executive Director has not been appointed.
- as the Company is a venture capital trust and all Directors are non-executive, the Company is not required to comply with the principles of the Code in respect of executive directors' renumeration.

The Board

The Board consists of six non-executive Directors, the majority of whom are considered to be independent of the investment manager ("Aberdeen Asset Managers Limited" or the "Manager") and free of any relationship which could materially interfere with the exercise of their independent judgement. However, the following points should be noted:

- Mr M J Gilbert is a director and chief executive of the Manager and of Aberdeen Asset Management PLC, the parent company of the Manager. He is also a director of Aberdeen Growth VCT I PLC and a number of investment trusts managed by the Manager.
- Mr J B Diggines is a director of Aberdeen Asset Managers Limited, the Manager.

The biographies of the Directors appear on page 3 of this report and indicate their high level and range of investment, industrial, commercial and professional experience.

The Board meets at least four times a year and between these meetings maintains contact with the Manager. It has formally adopted a schedule of matters which are required to be brought to it for decision, thus ensuring that it maintains full and effective control over appropriate strategic, financial, operational and compliance issues. These matters include:

- the maintenance of clear investment objectives and risk management policies.
- the monitoring of the business activities of the Company ranging from comparable investment performance through to annual budgeting and quarterly forecasting and variance analysis.

There is an agreed procedure for Directors to take independent professional advice, if necessary, at the Company's expense. The Directors have access to the advice and services of the corporate Company Secretary through its appointed representatives who are responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

When a Director is appointed, the Manager arranges an induction meeting. Directors are provided, on a regular

Statement of Corporate Governance (continued)

basis, with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as and when they arise.

The Chairman of the Company is a non-executive Director. A senior non-executive Director has not been appointed as all the Directors are non-executive and the Board considers that each of the Directors has different qualities and areas of expertise on which they may lead.

To enable the Board to function effectively and allow Directors to discharge their responsibilities, full and timely access is given to all relevant information. In the case of Board meetings, this consists of a comprehensive set of papers, including the Manager's review and discussion documents regarding specific matters.

External agencies

The Board has contractually delegated to external agencies certain services, including to the Manager: the management of the investment portfolio, the custodial services (which include the safeguarding of the assets), the registration services and the day to day accounting and company secretarial requirements. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of services offered including the financial control systems in operation in so far as they relate to the affairs of the Company. The Board receives and considers reports from the Manager on a regular basis. In addition ad hoc reports and information are supplied to the Board as requested.

Committees

The Chairman of the Company is the Chairman of all the Committees.

Nomination Committee

The Nomination Committee makes recommendations and considers the appointment of new Directors and is comprised of the independent directors.

Audit Committee

An Audit Committee has been established with written terms of reference and comprising the independent directors. This Committee reviews the effectiveness of the internal control environment of the Company and receives reports from the internal and external auditors on a regular basis.

The Committee is responsible for review of the annual report and financial statements and the interim report, the adequacy of internal controls and the terms of appointment of the Auditors together with their remuneration as well as the non-audit services provided by the Auditors, and reviewing the scope and the results of the audit and the objectivity of the Auditors. It should be noted that the Auditors, Ernst & Young LLP, rotate the partner responsible for the audit every five years. The Audit Committee also meets with representatives of the Manager.

Management Engagement Committee

The Management Engagement Committee is comprised of the independent directors and reviews matters concerning the management contract, which exists with Aberdeen Asset Managers Limited.

Directors' terms of appointment

The Articles of Association state that Directors must offer themselves for re-election at least once every three years. All non-executive Directors are appointed for an initial term of three years, subject to re-election and Companies Act provisions and, in accordance with the existing Articles of Association, stand for election at the first Annual General Meeting following their appointment.

Statement of Corporate Governance (continued)

Directors' remuneration

Under the UK Listing Authority Listing Rule 26.9 (d) where a venture capital trust has only non-executive directors the code principles relating to directors' remuneration do not apply.

The remuneration of the Directors has been set in order to attract individuals of a calibre appropriate to the future development of the Company. The remuneration of each Director is detailed in note 5 on page 24.

Relations with shareholders

The Company places a great deal of importance on communication with its shareholders. The Company has adopted a nominee code, which ensures that, where notification has been received in advance, nominee operators will be provided with copies of shareholder communications for distribution to their customers. Nominee investors may attend general meetings and speak at meetings when invited by the Chairman.

The Annual Report is posted to shareholders at least twenty business days before the Annual General Meeting as required under Code Provision C2.4. Annual and Interim Reports and accounts are distributed to shareholders and other parties who have an interest in the Company's performance. All may obtain up to date information on the Company through the Manager and the Company responds to letters from shareholders on a wide range of issues. All shareholders have the opportunity to put questions at the Company's Annual General Meeting.

