

PROVEN GROWTH AND INCOME VCT PLC
(FORMERLY PROVEN MEDIA VCT PLC)

REPORT & ACCOUNTS

FOR THE YEAR ENDED

28 FEBRUARY 2006



MANAGED BY
BERINGEA

SHAREHOLDER INFORMATION

Dividends

Dividends are paid by the Registrar on behalf of the Company. Shareholders who wish to have dividends paid directly into their bank account rather than by cheque to their registered address can complete a Mandate Form for this purpose. Queries relating to dividends and requests for Mandate Forms should be directed to the Company's Registrar, Capita Registrars, on 0870 162 3100, or by writing to them at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

Dividend History (since launch)

Ordinary Shares

Year end (including interim dividends)	Gross Pence per share	Year end (including interim dividends)	Gross Pence per share
2002	1.4	2005	6.5
2003	1.0	2006	3.0
2004	3.5	Cumulative dividends paid to date	15.4
		2006 Second interim	3.5

Share Price

The Company's share price can be found on various financial websites with the following TIDM/EPIC codes

TIDM/EPIC code	Ordinary shares "PGO"	'C' shares "PGOC"
Latest share price (May 2006):	104p per share	100p per share

A link to the Company's share prices can be found on Downing's website www.downing.co.uk.

Selling Shares

The Company's shares can be bought and sold in the same way as any other quoted company on the London Stock Exchange via a stockbroker. Shareholders who invested in the 'C' share issue should be aware that they need to hold their shares for a minimum period of three years to retain the Income Tax relief they received on investment. There may be tax implications in respect of this, therefore you should contact your independent financial adviser if you have any queries.

The Company operates a policy of buying its own shares for cancellation as they become available. The Company is, however, unable to buy back shares direct from Shareholders, so you will need to use a Stockbroker to sell your shares. Downing Management Services Limited is able to provide details of close periods (when the Company is prohibited from buying in shares) and details of the price at which the Company has bought in shares. Contact details are shown on page 1 of this document.

Financial Calendar

21 September 2006	Annual General Meeting
14 July 2006	Payment of Second interim dividend in respect of the year to 28 February 2006
October 2006	Announcement of interim results

Notification of Change of Address

Communications with shareholders are mailed to the registered address held on the share register. In the event of a change of address or other amendment this should be notified to the Company's registrar, Capita Registrars, under the signature of the registered holder.

Other information for shareholders

Up to date Company information (including financial statements, share price and dividend history) may be obtained from Downing's website at www.downing.co.uk by clicking on "VCT Information and Accounts".

If you have any queries regarding your shareholding in ProVen Growth and Income VCT plc, please contact the Registrar on the above number or visit Capita's website at www.capitaregistrars.com and click on "Shareholders".

CONTENTS

	Page
Directors and advisers	1
Investment strategy and financial highlights	2
Directors	3
Chairman's statement	4
Investment manager's report	6
Review of investments	7
Report of the directors	11
Directors' remuneration report	14
Corporate governance	16
Independent auditors' report	18
Income statement	19
Statement of recognised gains and losses	19
Reconciliation of movements in shareholders funds	19
Balance sheet	20
Cash flow statement	21
Notes to the accounts	22
Notice of Annual General Meeting	30

DIRECTORS AND ADVISERS

Directors	Andrew Davison (Chairman) Nicholas Lewis Alexander Spiro Jr. James Stewart Marc Vlessing
Secretary	Grant Whitehouse
Investment Manager	Beringea Limited 39 Earlham Street London WC2H 9LT www.provenvets.com
Administrator	Downing Management Services Limited 69 Eccleston Square London SW1V 1PJ Tel: 020 7416 7780 www.downing.co.uk
Auditors	Deloitte & Touche LLP London
VCT status advisers	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Registrar	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU Tel: 0870 162 3100 www.capitaregistrars.com
Solicitor	Howard Kennedy 19 Cavendish Square London W1A 2AW
Bankers	Bank of Scotland West End Office St James's Gate 14-16 Cockspur Street London SW1Y 5BL

INVESTMENT STRATEGY

ProVen Growth and Income VCT plc is a Venture Capital Trust (“VCT”) established under the legislation introduced in the Finance Act 1995. The Company’s principal investment objective is to achieve a total return significantly greater than that available from direct investment in quoted businesses by investing in a portfolio of carefully selected smaller companies with excellent growth prospects while maintaining VCT status.

FINANCIAL HIGHLIGHTS

	2006 pence	2005 pence
Ordinary Shares		
Net asset value (per share)	<u>134.3</u>	<u>118.9</u>
Cumulative paid distributions since launch	<u>15.4</u>	<u>8.9</u>
Total return (net asset value plus paid cumulative distributions)	<u>149.7</u>	<u>127.8</u>
Interim dividend (per share)	3.0	3.0
Second interim distribution (per share) to be paid on 14 July 2006	<u>3.5</u>	<u>3.5</u>
	<u>6.5</u>	<u>6.5</u>
	2006 pence	2005 pence
‘C’ Shares		
Net asset value (per share)	<u>94.9</u>	<u>n/a</u>
Cumulative paid dividends since launch	<u>-</u>	<u>n/a</u>
Total return (net asset value plus paid cumulative dividends)	<u>94.9</u>	<u>n/a</u>
Second interim dividend (per share)	<u>-</u>	<u>n/a</u>

Registered office
39 Earlham Street, London WC2H 9LT
Registered number
4125326

DIRECTORS

Andrew Davison (63) (Chairman) is currently on the boards of a number of quoted and unquoted companies and is chairman of City of London Investment Group PLC, The Ethical AIM VCT plc, ProVen VCT plc and Pennine AIM VCT 5 plc. He was formerly chairman and chief executive of Business Mortgages Bank plc from 1987 – 1991. He joined County Bank Limited in 1972 and by 1984 had become managing director of NatWest Ventures Limited. He is a former council member of the British Venture Capital Association.

Nicholas Lewis (50) is a director of Downing Corporate Finance Limited, which he founded in 1986. Downing specialises in promoting and administering tax-based investments, having raised approximately £520 million over the last ten years. He is a non-executive director of a number of other venture capital trusts and an executive director of investment management subsidiaries of the Downing Protected VCTs. He was formerly with NatWest Ventures Limited and, before that, with Apax Partners and Co. Limited.

Alexander Spiro, Jr (58) is a senior managing director of Beringea LLC, an investment banking and fund management group based in Michigan, USA that is the ultimate parent company of Beringea Limited. He is responsible for the business development of the Beringea Group and is a member of the advisory board of Investcare Partners, a limited partnership fund managed by Beringea LLC that invests in venture capital opportunities in the healthcare sector. Prior to joining Beringea LLC he spent more than 30 years as an entrepreneur in the healthcare sector.

James Stewart (57) was formerly managing director of Creditanstalt Investment Bank AG's subsidiary in London, where he had previously established Creditanstalt Bankverein's development capital activity. He has been a non-executive director of a number of quoted and unquoted companies and is on the board of Guinness Flight VCT. He now works as an independent venture capitalist.

Marc Vlessing (44) started his career as a corporate financier with County NatWest. In 1991, he set up Media Finance, a management consultancy business specialising in the media sector. In 1997 he became Chief Executive of Crescent Entertainment, which ran a group of London theatres and cinemas; subsequently he became Chief Executive of First Call International, the UK's largest independent ticketing business. He is currently Chairman of Eclipse VCT 2 plc and a principal in Pocket, a developer which helps people on low to moderate incomes own their first home.

All the Directors are non-executive and, with the exception of Alexander Spiro, are independent of the investment manager.

CHAIRMAN'S STATEMENT

Introduction

I am pleased to present the Annual Report for ProVen Growth and Income VCT plc for the year ended 28 February 2006 and would like to welcome the new 'C' Shareholders to the Company. The year has been a very active one for your Company and one in which a solid performance has once again been achieved producing an increase in Net Asset Value of 18.4%.

Change of name

Following approval by Shareholders in July 2005 in order to recognise the broader investment focus, the Company changed its name from ProVen Media VCT plc to ProVen Growth and Income VCT plc.