The Notice of Annual General Meeting sets out the business of the meeting and the resolutions are explained more fully in the Directors' Report on pages 11 to 13. Separate resolutions are proposed for each substantive issue.

Accountability and audit

The Statement of Directors' Responsibilities in Respect of the Financial Statements is on page 17 and the Statement of Going Concern on page 13.

The Independent Auditors' Report is on page 18.

Internal control

The Board of Directors of Aberdeen Growth Opportunities VCT PLC has overall responsibility for the Company's system of internal control and for reviewing its effectiveness. Internal control systems are designed to manage, rather than eliminate, the particular risks to which the Company is exposed and, by their nature, can provide reasonable but not absolute assurance against material misstatement or loss.

Guidance for directors on internal control "Internal Control: Guidance for Directors on the Combined Code" ("the Turnbull guidance") was published in September 1999. The Directors confirm that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company, that has been in place for the period under review and up to the date of approval of the Annual Report and Accounts. This process is regularly reviewed by the Board and accords with the Turnbull guidance.

The Directors have delegated the investment management of the Company to Aberdeen Asset Managers Limited and this embraces implementation of the system of internal control, including financial, operational and compliance controls and risk management. The internal control systems are monitored and supported by an internal audit function, which undertakes periodic examination of business processes, including compliance with the terms of the management agreement, and ensures that recommendations to improve controls are implemented.

Risks are identified through an annual risk assessment model that prioritises activities for review by assessing risk under five separate headings of financial, regulatory, market, operational and reputational risk. An overall risk assessment is attributed to each activity and a systems approach is taken in monitoring activities performed on

Statement of Corporate Governance (continued)

behalf of the Company, with priority given to higher risk activities. Any errors or weaknesses identified are reported to the Company and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Company. In addition, the Manager ensures that clearly documented contractual arrangements exist in respect of any activities that have been delegated to external professional organisations.

The Internal Audit Committee of the Manager reports six monthly to the Audit Committee of the Company and has direct access to the Directors at any time.

The Board has reviewed the effectiveness of the system of internal control, and, in particular, it has reviewed the process for identifying and evaluating the significant risks affecting the Company and the policies and procedures by which these risks are managed. The Company's Audit Committee agenda includes an item for the consideration of risk and control and receives reports thereon from the Audit Committee of the Manager.

Exercise of voting powers

The Company has approved a corporate governance voting policy which, in summary, is based on the governance recommendations of the Combined Code with the intention of voting in accordance with best practice whilst maintaining a primary focus on financial returns.

Statement of Directors' Responsibilities in Respect of the Financial Statements

Company law requires the Directors to prepare financial statements for each financial year which 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 period. In preparing those accounts the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are also responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Company and 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 and for preventing and detecting fraud and other irregularities.

Independent Auditors' Report to the Members of Aberdeen Growth Opportunities VCT PLC

We have audited the financial statements for the period ended 30 November 2002 which comprise the Statement of Total Return, Balance Sheet, Cash Flow Statement, and the related notes 1 to 20. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

The Directors responsibilities for preparing the Annual Report and financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the Statement of Directors' Responsibilities.

This report has been prepared for the members of the Company pursuant to Section 235 of the Companies Act 1985 (the "Act") and for no other purpose.

No person is entitled to rely on this report unless such person:
i) is a person who is entitled to rely on this report by virtue of and for the purposes of the Act; or
ii) has been expressly authorised to do so by our prior written consent.

Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, United Kingdom Auditing Standards and the Listings Rules of the Financial Services Authority.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law or the Listing Rules regarding directors' remuneration and transactions with the Company is not disclosed.

We review whether the Corporate Governance Statement reflects the Company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules, and we report if it does not. We are not required to consider whether the Board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of either the Company's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This information comprises the Corporate Summary, Corporate Information, Board Members, Analysis of Unlisted Portfolio, Chairman's Statement, Investment Manager's Review, Summary of Investment Changes, Investment Portfolio Summary, Largest Unlisted Investments, Director's Report, Statement of Corporate Governance, Venture Capital Trusts, Tax Position of Individual Investors and Notice of Meeting. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 30 November 2002 and of its net revenue for the period then ended; and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditor
Edinburgh

28 January 2003

Statement of Total Return (Incorporating the Revenue Account of the Company*)

For the 64 weeks ended 30 November 2002

	Notes	Revenue* £'000	Capital £'000	Total £'000
Losses on investments	8	–	(131)	(131)
Income from investments	2	282	–	282
Other income	2	14	–	14
Investment management fees	3	(24)	(94)	(118)
Other expenses	4	(234)	–	(234)
Net return on ordinary activities before taxation		38	(225)	(187)
Tax on ordinary activities	6	(9)	9	–
Return attributable to equity shareholders		29	(216)	(187)
Transfer to/(from) reserves		**29**	**(216)**	**(187)**
Return per Ordinary share (pence)	7	**0.40**	**(2.97)**	**(2.57)**

** The revenue column of this statement is the profit and loss account of the Company.*
The accompanying notes are an integral part of the financial statements.

Balance Sheet

As at 30 November 2002

	Notes	£'000	£'000
Fixed assets			
Investments	8		9,301
Current assets			
Debtors	10	204	
Cash and overnight deposits		259	
		463	
Creditors			
Amounts falling due within one year	11	139	
Net current assets			324
			9,625
Capital and reserves			
Called up share capital	12		1,033
Share premium	13		4,570
Distributable reserve	13		4,209
Capital reserve – realised	13		(73)
Capital reserve – unrealised	13		(143)
Revenue reserve	13		29
Equity shareholders' interest			**9,625**
Net asset value per ordinary share (pence)	14		**93.2**

The financial statements were approved by the Board of Directors on 28 January 2003 and were signed on its behalf by:

3 February 2003

W G W Michie
Director

The accompanying notes are an integral part of the financial statements.

Cash Flow Statement

For the 64 weeks ended 30 November 2002

	Notes	£'000	£'000
Operating activities			
Investment income received		277	
Deposit interest received		13	
Investment management fees paid		(80)	
Secretarial fees paid		(45)	
Cash paid to and on behalf of Directors		(46)	
Other cash payments		(54)	
Net cash inflow from operating activities	16		65
Financial investment			
Purchase of investments		(10,216)	
Sale of investments		595	
Net cash outflow from financial investment			**(9,621)**
Net cash outflow before use of liquid resources and financing			(9,556)
Financing			
Issue of Ordinary shares		10,328	
Expenses of share issue		(513)	
Net cash inflow from financing			9,815
Increase in cash	17		**259**

The accompanying notes are an integral part of the financial statements.

Notes to the Financial Statements

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and with the Statement of Recommended Practice (the SORP) 'Financial Statements of Investment Trust Companies'. The financial statements are prepared under the historical cost convention, modified to include the revaluation of fixed asset investments.

(b) Income

Dividends receivable on equity shares and unit trusts are treated as revenue for the period on an ex-dividend basis. Where no ex-dividend date is available dividends receivable on or before the period end are treated as revenue for the period. Provision is made for any dividends not expected to be received.

The fixed returns on debt securities and non-equity shares are recognised on a time apportionment basis so as to reflect the effective yield on the debt securities and shares.

Provision is made for any fixed income not expected to be received.

Interest receivable from cash and short term deposits and interest payable are accrued to the end of the period.

(c) Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue account except as follows:

- expenses which are incidental to the acquisition of an investment are included within the cost of the investment.
- expenses which are incidental to the disposal of an investment are deducted from the disposal proceeds of the investment.
- expenses are charged to realised capital reserves where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect the investment management fee has been allocated 20% to revenue and 80% to realised capital reserves to reflect the Company's investment policy and prospective income and capital growth.

(d) Taxation

Deferred taxation 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 tax in the future 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 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 periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital reserves and revenue account on the same basis as the particular item to which it relates using the Company's effective rate of tax for the period.

Notes to the Financial Statements

(e) Investments

Listed investments and unit trusts are valued in the accounts at middle market prices and unlisted investments, at a valuation determined by the Directors. In determining the valuation of unlisted investments (see page 4) the Directors, in accordance with the British Venture Capital Association guidelines, adopt the middle market price where a dealing facility exists and apply a discount if considered appropriate.

Where no dealing facility exists the factors which the Directors have regard to include, inter alia, the earnings record and growth prospects of the security, the rating of comparable listed companies, the yield of the security, where appropriate, and any recent transactions.

		64 weeks ended 30 Nov 2002 £'000
2.	**Income**	
	Income from investments:	
	UK dividends	11
	UK unfranked investment income	271
		282
	Other income:	
	Deposit interest	14
	Total income	**296**
	Total income comprises:	
	Dividends	88
	Interest	194
	Other income	14
		296

The first source of funds into the Company giving rise to income was received on 3 December 2001.

		64 weeks ended 30 November 2002		
		Revenue	**Capital**	**Total**
3.	**Investment management fees**	**£'000**	**£'000**	**£'000**
	Investment management fees at 2%	24	94	118
	Less: Fees already charged through Unit Trusts & OEICs	(3)	(14)	(17)
	Net investment management fees charged	21	80	101
	Irrecoverable VAT	3	14	17
		24	**94**	**118**

Notes to the Financial Statements

The investment management and secretarial fees payable to Aberdeen Asset Managers have been calculated and charged on the following basis:

(a) an investment management fee of 2.0% per annum of the gross assets of the Company at the previous quarter end which is chargeable 20% to revenue and 80% against realised capital reserves. The investment management fee rises to 2.5% per annum for years ending 30 November 2003 onwards. To the extent that the portfolio is invested in any funds managed by any member of the Aberdeen group and any annual fee is payable to such member, the management fees derived from the amounts so invested have been deducted in any calculation of fees payable by the trust. As a result, the aggregate of all such fees paid or payable to such members of the Aberdeen group shall in any event not exceed the maximum fee that would be payable to the Manager if no part of the portfolio was so invested.