'C' Share Issue

When your Company was launched in 2001, the VCT fundraising market was limited, mainly as a result of lower tax reliefs on VCT investments. Therefore, since its launch, your Company has been a relatively small VCT. With the 40% income tax relief available on new VCT investments in the 2005/06 tax year, your Company took advantage of the opportunity to raise further funds by way of a 'C' share issue.

The fundraising was extremely successful and sold out before the closing date, raising net funds of £23.6 million after taking account of the issue costs. The Board congratulates the Investment Manager, who promoted the fundraising, and looks forward to the process of investing the new funds.

At the Company's year end of 28 February 2006, the offer had raised net funds of £2.5 million, so these accounts only show a fraction of the total funds eventually raised.

As a substantially bigger Company, the high costs of operating as a VCT can now be spread over a much larger asset base, which will be advantageous to both Ordinary shareholders and the new 'C' shareholders.

Net Asset Value

At 28 February 2006, the Company's Net Asset Value ("NAV") per Ordinary Share stood at 134.3p, an increase of 21.9p or 18.4% compared to the NAV at 28 February 2005 after adjusting for the dividends of 6.5p per share paid during the year. The Total Return to original shareholders (NAV plus dividends paid to date) now stands at 149.7p compared to an original investment net of income tax relief of 80p per share.

The NAV of the Company's 'C' shares at 28 February 2006 stood at 94.9p, an increase of 0.4p or 0.4% compared to the initial NAV (after deducting share issue costs for the 'C' shares) of 94.5p.

Format of Accounts

For this accounting period, your Company is required to adopt FRS 21, under which dividends have to be accounted for in the period in which they are liable to be paid rather than the period in respect of which they are declared. As a result comparative figures presented in this statement have been restated. It should be noted that this change does not alter the current or historic values for Total Return. Under FRS 26, the Company is now also required to value quoted investments at bid prices instead of mid-market prices that were used previously. This has resulted in a small reduction in the level of these valuations.

The Company has also adopted the new Statement of Recommended Practice for Investment Trusts ("SORP"), which came into effect in December 2005 and other UK Financial Reporting Standards which have been introduced as part of the convergence programme of the UK towards International Accounting Standards. The main noticeable change arising is that the "Statement of Total Return" has been renamed as the "Income Statement" and our investments are now categorised as "Fair value through profit or loss" assets.

Venture Capital Investments

During the year the Company invested £1 million in qualifying investments and £90,000 in non-qualifying investments.

The Company also achieved a number of profitable exits producing proceeds of £1.7 million and realised gains in the year of £291,000 or gains of £837,000 against original cost. Details of the investment portfolio can be found in the Investment Manager's Report on page 6.

In reviewing the investment valuations at the year end the Board has agreed a number of valuation increases and decreases. There have been substantial increases in the valuations of the Company's two largest investments, Mergermarket Limited and Espresso Broadband Limited. Overall the unrealised valuation movement on the portfolio has been an increase of £1.1 million over the year.

Results and Dividends

The revenue return on ordinary activities after taxation for the year for the Ordinary Share pool was £48,000 (2005:£23,000) and for the 'C' shares was £9,000 (2005: n/a).

CHAIRMAN'S STATEMENT (continued)

Results and Dividends (continued)

On 4 November 2005 an interim capital distribution of realised gains of 3p per share (2005: 3.0p per share) was paid to shareholders. The Board is proposing to pay a second interim distribution comprising of a capital distribution of 3.0p per Ordinary Share together with a revenue dividend of 0.5p per Ordinary Share for the year ended 28 February 2006, on 14 July 2006 to Shareholders on the register at 16 June 2006.

These payments will be made as a second interim dividend rather than a final dividend for the year to 28 February 2006 in order that their payment does not need to be delayed until after the Company's next AGM.

No 'C' Share dividend is being declared in respect of the year ended 28 February 2006.

Repurchase of Shares

The Directors are conscious that the Company's share prices are affected by the illiquidity of its shares in the market resulting from the fact that investors purchasing "second-hand" shares do not benefit from income tax relief on their investment.

The Directors continue to monitor the market in the Company's shares and will make share purchases when appropriate. During the period the Company repurchased 333,216 Ordinary Shares of 1p each, at an average price of 105.3p per share, for cancellation. No 'C' Shares were purchased during the year. Generally share buybacks are undertaken at a 10% discount to the latest NAV published by the Company. A Special Resolution to allow the Board to continue to purchase shares for cancellation will be proposed at the forthcoming AGM.

Annual General Meeting

The Annual General Meeting of the Company will be held at 39 Earlham Street, London WC2H 9LT at 12:30pm on 21 September 2006. Notice of the meeting is at the end of this document.

Outlook

The year ahead will be a busy one for the Investment Manager. The continued work in moving towards realisations with the maturing investments in the Ordinary Share pool will be combined with the job of starting to build a portfolio of good quality investments in the 'C' Share pool. The Board has full confidence that the Investment Manager will continue to provide a high quality service in combining these roles.

I look forward to updating Shareholders on the progress of both activities with the interim statement to 31 August 2006.



Andrew Davison
Chairman

2 June 2006

INVESTMENT MANAGER'S REPORT

Introduction

ProVen Growth & Income VCT plc saw its net assets increase to over £11 million by 28 February 2006 due in part to new shares issued as a result of the recent 'C' Share fund raising but also to continued good performance on the existing Ordinary Share pool. The net asset value total return of the Ordinary Shares increased by 17% during the year compared to a 22% increase in the total return on the FTSE All Share Index.

Portfolio Activity

The following investments were made from the Ordinary Share pool:

	Activity	Total £'000
New Investments		
I-Level Limited	Digital advertising agency	600
Campden Media Limited	Publishing	488
		<u>1,088</u>
Follow on Investments		
Cardpoint plc	ATM owner/operator	90
Espresso Broadband Limited	Multi media education resources	1
		<u>1,179</u>

In future, new investments will be allocated between the Ordinary Share and 'C' Share pools in proportions approved by the Board for each investment to ensure that balanced portfolios are maintained and giving due consideration to the constraints of the VCT regulations.

The Ordinary Share pool has also made a number of profitable realisations as summarised below:

	Cost	Market Value at 28/02/05*	Proceeds	Realised gain/(loss)	Gain/(loss) against cost
	£'000	£'000	£'000	£'000	£'000
AIM Quoted					
Cardpoint plc	91	274	277	3	186
NASDAQ quoted					
Miva Inc (FindWhat.com)	41	67	71	4	30
Unquoted					
Baby Innovations S.A. t/a Steribottle #	11	11	11	-	-
Copyright Promotions Group Limited	56	177	218	41	162
LFR plc (t/a Loch Fyne Restaurants)	351	331	520	189	169
Nectar Taverns Limited	300	537	591	54	291
	<u>850</u>	<u>1,397</u>	<u>1,688</u>	<u>291</u>	<u>838</u>

* adjusted for purchases in year
loan stock redemption

Since the year end a further follow on investment of £261,000 has been made in Espresso Broadband to enable it to make a strategic acquisition.

Portfolio Valuation

At 28 February 2006, the Company's unquoted and listed portfolio attributable to the ordinary shareholders comprised 17 investments at a total cost of £5.4 million and a valuation of £7.6 million. As at 28 February 2006 no investments had yet been made in respect of the 'C' Share pool.

We continue to be pleased with the overall performance of the portfolio. In particular, Mergermarket and Espresso Broadband continue to make good progress in their respective sectors and this is reflected in their increased valuations over the year. These two investments now account for nearly 40% of the Company's Net Asset Value. Whilst the Company has held these investments for over four years, they are still young, developing companies and accordingly their value is potentially subject to more volatility than larger, more established companies. That said, we remain positive about their potential for future growth and development and their impact on VCT returns.

On a less positive note, the Company's investment in Zenith Group has been fully provided against, resulting in a current year unrealised loss of £52,000, following a number of setbacks in obtaining programme commissions and resulting funding issues.