The effects of this arrangement are detailed above.

(b) a secretarial fee of £60,000 per annum which is chargeable 100% to revenue. The secretarial fee (shown in note 4) is subject to an annual adjustment to reflect movement in the UK retail prices index.

The management services agreement is for an initial period of 4 years to 3 December 2005, and is terminable on the expiry of one year's notice thereafter.

In addition to the fees payable above, a performance related incentive fee may be payable to the Manager in respect of the period to 30 November 2006 and for each subsequent year.

		64 weeks ended 30 November 2002		
		Revenue	**Capital**	**Total**
4.	**Other expenses**	**£'000**	**£'000**	**£'000**
	Secretarial fees (note 3)	60	–	60
	Shareholder services	5	–	5
	Directors' remuneration (note 5)	75	–	75
	Audit fees	9	–	9
	Irrecoverable VAT	26	–	26
	Miscellaneous expenses	59	–	59
		234	**–**	**234**

		64 weeks ended 30 Nov 2002
5.	**Directors' remuneration**	**£'000**
	I A Craig	12
	J B Diggines	12
	M J Gilbert	12
	W G M Michie (Chairman)	15
	A H Murison	12
	S F Wood	12
		75

Notes to the Financial Statements

	64 weeks ended 30 November 2002		
	Revenue	**Capital**	**Total**
6. Tax on ordinary activities	**£'000**	**£'000**	**£'000**
Corporation tax	**9**	**(9)**	**–**

The tax assessed for the period is lower than the standard rate of corporation tax (30 per cent). The differences are explained below:

	64 weeks ended 30 Nov 2002 £'000
Revenue return on ordinary activities before tax	38
Revenue return on ordinary activities multiplied by standard rate of corporation tax	11
Disallowed management expenses	5
Effect of UK income not subject to taxation	(3)
Effect of amortisation of bonds	21
Effect of depreciation of bonds	(6)
Expenses charged to capital available to be utilised	(28)
Tax relief on expenses capitalised	9
	9

No provision for deferred tax has been made in the current accounting period.

	64 weeks ended 30 Nov 2002 £'000
7. Return per Ordinary share	
The returns per share have been based on the following figures:	
Weighted average number of Ordinary shares	**7,263,198**
Revenue return	**£29,000**
Capital return	**(£216,000)**

Notes to the Financial Statements

	64 weeks ended 30 November 2002		
	Listed	**Unlisted**	**Total**
8. Investments	**£'000**	**£'000**	**£'000**
Movements during period:			
Purchases	9,777	319	10,096
Sales	(595)	–	(595)
Realised gains	3	–	3
Amortisation of book cost	(69)	–	(69)
Cost at 30 November 2002	9,116	319	9,435
Unrealised loss	(134)	–	(134)
Valuation at 30 November 2002	**8,982**	**319**	**9,301**

Constituted:	**Shares in participating interests £'000**	**Loans to participating interests £'000**	**Other investments £'000**
Movements during the period:			
Purchases – listed	–	–	9,777
– unlisted	–	–	319
Sales – all listed	–	–	(595)
Realised gains – all listed	–	–	3
Amortisation of book cost	–	–	(69)
Cost at 30 November 2002	–	–	9,435
Unrealised loss	–	–	(134)
Valuation at 30 November 2002	**–**	**–**	**9,301**

The portfolio valuation	**30 Nov 2002 £'000**
Listed on stock exchange at market valuation:	
Fixed income	6,603
Unit trusts	2,379
	8,982
Unlisted at Directors' valuation:	
Unquoted equities	51
Unquoted fixed income	268
	319
Total	**9,301**
Realised gains on sales	3
Increase in unrealised depreciation	(134)
Losses on investments	**(131)**

Notes to the Financial Statements

9. Participating and significant interests

The principal activity of the company is to select and hold a portfolio of investments in unlisted securities. Although the company will, in some cases, be represented on the board of the investee company, it will not take a controlling interest or become involved in the management. The size and structure of the companies with unlisted securities may result in certain holdings in the portfolio representing a participating interest without there being any partnership, joint venture or management consortium agreement.

At 30 November 2002 the company held no shares amounting to 20% or more of the equity capital of any of the unquoted undertakings, however the Company does hold shares or units amounting to more than 3% or more of the nominal value of the alloted shares or units of any class of the following undertakings:

			30 November 2002	
Investment		**% of class held**	**Total cost £'000**	**Carrying value £'000**
PLM Dollar Group Limited				
9,965	B ordinary shares	0.58	50	50
15,409	preference shares	3.31		
16,554	loan stock 2010	3.31		

10. Debtors

	30 Nov 2002 £'000
Prepayments and accrued income	188
Current taxation	16
	204

11. Creditors

	30 Nov 2002 £'000
Other creditors	3
Accruals	136
	139

Other creditors represents share issue liabilities. At 30 November 2002 the Company owed £48,564 to Aberdeen Asset Management Limited for management services rendered, which was included in accruals.

12. Share capital

	30 November 2002 Number	£'000
At 30 November 2002 the authorised share capital comprised:		
allotted, issued and fully paid:		
Ordinary shares of 10p each	10,328,141	1,033
unissued unclassified shares of 10p each	49,671,859	4,967
	60,000,000	**6,000**

From 3 December 2001 to 28 June 2002, when the offer for subscription closed, 10,112,871 Ordinary shares of 10p each were issued for cash of £10,112,871 to finance the commencement of the Company's activities (resulting in a share premium of £9,101,584).

Notes to the Financial Statements

Subsequent to 28 June 2002, a further 215,270 Ordinary shares of 10p each were issued for £1 each under the terms of the Prospectus, increasing the share premium to £9,295,327.

On 14 November 2002 the Directors were granted Court authority to reduce the share premium account by £4,208,641. As a result a distributable reserve was set up. The distributable reserve was established in order to fund share purchases in circumstances where the Directors believe that it is beneficial to the interests of shareholders, in order to provide liquidity in the shares and enhance the NAV for remaining shareholders. The reserve can also be used to fund dividends.

13. Reserves	**Share premium account £'000**	**Distributable reserve £'000**	**Capital reserve realised £'000**	**Capital reserve unrealised £'000**	**Revenue reserve £'000**
Issue of shares	9,295	–	–	–	–
Expenses of share issue	(516)	–	–	–	–
Cancellation of share premium (note 12)	(4,209)	4,209	–	–	–
Gains on sales of investments	–	–	3	–	–
Increase in unrealised depreciation	–	–	–	(134)	–
Investment management fees	–	–	(94)	–	–
Tax effect of capital items	–	–	18	(9)	–
Retained net revenue for period	–	–	–	–	29
At 30 November 2002	**4,570**	**4,209**	**(73)**	**(143)**	**29**

14. Net Asset Value per Ordinary share

The Net Asset Value per share and the Net Asset Value attributable to the Ordinary shares at the period end calculated in accordance with the Articles of Association were as follows:

	30 November 2002 Net Asset Value per share p	**Net Asset Value attributable £'000**
Ordinary shares	**93.2**	**9,625**

The movements during the period of the assets attributable to the Ordinary shares are shown in note 15.
The number of shares used in the above calculation is set out in note 12.

15. Reconciliation of movements in shareholders' funds	**64 weeks ended 30 Nov 2002 £'000**
Opening shareholders' funds	–
Movements during the period	
Total recognised losses for period	(187)
Net proceeds of issue of shares	9,812
Closing shareholders' funds	**9,625**

Notes to the Financial Statements

		64 weeks ended 30 Nov 2002 £'000
16.	**Reconciliation of revenue before finance costs and taxation to net cash inflow from operating activities**	
	Revenue return before taxation	38
	Investment management fees charged to capital	(94)
	Increase in accrued income	(59)
	Increase in prepayments	(9)
	Increase in accruals	136
	Tax on unfranked income – UK	(16)
	Amortisation of fixed income investment book cost	69
	Net cash inflow from operating activities	**65**

		Cash flows £'000	At 30 Nov 2002 £'000
17.	**Analysis of changes in net funds**		
	Cash and overnight deposits	**259**	**259**

		At 30 Nov 2002 2002 £'000
18.	**Capital commitments**	
	Conditional capital commitments on unlisted investments	**43**

19. Directors' share interests

The interests of the Directors in the shares of the Company under the terms of the Companies Act 1985 are as follows:

	At 30 Nov 2002 Ordinary shares	At 7 Dec 2001 (date of appointment) Ordinary shares
I A Craig	10,000	–
J B Diggines	10,000	–
M J Gilbert	25,000	–
W G M Michie (Chairman)	15,000	–
A H Murison	10,000	–
S F Wood	10,000	–

There have been no changes in the above share interests since the end of the financial period. All the above interests are beneficial.

Notes to the Financial Statements

20. Derivatives and other financial instruments

The Company's financial instruments comprise securities and other investments, cash balances and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company may not enter into derivative transactions in the form of forward foreign currency contracts, futures and options without the written permission of the Directors. No derivative transactions were entered into during the period. The purpose of these financial instruments is efficient portfolio management.

The main risks the Company faces from its financial instruments are (i) 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 rates, (ii) interest rate risk, and (iii) liquidity risk. In line with the Company's investment objective, the portfolio comprises only sterling currency securities and therefore has no exposure to foreign currency risk.