Outlook

The Company continues to be well placed for future development with some well managed and increasingly established portfolio companies and new funds for investment which will enable further portfolio diversification. The investment remit for both the Ordinary Shares and the 'C' Shares is for investments across all sectors which increases the available opportunities for the Company. In respect of the 'C' Share funds, we expect that the majority of the Company's qualifying investments will be in private, unquoted companies rather than in AIM listed investments.

The strength of the UK economy has provided a positive environment for investing and we are continuing to see a strong flow of investment opportunities. Assuming a continuing supportive economy we remain optimistic about the future performance of the Company.

Beringea Limited

2 June 2006

REVIEW OF INVESTMENTS

Portfolio of investments

The following investments were held at 28 February 2006:

	Cost £'000	Valuation £'000	Valuation movement in year £'000	% of portfolio by value
ORDINARY SHARE POOL				
Top ten venture capital investments				
Mergermarket Limited	317	1,894	1,115	22.0%
Espresso Broadband Limited	523	1,470	432	17.1%
I-Level Limited	600	600	-	7.0%
JTV Holdings Limited	200	570	370	6.6%
Ma Potter's Limited	300	561	(189)	6.5%
Ashford Colour Press Limited	550	557	(205)	6.5%
Gyro International Limited	500	500	-	5.8%
Campden Media Limited	488	488	-	5.7%
UBC Media plc *	400	304	(159)	3.5%
Baby Innovations S.A. t/a Steribottle	210	210	-	2.4%
	<u>4,088</u>	<u>7,154</u>	<u>1,364</u>	<u>83.1%</u>
Other venture capital investments				
Cardpoint plc *	129	165	(43)	1.9%
Pilat Media Global plc *	74	140	(11)	1.6%
Oasis Healthcare plc *	170	58	3	0.7%
Miva Inc (Findwhat.com Inc)**	73	51	(66)	0.6%
Sports Holding Limited	260	36	(6)	0.4%
Immedia Broadcasting plc *	171	23	(50)	0.3%
Zenith Group Limited	426	-	(52)	-
	<u>1,303</u>	<u>473</u>	<u>(225)</u>	<u>5.5%</u>
Total venture capital investments	<u>5,391</u>	<u>7,627</u>	<u>1,139</u>	<u>88.6%</u>
Liquidity funds				
BGI Sterling First Fund		<u>400</u>		<u>4.6%</u>
Cash at bank and in hand		<u>585</u>		<u>6.8%</u>
Total investments		<u>8,612</u>		<u>100.0%</u>
'C' SHARE POOL				
Cash at bank and in hand		<u>6,604</u>		<u>100.0%</u>

All venture capital investments are unquoted unless otherwise stated:

* Quoted on the Alternative Investment Market ("AIM")

** Traded on the US NASDAQ market

All venture capital investments are incorporated in England and Wales with the exception of Miva Inc., which is incorporated in the United States and Baby Innovations S.A., which is incorporated in Madeira.

REVIEW OF INVESTMENTS (continued)

Further details of the ten largest venture capital investments are as follows:

Mergermarket Limited



mergermarket

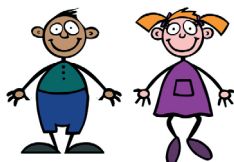
www.mergermarket.com

Cost:	£317,000	Latest audited accounts:	31 December 2004
Investment Comprises:		Turnover:	£9.1 million
Ordinary Shares:	£317,000	Profit before tax:	£297,000
Valuation method:	Revenue multiple	Retained profit:	£787,000
Valuation at 28/02/06:	£1,894,000	Net assets:	£1.4 million
Valuation at 28/02/05:	£779,000	Market capitalisation:	n/a
		Proportion of equity held:	3.6%

Mergermarket, based in London, provides a business intelligence service for advisers and companies active in mergers and acquisitions. The company has four online subscription based publications: mergermarket, dealReporter, debtWire and Wealthmonitor and delivers information directly to subscribers' desktops, PDAs or mobile phones. Since our investment, the company has expanded successfully into the USA, Latin America and Asia and is poised for further growth.

Espresso Broadband Limited

espresso[™]
for schools



www.espresso.co.uk

Cost:	£523,000	Latest audited accounts:	31 July 2005
Investment Comprises:		Turnover:	£4.3 million
Ordinary Shares:	£220,000	Loss before tax:	(£318,000)
Loan Stock:	£303,000	Retained loss:	(£260,000)
Valuation method:	Revenue multiple	Net liabilities:	(£1.2 million)
Valuation at 28/02/06:	£1,470,000	Market capitalisation:	n/a
Valuation at 28/02/05:	£1,037,000	Proportion of equity held:	8.2%

Espresso Broadband develops and delivers multimedia education content for schools. The company continues to make excellent progress in signing up UK primary schools to its flagship "Espresso for Schools" product. Over 6,300 primary schools, equal to more than 33% of UK primary schools, have now subscribed. There is further room for growth in this segment plus potential opportunities in the UK secondary school sector and in wider international markets.

I-Level Limited



www.i-level.com

Cost:	£600,000	Latest audited accounts:	31 March 2005
Investment Comprises:		Turnover:	£31 million
Ordinary Shares:	£600,000	Profit before tax:	£821,000
Valuation method:	Cost	Retained profit:	£65,000
Valuation at 28/02/06:	£600,000	Net assets:	£1.8 million
Valuation at 28/02/05:	Not held	Market capitalisation:	n/a
		Proportion of equity held:	4.9%

I-Level is Europe's largest privately owned digital media agency and is recognised within the media industry as consistently leading the way in this rapidly expanding market. The company provides its clients with the ability to improve the return on its investment in digital assets, providing expertise to increase online traffic, brand awareness, response rates and actual sales revenue.

JVTV Holdings Limited



www.sub.tv

Cost:	£200,000	Latest audited accounts:	31 August 2004
Investment Comprises:		Turnover:	£Nil
Ordinary Shares:	£20,000	Loss before tax:	(£57,000)
Preferred Shares:	£180,000	Retained loss:	(£539,000)
Valuation method:	Price of recent investment	Net assets:	£960,000
Valuation at 28/02/06:	£570,000	Market capitalisation:	n/a
Valuation at 28/02/05:	£200,000	Proportion of equity held:	2.8%

JVTV owns a plasma screen network in 55+ Student Union Bars across the UK. Its broadcasting channel is branded SUBtv and serves as an advertising platform for advertisers wishing to access the difficult to reach student market. In addition the Subzone division of the company operates a mobile virtual network (MVNO) focussed on providing a mobile phone service for students under the brand Dotnet.

REVIEW OF INVESTMENTS (continued)

Ma Potter's Limited



www.mapotters.com

Cost:	£300,000	Latest audited accounts:	28 November 2004
Investment comprises:		Turnover:	£12 million
Ordinary Shares:	£90,000	Profit before tax:	£1.0 million
Loan Stock:	£210,000	Retained profit:	£474,000
Valuation method:	Discounted P/E	Net assets:	£1.8 million
Valuation at 28/02/06:	£561,000	Market capitalisation:	n/a
Valuation at 28/02/05:	£750,000	Proportion of equity held:	4.8%

Ma Potter's is a branded restaurant chain offering quality value-priced dining in a family-friendly atmosphere with locations mostly based in major shopping malls or cinema complexes across the UK. The company opened its first restaurant in London in 1995 and at the time of our investment, in January 2004, had grown to a chain of ten restaurants. The company now has fifteen restaurants and is exploring options for further development.

Ashford Colour Press Limited



www.ashford-colour-press.co.uk

Cost:	£550,000	Latest audited accounts:	31 March 2005
Investment comprises:		Turnover:	£11 million
Ordinary Shares:	£73,000	Profit before tax:	£448,000
Preferred Shares:	£138	Retained profit:	£448,000
Loan Stock:	£477,000	Net assets:	£1.9 million
Valuation method:	Discounted P/E	Market capitalisation:	n/a
Valuation at 28/02/06:	£557,000	Proportion of equity held:	12.9%
Valuation at 28/02/05:	£763,000		

Ashford Colour Press Limited is a medium sized printing business, based in Hampshire, and specialising in the educational sector. Beringea led the £5 million management buyout of the company in September 2002 in which ProVen Growth & Income VCT plc invested alongside ProVen VCT plc. The business is long established and has a strong operational management team with significant experience in the printing business.