The Manager's policies for managing these risks are summarised below and have been applied throughout the period. The numerical disclosures below exclude short-term debtors and creditors.

(i) Market price risk

The Company's investment portfolio is exposed to market price fluctuations, which are monitored by the manager in pursuance of the investment objective as set out on page 1. Adherence to investment guidelines and to investment and borrowing powers set out in the management agreement mitigates the risk of excessive exposure to any particular type of security or issuer. These powers and guidelines include the requirement to invest in up to 50 companies across a range of industrial and service sectors at varying stages of development, to monitor closely the progress of these companies and to appoint a non-executive director to the board of each company. Further information on the investment portfolio is set out in the Investment Manager's Review on page 6.

(ii) Interest rate risk

The interest rate risk profile of financial assets at the balance sheet date was as follows:

Sterling	Fixed Interest £'000	Floating rate £'000	Non interest bearing £'000
Listed	6,603	–	2,379
Unlisted	268	–	51
Cash	–	259	–

The listed fixed interest assets have a weighted average life of 2.01 years and weighted average interest rate of 6.49% per annum. These assets are held to provide liquidity for unlisted investments. The floating rate assets consists of cash on call. These assets are earning interest at prevailing money market rates. The unlisted fixed interest assets have a weighted average life of 7.22 years and weighted average interest rate of 10.22% per annum. The non-interest bearing assets represent the equity and unit trust element of the portfolio. All assets and liabilities of the fund are included in the balance sheet at fair value.

(iii) Liquidity risk

Due to their nature, unlisted investments may not be readily realisable and therefore a portfolio of listed assets is held to offset this liquidity risk.

Venture Capital Trusts

Venture Capital Trusts (VCTs) are companies broadly similar to investment trusts and need to have been approved by the Inland Revenue. The conditions for approval are:

- A VCT's income must be derived wholly or mainly from shares or securities.
- No holding in any company can represent more than 15% by value of a VCT's investments.
- The shares making up a VCT's ordinary share capital must be traded on the London Stock Exchange and listed on the Official List of the UK Listing Authority.
- A VCT must not retain more than 15% of its income derived from shares or securities.

Within the accounting period beginning not more than three years after application, the following requirements must be met:

- At least 70% by value of a VCT's investments must be in shares, or loans of at least five years, in "qualifying holdings".
- At least 30% by value of a VCT's qualifying holdings must be in ordinary shares.

Qualifying holdings

Qualifying holdings are defined as holdings of shares or securities (including loans of terms of at least five years duration) in unquoted companies (including companies whose shares are traded on the Alternative Investment Market (AIM)) which exist wholly for the purpose of carrying on one or more qualifying trades wholly or mainly in the United Kingdom. The holding must consist of shares or securities which were first issued to and have been ever since continuously held by the VCT.

A qualifying trade is any other than:

- dealing in land, commodities, futures, shares or other financial instruments;
- dealing in goods other than in the course of an ordinary trade of wholesale or retail distribution;
- banking, insurance or other financial activities;
- leasing or receiving royalties or license fees with certain exceptions;
- providing legal or accountancy services;
- property development;
- farming or market gardening;
- holding, managing or occupying woodlands, any other forestry activities or timber production;
- operating or managing hotels or comparable establishments, or managing property used as an hotel or comparable establishment;
- operating or managing nursing homes or residential care homes, or managing property used as a nursing home or residential care home; and
- providing ancillary services to any of the above by a related party.

VCTs may count an investment of up to £1 million in total in a qualifying trading company in any one year towards the 70% qualifying trading company requirement, provided that the gross assets of the company do not exceed £15 million prior to the investment or £16 million following the investment.

Investments in qualifying companies held by VCTs at a time when such companies become quoted on the London Stock Exchange may be treated as investments in qualifying trading companies for up to a further five years.

Tax Position of Individual Investors

This section highlights the tax reliefs available to individual investors and the methods for claiming such tax reliefs.

1. Tax reliefs for individual investors resident in the UK

Investors must be individuals aged 18 or over to qualify for the tax reliefs below. Tax reliefs will only be given to the extent that an individual's total investments in venture capital trusts (VCTs) in any tax year do not exceed £100,000.

Relief from income tax

An investor subscribing for new ordinary shares in a VCT, for any tax year, will be entitled to claim income tax relief on amounts subscribed up to a maximum of £100,000 at the lower rate of income tax, which is currently 20%, providing, on current tax rates, a maximum tax saving of £20,000. For shares purchased on or after 6 April 2000, this relief must be repaid should the shares be sold or otherwise disposed of within three years. For shares purchased on or before 5 April 2000, the retention period is five years. Relief is limited to the amount which reduces the investor's income tax liability to nil.

An investor who subscribes for or acquires up to a maximum of £100,000 of ordinary shares in any given tax year will not be liable to UK income tax on dividends paid by a VCT, which may include realised capital gains by the VCT.