Gyro International Limited



www.gyrointernational.com

Cost:	£500,000	Latest audited accounts:	None yet published
Investment Comprises:		Turnover:	n/a
Ordinary Shares:	£150,000	Loss before tax:	n/a
Preferred Ord Shares:	£175,000	Loss profit:	n/a
Loan Stock:	£175,000	Net assets:	n/a
Valuation method:	Latest investment	Market capitalisation:	n/a
Valuation at 28/02/06:	£500,000	Proportion of equity held:	4.5%
Valuation at 28/02/05:	£500,000		

Gyro is a brand communications agency providing marketing services for information, communications and technology companies. It is the fifth largest B2B communications agency in the UK and has four additional offices in Continental Europe and the USA. The business is taking advantage of a positive media spending market to increase its local and international reach.

Campden Media Limited



www.campdenmedia.com

Cost:	£488,000	Latest audited accounts:	None yet published
Investment Comprises:		Turnover:	n/a
Ordinary Shares:	£99,000	Profit before tax:	n/a
Loan Stock:	£389,000	Retained profit:	n/a
Valuation method:	Cost	Net assets:	n/a
Valuation at 28/02/06:	£488,000	Market capitalisation:	n/a
Valuation at 28/02/05:	Not held	Proportion of equity held:	5.7%

Campden Media is a magazine publisher & event organiser in the healthcare and private wealth management sectors. The company publishes a range of titles many of which are endorsed by the relevant professional bodies. The business has a strong and proven management team and operates in sectors which are regarded as more resilient to adverse macro-economic movements.

REVIEW OF INVESTMENTS (continued)

UBC Media plc



Cost:	£400,000	Latest audited accounts:	31 March 2005
Investment comprises:		Turnover:	£16 million
Ordinary shares:	£400,000	Profit before tax:	£1 million
Valuation Method:	Discounted Bid Price	Retained profit :	£1 million
Valuation at 28/02/06:	£304,000	Net assets:	£6 million
Valuation at 28/02/05:	£464,000	Market capitalisation:	£42.9 million
		Proportion of equity held:	0.9%

www.ubcmedia.com

UBC Media is a leading player in the rapidly emerging digital radio marketplace. It owns the national digital radio stations Classic Gold Digital and Oneworld Radio and its production business is a leading supplier of commissioned programming to the BBC and commercial radio. The company is also a leading supplier of software that drives digital radio data services and is positioned to be a leading player in the UK music download market through its ownership of a digital data frequency spectrum.

Baby Innovations S.A. t/a Steribottle



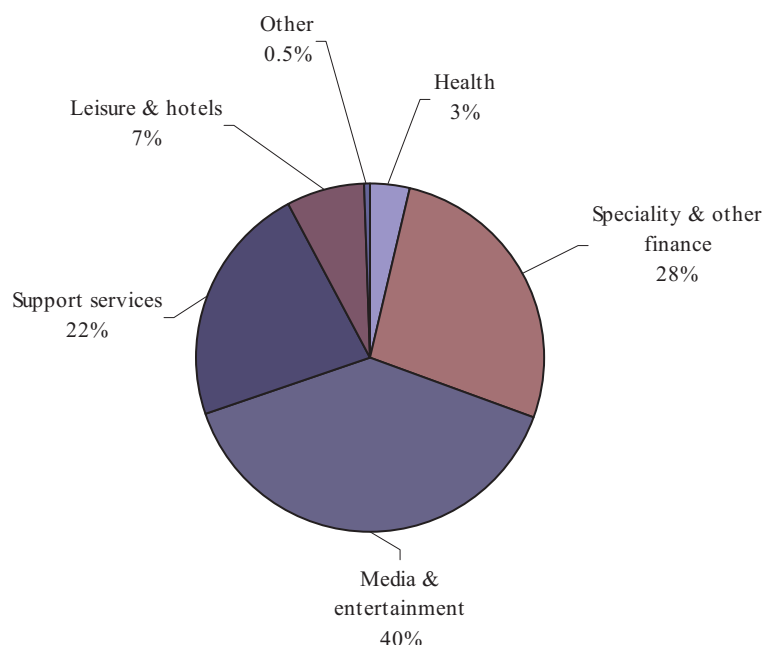
Cost:	£210,000	Latest audited accounts:	31 December 2004
Investment Comprises:		Turnover:	n/a
Ordinary Shares:	£170,000	Loss before tax:	(£568,000)
Loan Stock:	£40,000	Retained loss:	(£568,000)
Valuation method:	Latest investment	Net liabilities:	(£3.5 million)
Valuation at 28/02/06:	£210,000	Market capitalisation:	n/a
Valuation at 28/02/05:	£220,000	Proportion of equity held:	0.9%

www.steribottle.com

The Steri-bottle is the world's first ready-to-use, disposable, sterile and affordable baby feeding unit. ProVen Growth & Income VCT plc first invested in the company in January 2002, alongside other institutional and private investors, to fund the company's marketing and distribution strategy. The company is currently involved in developing the latest version of the feeding unit which is scheduled for launch in 2006.

Analysis of investments by commercial sector

The split of the venture capital investment portfolio by commercial sector (by value at 28 February 2006) is as follows:



REPORT OF THE DIRECTORS

The Directors present the Annual Report and Financial Statements of the Company for the year ended 28 February 2006.

On 5 July 2005 the Company changed its name from ProVen Media VCT plc to ProVen Growth and Income VCT plc.

Principal activity and status

The Directors initially obtained provisional approval for the Company to act as a venture capital trust from HM Revenue and Customs (the Inland Revenue) and the Company has continued to meet the standards set out by the Revenue. The Company revoked its status as an investment company in July 2004 upon the payment of a capital distribution, however the Directors consider that the Company has conducted its affairs in a manner to enable it to continue to comply with Section 842 AA of the Income and Corporation Taxes Act 1988.

The Directors consider that the Company was not at any time, up to the date of this report, a close company within the meaning of Section 414 of the Companies Act 1985.

The Company has no employees (other than the Directors).

The Company's business during the year is reviewed in the Chairman's Statement and the Investment Manager's Report.

Results and distributions

	£'000	Pence per share
Return on ordinary activities after tax for the year ended 28 February 2006 split as:		
Ordinary Shares	1,373	20.9p
'C' Shares	<u>9</u>	0.4p
Transfer to reserves	<u>1,382</u>	

The Directors paid an interim capital distribution of realised gains of 3p per Ordinary share (2005: 3.0p per Ordinary share) for the year ended 28 February 2006 on 4 November 2005.

A further capital distribution of 3.0p per share and a revenue dividend of 0.5p per share will be paid on 14 July 2006 to Shareholders on the register at 16 June 2006. No dividends in respect of the 'C' Shares have been declared to date.

Directors

The Directors of the Company during the year and their interests in the issued ordinary shares of 1p and 'C' shares of 5p of the Company, at 28

February 2005 and 28 February 2006 are as follows:

Director	28 Feb 06		28 Feb 05	
	Ordinary Shares	'C' Shares	Ordinary Shares	'C' Shares
Andrew Davison	5,125	-	5,125	-
Nicholas Lewis	10,250	-	10,250	-
Alexander Spiro Jr	-	-	-	-
James Stewart	6,000	-	6,000	-
Marc Vlessing	5,125	-	5,125	-

The Directors shareholdings at the date of this report were as follows:

Director	Ordinary Shares	'C' Shares
Andrew Davison	5,125	5,150
Nicholas Lewis	10,250	10,300
Alexander Spiro Jr	-	-
James Stewart	6,000	-
Marc Vlessing	5,125	5,150

Andrew Davison and Alexander Spiro retire at the forthcoming Annual General Meeting and, being eligible, are offering themselves for re-election. The remainder of the Board feel that both retiring directors have made valuable contributions during the term of their appointment and remain committed to their roles. The Board therefore recommends to Shareholders to re-elect both retiring Directors at the AGM.

Share Capital

Pursuant to the Offer for Subscription dated 22 November 2005 the Company issued 2,629,799 'C' shares of 5p each at £1 per share during the year.

During the year the Company purchased 333,216 Ordinary shares of 1p each at an average price of 105.3p per share. This represented approximately 5.0% of the called up share capital.

Performance incentive fees

Ordinary shares

Performance incentive fees payable to Beringea Limited ("Beringea") and Downing Management Services Limited ("DMS") will not be triggered until the Company has returned to investors under the 2001 Ordinary Share offer in aggregate an amount equal to 20p per £1 subscribed for Ordinary Shares and the net asset value per Ordinary Share is at least 100p. Furthermore, for an incentive fee to be payable, the Company must have paid cumulative dividends equal to 4p per Ordinary share per annum for the financial years starting on 1 March 2004. No incentive fee will be paid in respect of the Ordinary Share fund in relation to any financial year prior to the one starting on 1 March 2006. If, in relation to a financial year starting on or after 1 March 2006, the Company has achieved these targets, Beringea is entitled to receive an incentive fee equal to 15% of the cumulative dividends paid from 1 March 2006 up to 4p per Ordinary Share per annum, plus 20%

REPORT OF THE DIRECTORS (continued)

Performance incentive fees (continued)

of the cumulative dividends paid from 1 March 2006 in excess of 4p per Ordinary Share per annum, less the amount of any incentive fee previously paid to Beringea.

'C' Shares

No incentive fee will be paid in respect of the 'C' share fund until the Company has returned to investors in aggregate an amount equal to 20p per £1 subscribed for 'C' Shares and the net asset value per 'C' Share is at least 100p. Furthermore, for an incentive fee to be payable, the Company must have paid cumulative dividends equal to 4p per 'C' share per annum for the financial years starting on 1 March 2009. If, in relation to a financial year starting on or after 1 March 2009, the Company has achieved these targets, Beringea is entitled to receive an incentive fee equal to 15% of the cumulative dividends paid from 1 March 2009 up to 4p per 'C' Share per annum, plus 20% of the cumulative dividends paid from 1 March 2009 in excess of 4p per 'C' Share per annum, less the amount of any incentive fee previously paid to Beringea.

Investment management and administration fees

Beringea Limited provides management services to the Company in respect of venture capital investments for a fee of 2.0% per annum (plus VAT) of net assets of the Ordinary Shares and 2.0% per annum (plus VAT) of net asset value of the 'C' Shares. The investment agreement is terminable by either party at any time thereafter by one year's prior written notice.

Beringea Limited also provided administrative and secretarial services to the Company for an annual fee of £30,000 (plus VAT and RPI). Beringea Limited waived its right to payment of these fees for the period to 21 November 2005, when this agreement was terminated.

Since 22 November 2005 Downing Management Services Limited has been appointed to provide administration and secretarial services to the Company for an annual fee of £20,000 plus 0.5 per cent of the funds raised under the 'C' Share Offer (subject to maximum of £32,000 per annum). The agreement is for a minimum period of three years, terminable thereafter by one year's prior written notice.

The annual running costs of the Company, for the year, are also subject to a cap of 3.6% of the Company's net assets.

VCT status advisers

The Company has retained PricewaterhouseCoopers LLP to advise it on compliance with VCT requirements, including evaluation of investment opportunities, as appropriate, and regular review of the portfolio. Although PricewaterhouseCoopers works closely with the Investment Manager and Administrator, they report directly to the Board.

Creditor payment policy

The Company's payment policy is to pay creditors within thirty days of receipt of an invoice except where other terms have been agreed. Trade creditors of the Company at the year end amounted to £36,000 (2005: £6,000.).

Financial Instruments

The material risks arising from the Company's financial instruments are investment and interest rate risk. The Board reviews and agrees policies for managing each of these risks and these are summarised on note 19. These policies have remained unchanged since the beginning of the financial period.

As a venture capital trust, it is the Company's specific business to evaluate and control the investment risk in its portfolio.

The Company's interest rate risk is as follows:

- floating rate assets, which include financial assets and liabilities, bear interest at rates based predominately on quarterly LIBOR.
- fixed rate assets represent investments with predetermined yield targets.
- no interest rate assets include investments in ordinary shares with no attributable fixed dividend rate.

Annual General Meeting

The Annual General Meeting will be held at 39 Earlham Street, London WC2H 9LT at 12:30pm on 21 September 2006. The Notice of the Annual General Meeting and Form of Proxy are at the end of this document.

Auditors

A resolution to re-appoint Deloitte & Touche LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

Substantial interests

As at 28 February 2006, and the date of this report, the Company was not aware of any beneficial interest exceeding 3 per cent of the issued ordinary share capital.

REPORT OF THE DIRECTORS (continued)

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare accounts for the company in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). Company law requires the Directors to prepare such 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 and comply with UK GAAP and the Companies Act 1985. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a directors' report and directors' remuneration report which comply with the requirements of the Companies Act 1985.

The Directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.



Grant Whitehouse
Secretary
69 Eccleston Square
London SW1V 1PJ

2 June 2006

DIRECTORS' REMUNERATION REPORT

The Board have prepared this report, in accordance with the requirements of Schedule 7A to the Companies Act 1985. A resolution to approve this report will be put to the members at the Annual General Meeting to be held on 21 September 2006.

Under the requirements of Schedule 7A, the Company's Auditors are required to audit certain disclosures contained within the report. These disclosures have been highlighted and the audit opinion thereon is contained within the Auditors' Report on page 18.

Directors' remuneration policy

Directors' remuneration is calculated in accordance with the Company's Articles of Association as follows:

- The Directors shall be paid out of the funds of the Company, by way of fees for their services, an aggregate sum not exceeding £100,000 per annum. The Directors shall also receive by way of additional fees such further sums (if any) as the Company in General Meeting may from time to time determine. Such fees and additional fees shall be divided among the Directors in such proportion and manner as they may determine and in default of determination equally.
- The Directors shall be entitled to be repaid all reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors including any expenses incurred in attending Meetings of the Board or of Committees of the Board or General Meetings and if in the opinion of the Directors it is desirable that any of their number should make any special journeys or perform any special services on behalf of the Company or its business, such Director or Directors may be paid reasonable additional remuneration and expenses as the Directors may from time to time determine.

As the members of the Board are all non-executive and remuneration is calculated as set out above, a remuneration committee has not been established. In the Directors' opinion, there is no requirement for an independent remuneration committee.

Directors' agreements

Each of the Directors has entered into an agreement whereby he is required to devote such time to the affairs of the Company as the Board reasonably requires consistent with his role as a non-executive Director. A three month rolling notice applies.

Directors' remuneration (audited)

Directors' remuneration for the year under review was as follows:

	2006	2005
	Annual fee	Annual fee
Andrew Davison	£10,000	£10,000
Nicholas Lewis	£10,000	£10,000
Alexander Spiro Jr	-	-
Tom Sooke	n/a	£6,000
James Stewart	£10,000	£10,000
Marc Vlessing	£10,000	£10,000
	<u>£40,000</u>	<u>£46,000</u>

No other emoluments or pension contributions were paid by the Company to, or on behalf of, any Director. During the year Beringea Limited waived its entitlement to receive fees in respect of the provision of the services of Alexander Spiro to the Company as non-executive Director. The remuneration levels for the forthcoming year (with effect from 1 April 2006) will be at the following rates:

	Annual Rate £
Andrew Davison	10,000
Nicholas Lewis	10,000
Alexander Spiro Jr	10,000
James Stewart	12,500
Marc Vlessing	12,500
	<u>55,000</u>

Insurance cover

Directors' and Officers' liability insurance cover is held by the Company in respect of the Directors.