Relief from capital gains tax

An investor who is resident and ordinarily resident in the UK (but not regarded for the purposes of any double taxation relief arrangements as resident in a territory outside the UK) who subscribes for new ordinary shares in a VCT and in respect of which he obtains any income tax relief on subscription may make a claim so as to postpone any liability to pay capital gains tax on a chargeable gain made within the period beginning 12 months before his subscription and ending 12 months after his subscription. The amount of the chargeable gain which can be deferred is limited to the amount subscribed for ordinary shares up to £100,000 for any tax year. A deferred chargeable gain becomes liable to capital gains tax on the disposal of the ordinary shares in the VCT. Investors should note that the prior gain is only postponed and a subsequent disposal of the ordinary shares in a venture capital trust at a loss will nevertheless result in the earlier gain being taxed in full (subject to the availability of other taxable allowances and reliefs). Any loss realised on shares in a VCT, provided such shares were not originally acquired in excess of the £100,000 maximum, will not be allowed against any other chargeable realised gains of the investor.

A disposal by an investor of ordinary shares (whether acquired by subscription for new shares or subsequent acquisition) in a VCT will give rise to neither a chargeable gain nor an allowable loss for the purposes of UK capital gains tax. This relief is limited to disposals of ordinary shares acquired within the limit of £100,000 for any tax year.

On the death of an investor or a spouse who has acquired VCT shares within marriage, no deferred capital gains tax or income tax will become payable by either the investor, their spouse or anyone inheriting the VCT shares.

Shares acquired other than by subscription (i.e. existing shares)

An investor who acquires up to the permitted maximum of ordinary shares in a VCT in any year will be exempt from income tax on dividends from the VCT, which may include realised capital gains from investments made by the VCT and capital gains on disposal of the VCTs. The permitted maximum of £100,000 is the total of VCT shares subscribed for (new shares) and acquired (existing shares) in the tax year.

A loss on disposal of shares within the permitted maximum is not an allowable loss.

Tax Position of Individual Investors

2. Obtaining tax reliefs

Claims for income tax relief on amounts subscribed for new ordinary shares

A venture capital trust will give each investor a certificate which the investor uses to claim income tax relief, either immediately by obtaining an adjustment to his tax coding from the Inland Revenue or by waiting until the end of the tax year and using his tax return to claim relief.

Capital gains tax deferral

The investor defers the capital gains tax by notifying a claim to the Inland Revenue, which in most cases should be by his tax return for the tax year of subscription but could be at the same time as he adjusts his tax coding for income tax. In the case of gains which accrue up to 12 months from subscription and in the tax year following the year of subscription, the investor will use that tax year's tax return to notify the Inland Revenue.

3. Investors who are not resident in the UK

Such investors should seek their own professional advice as to the consequences of making an investment in a venture capital trust as they may be subject to tax in other jurisdictions as well as in the UK.

This is a summary only of the law concerning the tax position of individual investors in VCTs. Any potential investor in doubt as to the taxation consequences of investment in a venture capital trust should consult a professional adviser.

Risk warnings

Past performance is not necessarily a guide to future performance. You should be aware that share values and income from them may go down as well as up and that you may not get back the amount you originally invested. Existing tax levels and reliefs may change and the value of reliefs depends on personal circumstances; in particular reliefs may be lost on ceasing to be a UK resident. An investment in a VCT carries a higher risk than other forms of investment. A VCT's shares, although listed, are likely to be illiquid. Prospective investors should regard an investment in a VCT as a long term investment, particularly as regards a VCT's investment objective and policy and the three year period for which shareholders must hold their shares in order to retain their income tax reliefs. The investments made by VCTs will normally be in companies whose securities are not publicly traded or freely marketable and may, therefore, be difficult to realise and investments in such companies are substantially riskier than those in larger companies.

The tax reliefs are dependent on the VCT obtaining unconditional approval from the Inland Revenue. Reliefs will be given during a period when provisional approval only is in force, but if provisional approval is withdrawn all tax reliefs will be cancelled with retrospective effect. If unconditional approval is withdrawn, any tax reliefs are no longer available and substantial tax liabilities can be expected to be incurred by shareholders and the VCT.

Potential investors are strongly urged to seek independent professional advice when considering investment in a VCT.

Notice of Meeting

The first Annual General Meeting of Aberdeen Growth Opportunities VCT PLC will be held on Wednesday 5 March 2003 at 11.00 a.m. at One Bow Churchyard, London EC4M 9HH, to transact the following business.