DIRECTORS' REMUNERATION REPORT (continued)

Performance graph

The chart below represents the Company's Ordinary Share performance over the reporting periods since incorporation, and compares the Company's Net Asset Value plus dividends and/or capital distributions total return and the Share Price total return (Share price plus dividends and/or capital distributions) to a rebased FTSE All Share Total Return Index. The FTSE All Share Total Return Index has been chosen as a comparison as it reasonably represents the spread of investments held by the Company and has been rebased to 100 at May 2001 the launch date.

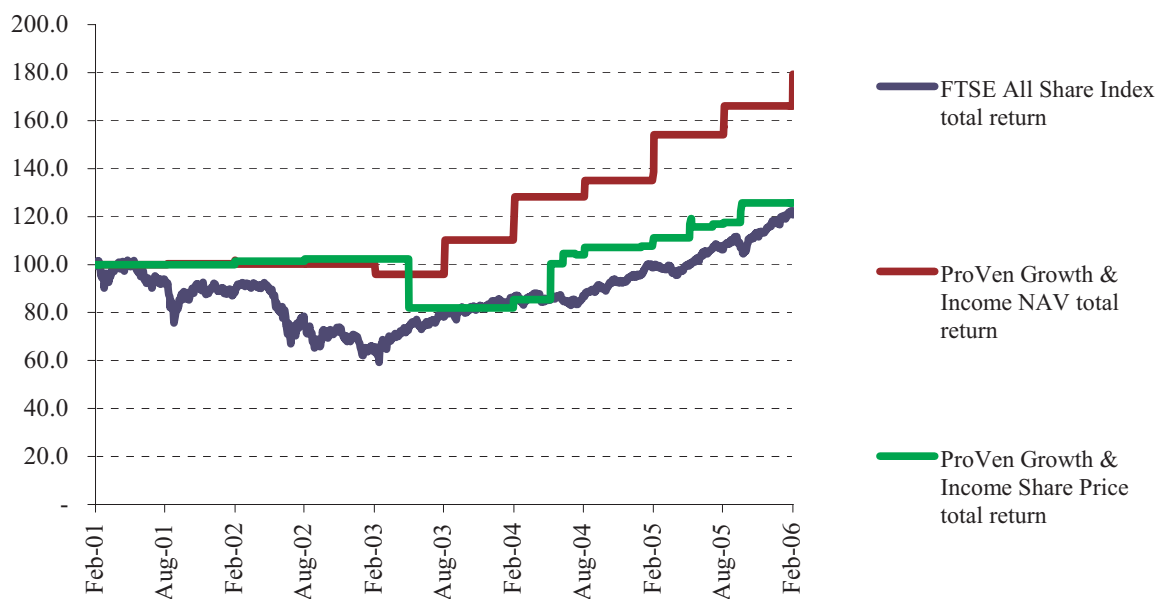
Due to the fact that they have only recently been issued, no performance graph is presented for the 'C' Shares.

By order of the Board



Grant Whitehouse
Secretary
69 Eccleston Square
London SW1V 1PJ

2 June 2006



CORPORATE GOVERNANCE

The Directors support the relevant principles of the new Combined Code issued in July 2003, being the principles of good governance and the code of best practice, as set out in Section 1 of the Combined Code annexed to the Listing Rules of the UK Listing Authority.

The Board

The Company has a Board comprising of five non-executive directors. The Chairman and senior director is Andrew Davison. James Stewart and Marc Vlessing are considered to be independent directors by the Board. Biographical details of all Board members (including the significant commitments of the Chairman) are shown on page 3.

Directors are subject to re-election at the first AGM after their appointment and by rotation thereafter. In accordance with the Combined Code, two Directors were re-elected during the year. A further two Directors are offering themselves for re-election at the next AGM.

Full Board meetings take place quarterly and the Board meets more regularly to address specific issues including considering recommendations from the investment manager, making all decisions concerning the acquisition or disposal of investments, and reviews, periodically, the terms of engagement of all third party advisers (including investment managers and administrators). All the members of the Board attended each full board meeting held during the period, with the exception of Nicholas Lewis, who was unable to attend the 12 May 2005 board meeting, and Alexander Spiro, who was unable to attend the 12 May 2005 and 17 January 2006 board meetings. The board has a formal schedule of matters specifically reserved for its decision.

The Board has also established procedures whereby Directors wishing to do so in the furtherance of their duties may take independent professional advice at the Company's expense.

All Directors have access to the advice and services of the Company Secretary. The Company Secretary provides the Board with full information on the Company's assets and liabilities and other relevant information requested by the Chairman, in advance of each Board meeting.

The Board has not appointed a nominations committee or remuneration committee as it considers itself to be small and it comprises wholly non-executive directors. Appointments of new directors and remuneration are dealt with by the full Board. The Board has specific Terms of Reference in order to fulfil its duties in respect of matters relating to remuneration.

The Board reviewed Directors remuneration during the year. Details of the specific levels of remuneration to each director are set out in the Directors' Remuneration Report on page 14, and this is subject to shareholder approval.

Audit Committee

The Company has an audit committee comprising of Andrew Davison as Chairman, Nicholas Lewis, James Stewart and Marc Vlessing. This committee has defined terms of reference and duties.

The Audit Committee is responsible for reviewing the half yearly and annual accounts before they are presented to the Board, the terms of appointment of the Auditors, together with their remuneration, as well as a full review of the effectiveness of the Company's internal control and risk management systems.

Any non-audit services provided by the auditors are reviewed and approved by the Committee prior to being undertaken, to ensure that auditor objectivity and independence is safeguarded. The Committee is satisfied with the performance of the auditors and recommends to Shareholders that they be re-appointed as auditors for the forthcoming year.

The Committee reviewed the internal financial controls and recommended that, although still appropriate to the Company, they be updated. They also considered the need for an internal audit function and concluded that this function would not be an appropriate control for a venture capital trust.

As the Company has had no staff, other than directors, there are no procedures in place in respect of C3.4 of the Combined Code.

Relations with shareholders

Shareholders have the opportunity to meet the Board at the AGM. The Board is also happy to respond to any written queries made by shareholders during the course of the year, or to meet with major shareholders if so requested.

In addition to the formal business of the AGM, representatives of the management team and the Board are available to answer any questions a shareholder may have.

Separate resolutions are proposed at the AGM on each substantially separate issue. The Registrars collate proxy votes and the results (together with the proxy forms) are forwarded to the Company Secretary immediately prior to the AGM. In order to comply with the Combined Code, proxy votes are announced at the AGM, following each vote on a show of hands, except in the event of a poll being called. The notice of the next AGM and proxy form can be found at the end of these financial statements.

CORPORATE GOVERNANCE (continued)

Relations with shareholders (continued)

The terms of reference of the audit committee and terms and conditions of appointment of non-executive directors are available to Shareholders upon request.

Financial Reporting

The Directors' statement of responsibilities for preparing the accounts is set out in the Directors' Report on page 13, and a statement by the auditors about their reporting responsibilities is set out in the Auditors' Report on page 18.

Internal control

The Board has adopted an Internal Control Manual ("Manual") for which they are responsible, which has been compiled in order to comply with the Combined Code. The Manual is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, which it achieves by detailing the perceived risks and controls to mitigate them. The Board reviews the perceived risks in line with relevant guidance on an annual basis and implements additional controls as appropriate.

The Board is responsible for ensuring that the procedures to be followed by the advisers and themselves are in place, and it reviews the effectiveness of the Manual, based on the report from the Audit Committee, on an annual basis to ensure that the controls remain relevant and were in operation throughout the year.

Although the Board is ultimately responsible for safeguarding the assets of the Company, the Board has delegated, through written agreements, the day-to-day operation of the Company to the following advisers:

<i>Investment Manager</i>	Beringea Limited
<i>Administration</i>	Downing Management Services

Going Concern

The Directors are of the opinion that at the time of approving the financial statements, they are satisfied that the Company has adequate resources to continue in business for the foreseeable future. For this reason they believe that the Company continues to be a going concern and that it is appropriate to continue to apply the going concern basis in preparing the financial statements.