Ordinary Business

To consider and, if thought fit, pass the following as Ordinary Resolutions:

1. To receive the Directors' Report and audited statement of accounts for the 64 week period ended 30 November 2002.
2. To re-elect Mr W G M Michie* as a Director.
3. To re-elect Mr I A Craig* as a Director.
4. To re-elect Mr J B Diggines* as a Director.
5. To re-elect Mr M J Gilbert* as a Director.
6. To re-elect Mr A H Murison* as a Director.
7. To re-elect Mr S F Wood* as a Director.
8. To re-appoint Ernst & Young LLP as Auditors.
9. To authorise the Directors to fix the remuneration of the Auditors.

Special Business

To consider and, if thought fit, pass the following Resolution as a Special Resolution:

10. THAT the Company be and is hereby generally and, subject as here and after appears, unconditionally authorised in accordance with Section 166 of the Companies Act 1985 ("the Act") to make market purchases (within the meaning of Section 163(3) of the Act) of Ordinary shares of 10p each in the capital of the Company:

    provided always that:

    (a) the maximum number of Ordinary shares hereby authorised to be purchased is 1,032,814 representing 10% of the Company's issued Ordinary share capital as at 17 January 2003;

    (b) the minimum price which may be paid for an Ordinary share shall be 10p per share;

    (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be not more than the lower of (i) Net Asset Value per Ordinary share and (ii) 105 per cent of the average of the middle market quotations for an Ordinary share taken from, and calculated by reference to, the Daily Official List of the London Stock Exchange for the five business days immediately preceding the date on which the Ordinary share is purchased; and

    (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, on the expiry of fifteen months from the passing of this Resolution, save that the Company may before such expiry enter into a contract to purchase Ordinary shares which will or may be completed wholly or partly after such expiry.

11. To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

    THAT the Directors be and are hereby generally and unconditionally authorised pursuant to Section 80 of the Companies Act 1985 to exercise all the powers of the Company to allot relevant securities (as defined in that section) up to an aggregate nominal amount of £103,281 (representing 10% of the total Ordinary share capital in issue on 17 January 2003) during the period expiring (unless previously revoked, varied, or extended by the Company in general meeting) on the date of the next Annual General Meeting or on the expiry of fifteen months from the passing of this Resolution, whichever is the first to occur, save that the Company may make offers or agreements before such expiry which would or might require relevant securities to be allotted after such expiry.

Notice of Meeting

12. To consider and, if thought fit, pass the following Resolution as a Special Resolution:

    THAT, subject to passing of Resolution number 11 set out above, the Directors be and are hereby empowered, pursuant to Section 95 of the Companies Act 1985 ("the Act"), to allot equity securities (as defined in Section 94 of the Act) pursuant to the authority given in accordance with Section 80 of the Act by the said Resolution number 11 as if Section 89(1) of the Act did not apply to such allotment, provided that this power shall be limited to the allotment of equity securities:

    (a) during the period expiring on the earlier of the date of the next Annual General Meeting of the Company or on the expiry of fifteen months from the passing of this Resolution, whichever is the first to occur, but so that this power shall enable the Company to make offers or agreements which would or might require equity securities to be allotted after the expiry of this power; and

    b) up to an aggregate nominal amount of £103,281 (representing 10% of the total Ordinary share capital in issue on 17 January 2003).

123 St Vincent Street
Glasgow G2 5EA
3 February 2003

By order of the Board
Aberdeen Asset Management PLC
Secretaries

Notes:

1. No Director has any contract of service with the Company.
2. The Company, pursuant to Regulation 41 of the Uncertified Securities Regulations 2001, has specified that only those shareholders on the register of members of the Company as at 11.00 a.m. on 3 March 2003 shall be entitled to attend or vote at the aforesaid general meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of members after 11.00 a.m. on 3 March 2003 shall be disregarded when determining the rights of any person to attend or vote at the meeting.
3. A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and on a poll to vote instead of him/her.
4. A proxy need not be a member. Appointment of a proxy need not preclude a member from attending and voting at the meeting should he/she subsequently decide to do so.
5. Instruments of proxy and the power of attorney or other authority should be sent to the Registrar of the Company, Capita IRG Plc, Balfour House, 390/398 High Road, Ilford, Essex IG1 1NQ, so as to arrive not less that forty-eight hours before the time fixed for the meeting.
6. The Register of Directors' Interests is kept by the Company in accordance with Section 325 of the Companies Act 1985 and will be open for inspection at the meeting.

A reply-paid form of proxy for your use is enclosed.

** The biographies of the Directors are detailed on page 3.*

Details of resolutions 2 to 12 are shown in the Directors' Report as follows:

Resolutions 2 to 7	Page 12	Directors
Resolutions 8 and 9	Page 13	Auditors
Resolution 10	Pages 11 & 12	Purchase of Ordinary shares
Resolutions 11 and 12	Page 12	Issue of new Ordinary shares

Registered in England and Wales - Company Number 4283350

Aberdeen

Aberdeen Asset Managers Limited
123 St Vincent Street, Glasgow, G2 5EA
Telephone: 0141 306 7400 Fax: 0141 306 7401