Compliance statement

The Listing Rules require the Board to report on compliance with the forty-eight Combined Code provisions throughout the accounting period. With the exception of the limited items outlined below, the Company has complied throughout the accounting year ended 28 February 2006 with the provisions set out in Section 1 of the Combined Code:

- a) Due to the size of the Board, the members feel it unnecessary to formalise procedures to appraise the Chairman's performance, as the Board deems it appropriate to address matters as they arise.
- b) New directors do not receive a full, formal and tailored induction on joining the Board. Such matters are addressed on an individual basis as they arise. Also the Company has no major shareholders so Shareholders are not given the opportunity to meet any new non-executive directors at a specific meeting other than the annual general meeting.
- c) The non-executive Directors do not have service contracts, whereas the recommendation is for fixed term renewable contracts.
- d) Due to the size of the Board, a formal performance evaluation of the Board, its committees, the individual directors and the Chairman has not been undertaken. Specific performance issues are dealt with as they arise.
- e) The Company does not have a majority of independent directors as defined by the Combined Code issued in July 2003 as a result of non-executive directors holding a place on the board in excess of nine years and of other directorships of companies with the same investment manager. The Board considers that all Directors have sufficient experience to be able to exercise proper judgement within the meaning of the Combined Code.
- f) Due to the size of the Board, the Company does not have a formal nominations committee or remuneration committee. Relevant matters were dealt with by the full Board.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROVEN GROWTH AND INCOME VCT PLC (FORMERLY PROVEN MEDIA VCT PLC)

We have audited the financial statements of ProVen Growth and Income VCT plc ("the Company") for the year ended 28 February 2006 which comprise the income statement, the statement of total recognised gains and losses, the reconciliation of movements in shareholders' funds, the balance sheet, the cash flow statement, and the related notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein. We have also audited the information in the Directors' remuneration report that is described as having been audited.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

The directors' responsibilities for preparing the annual report, the directors' remuneration report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (Generally Accepted United Kingdom Accounting Practice) are set out in the statement of directors' responsibilities. Our responsibility is to audit the financial statements and the part of the Directors' remuneration report described as having been audited in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework and whether the financial statements and the part of the Directors' remuneration report described as having been audited have been properly prepared in accordance with the Companies Act 1985. We report to you if, in our opinion, the Directors' report is not consistent with the financial statements. We also report to you 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 information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We also report to you if, in our opinion, the Company has not complied with any of the four directors' remuneration disclosure requirements specified for our review by the Listing Rules of the Financial Services Authority. These comprise the amount of each element in the remuneration package and information on share options, details of long term incentive schemes and money purchase and defined benefit schemes. We give a statement, to the extent possible, of details of any non-compliance.

We review whether the corporate governance statement reflects the Company's compliance with the nine provisions of the 2003 FRC Combined Code specified for our review by the Listing Rules of the Financial Services Authority, 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 the Company's corporate governance procedures or its risk and control procedures.

We read the Directors' report and the other information contained in the annual report including the unaudited part of the Directors' remuneration report and we consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 and the part of the Directors' remuneration report described as having been audited. 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 circumstances of the Company 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 and the part of the Directors' remuneration report described as having been audited 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 and the part of the Directors' remuneration report described as having been audited.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Company, as at 28 February 2006 and of the Company's return for the year then ended; and
- the financial statements and the part of the Directors' remuneration report described as having been audited have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP
Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

2 June 2006

INCOME STATEMENT

for the year ended 28 February 2006

	Note	Year ended 28 February 2006			Year ended 28 February 2005 (as restated)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income	3	233	-	233	215	-	215
Gains on "fair value through profit or loss" assets	10	-	1,430	1,430	-	888	888
		233	1,430	1,663	215	888	1,103
Investment management fees	4	(35)	(106)	(141)	(31)	(92)	(123)
Other expenses	5	(140)	-	(140)	(158)	-	(158)
Return on ordinary activities before tax		58	1,324	1,382	26	796	822
Tax on ordinary activities	7	(1)	1	-	(3)	3	-
Return attributable to equity shareholders		57	1,325	1,382	23	799	822
Return per Ordinary share	9	0.7p	20.2p	20.9p	0.3p	11.6p	11.9p
Return per 'C' share	9	0.4p	-	0.4p	n/a	n/a	n/a

All Revenue and Capital items in the above statement derive from continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Year ended 28 February 2006			Year ended 28 February 2005 (as restated)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Return attributable to equity shareholders	57	1,325	1,382	23	799	822
Total recognised gains for the year	57	1,325	1,382	23	799	822

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Year ended 28 February 2006	Year ended 28 February 2005 (as restated)
	£'000	£'000
Opening shareholders' funds	7,989	7,720
Adjustment for distribution provided for in 2004	-	248
Issue of shares	2,630	-
Share issue costs	(145)	-
Purchase of own shares	(353)	(348)
Total recognised gains for the year	1,382	822
Distributions paid	(429)	(453)
Closing shareholders' funds	11,074	7,989

The prior year restatement is described within note 2.

The accompanying notes are an integral part of this statement.

BALANCE SHEET

at 28 February 2006

	Notes	2006 £'000	2005 (as restated) £'000
Fixed Assets			
“Fair value through profit or loss” assets	10	7,627	6,706
Current Assets			
Debtors	11	123	84
Current investments	12	400	900
Cash at bank and in hand		<u>7,189</u>	<u>462</u>
		7,712	1,446
Creditors: amounts falling due within one year	13	<u>(4,265)</u>	<u>(163)</u>
Net current assets		<u>3,447</u>	<u>1,283</u>
Net assets		<u>11,074</u>	<u>7,989</u>
Capital and reserves			
Called up share capital	14	195	67
Capital redemption reserve	15	7	4
Share premium	15	2,381	27
Special reserve	15	5,457	5,810
Capital reserve – realised	15	648	351
Capital reserve – unrealised	15	2,236	1,637
Revenue reserve	15	<u>150</u>	<u>93</u>
Total equity shareholders’ funds		<u>11,074</u>	<u>7,989</u>
Net asset value per Ordinary share	16	134.3p	118.9p
Net asset value per ‘C’ share	16	94.9p	n/a

The financial statements on pages 19 to 29 were approved and authorised for issue by the Board of Directors on 2 June 2006 and were signed on its behalf by:



Andrew Davison
Chairman

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

CASH FLOW STATEMENT

for year ended 28 February 2006

	Notes	Year ended		Year ended	
		28 February 2006	28 February 2005	28 February 2006	28 February 2005
		£'000	£'000	£'000	£'000
Net cash outflow from operating activities	17		(95)		(130)
Corporation tax			-		-
Capital expenditure					
Purchase of investments		(1,293)		(1,000)	
Sale of investments		1,804		972	
Net cash inflow/(outflow) from capital expenditure			511		(28)
Equity distributions paid			(429)		(453)
Management of liquid resources					
Purchase of current investments held as liquidity funds		-		900	
Withdrawal from liquidity funds		500		-	
			500		(900)
Net cash outflow before financing			487		(1,511)
Financing					
Proceeds from share issue		6,685		-	
Share issue costs		(92)		-	
Purchase of own shares		(353)		(303)	
Net cash inflow/(outflow) from financing			6,240		(303)
Increase/(decrease) in cash	18		<u>6,727</u>		<u>(1,814)</u>

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

NOTES TO THE ACCOUNTS

for year ended 28 February 2006

1. Accounting policies

Basis of accounting

The Company has prepared its financial statements under UK Generally Accepted Accounting Practice ("UK GAAP"). Where presentation guidance set out in the Statement of Recommended Practice "Financial Statements of Investment Trust Companies" revised December 2005 ("SORP") is inconsistent with the requirements of UK GAAP, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP. Except as stated in note 2, consistent accounting policies have been applied this year and in the prior year.

The financial statements are prepared under the historical cost convention except for the revaluation of certain financial instruments.

Presentation of Income Statement

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AITC, supplementary information which analyses the income statement between items of a revenue and capital nature has been presented alongside the income statement. The net revenue is the measure the directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 842 Income and Corporation Taxes Act 1988.

Investments

Listed fixed income investments and investments quoted on the Alternative Investment Market ("AIM") are designated as "fair value through profit or loss" assets and are initially measured at cost, in accordance with Financial Reporting Standard 26 "Financial Instruments: Measurement". Thereafter the investments are measured at subsequent reporting dates at fair value, which is the bid price with illiquidity discounts applied where deemed appropriate. The Company previously valued the investments using mid-price. The financial effect of the change in valuation policy is that the investments are valued at £103,000 less than if they were valued at mid-price.

In respect of unquoted instruments, fair value is established by using International Private Equity and Venture Capital Valuation Guidelines. Where no reliable fair value can be estimated for such unquoted equity investments they are carried at cost, subject to any provision for impairment. Where an investee company has gone into receivership or liquidation the investment, although not physically disposed of, is treated as being realised.

Gains and losses arising from changes in fair value are included in the income statement for the year as a capital item.

It is not the Company's policy to exercise either significant or controlling influence over investee companies. Therefore the results of these companies are not incorporated into the revenue account except to the extent of any income accrued.

Income

Dividend income from investments is recognised when the shareholders' rights to receive payment has been established, normally the ex dividend date.

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount, and only where there is reasonable certainty of collection.

Expenses

All expenses are accounted for on accruals basis. In respect of the analysis between revenue and capital items presented within the income statement, all expenses have been presented as revenue items except as follows:

- Expenses which are incidental to the disposal of an investment are deducted from the disposal proceeds of the investment.
- Expenses are split and presented partly as capital items where a connection with the maintenance or enhancement of the value of the investments held can be demonstrated and accordingly the investment management fee and finance costs have been allocated 25% to revenue and 75% to capital, in order to reflect the directors expected long-term view of the nature of the investment returns of the Company.

Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

NOTES TO THE ACCOUNTS (continued)

for year ended 28 February 2006

2. Changes in accounting policies

The Company is required to comply with a number of new UK Financial Reporting Standards (FRS), which now represent UK Generally Accepted Accounting Practice (UK GAAP), in preparing its financial statements for the year ended 28 February 2006. These Standards have been introduced as part of the process of aligning UK accounting principles with International Accounting Standards.

As required by FRS 21 "Events after the Balance Sheet Date", dividends to shareholders are accounted for in the period in which the Company is liable to pay them rather than in the period in respect of which they are declared. The comparative figures for the year ended 28 February 2006 have been re-stated accordingly. The effect of the adoption of FRS 21 on the reported net assets of the company is as follows:

	2005
	£'000
Net assets	
As previously reported	7,752
Add: proposed dividends not accounted for until paid	237
As restated	<u>7,989</u>

FRS 26 "Financial Instruments: Measurement" has also been adopted and the effects of this are disclosed in note 1.

3. Income

	2006	2005
	£'000	£'000
Income from investments		
Loan stock interest	103	166
Dividend income	72	3
Liquidity funds interest	38	24
	<u>213</u>	<u>193</u>
Other income		
Deposit interest	20	22
	<u>233</u>	<u>215</u>

4. Investment management fees

	2006	2005
	£'000	£'000
Investment management fees	141	123

The Company has an agreement with Beringea Limited for the provision of management services in respect of its portfolio of venture capital investments which is terminable with one years' notice. The management fee is based upon an annual amount of 2.5% (plus VAT) of net assets to 21 November 2005, and 2.0% (plus VAT) of net assets from this date onward. The fee for the year includes the appropriation of the expenses cap (see note 5).

5. Other expenses

	2006	2005
	£'000	£'000
Administration services	9	16
Directors' remuneration	40	46
Trail commission	21	19
Auditors' remuneration for audit	9	9
Auditors' remuneration for non-audit services	3	3
Irrecoverable VAT	9	16
Other expenses	49	49
	<u>140</u>	<u>158</u>

The annual running costs of the Company have been capped at 3.6% of the Company's net assets. The administration fee and investment managers' fee have, therefore, been restricted accordingly.

6. Directors' remuneration

Details of remuneration of the Directors (excluding employers' NI) can be found in the Directors' remuneration report on page 14.

The Company has no employees other than the directors during the year (2005: nil).

NOTES TO THE ACCOUNTS (continued)

for year ended 28 February 2006

7. Taxation on ordinary activities

	2006	2005
	£'000	(as restated) £'000
(a) Tax charge for year		
Current year		
UK corporation tax (charged to the revenue account)	1	3
Charged to capital expenses	(1)	(3)
Charge for year	<u>-</u>	<u>-</u>
(b) Factors affecting tax charge for the year		
Return on ordinary activities before tax	<u>57</u>	<u>26</u>
Tax charge calculated on operating profit at the applicable rate of 19% (2005: 19%)	11	4
Effects of:		
UK dividend income	(14)	(1)
Expenses disallowed for tax purposes	<u>4</u>	<u>-</u>
	1	3
Capital expenses	(19)	(17)
Excess capital management fees carried forward	<u>18</u>	<u>14</u>
	<u>-</u>	<u>-</u>

Excess management fees, which are available to be carried forward and set off against future taxable income, amounted to £197,000 (2005: £98,000). The deferred tax asset has not been recognised due to the fact that it is unlikely the excess management fees will be set off in the foreseeable future.

8. Dividends

	Year ended 28 February 2006			Year ended 28 February 2005		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Ordinary dividends paid in year						
2006 Interim dividend	-	192	192	-	-	-
2005 Final dividend	-	237	237	-	-	-
2005 Interim dividend	-	-	-	-	205	205
2004 Final dividend	-	-	-	-	248	248
	<u>-</u>	<u>429</u>	<u>429</u>	<u>-</u>	<u>453</u>	<u>453</u>
Proposed Ordinary dividends						
2006 Second interim dividend	32	192	224	-	-	-
2005 Final dividend	-	-	-	-	237	237
	<u>32</u>	<u>192</u>	<u>224</u>	<u>-</u>	<u>237</u>	<u>237</u>
Proposed C Share dividends						
2006 Final dividend	-	-	-	N/A	N/A	N/A

9. Return per share

	Ordinary Shares	'C' Shares
Revenue return per share based on: Net revenue after taxation (£'000)	<u>48</u>	<u>9</u>
Weighted average number of ordinary shares in issue	<u>6,562,051</u>	<u>2,155,519</u>
Capital return per share based on: Net capital gain/(loss) for the financial year (£'000)	<u>1,325</u>	<u>-</u>
Weighted average number of ordinary shares in issue	<u>6,562,051</u>	<u>2,155,519</u>

NOTES TO THE ACCOUNTS (continued)

for year ended 28 February 2006

10. Investments

“Fair value through profit or loss” assets

	Investments Quoted on AIM £'000	Investments Traded on NASDAQ £'000	Unlisted Investments £'000	Total £'000
Cost at 1 March 2005	945	115	4,002	5,062
Gains at 1 March 2005	187	70	1,387	1,644
Opening fair value at 1 March 2005	<u>1,132</u>	<u>185</u>	<u>5,389</u>	<u>6,706</u>
Purchases at cost	90	-	1,089	1,179
Sales - proceeds	(277)	(71)	(1,340)	(1,688)
- realised gains on sales	4	4	283	291
Gains/(losses) in the income statement	<u>(260)</u>	<u>(66)</u>	<u>1,465</u>	<u>1,139</u>
Closing fair value at 28 February 2006	<u>689</u>	<u>52</u>	<u>6,886</u>	<u>7,627</u>
Closing cost at 28 February 2006	944	74	4,373	5,391
Gains/(losses) at 28 February 2006	<u>(255)</u>	<u>(22)</u>	<u>2,513</u>	<u>2,236</u>
	<u>689</u>	<u>52</u>	<u>6,886</u>	<u>7,627</u>

Costs incidental to the acquisitions of investments incurred during the year were £809 and commission costs incurred on the disposal of quoted investments were £1,115, unquoted - £3,000.

Beringea Limited also acts as the investment manager for ProVen VCT plc and Global Rights Development Fund L.P., and as an investment adviser to The Global Rights Fund II, L.P. Details of common investments made by these funds and by the Company are summarised below (shown at cost at 28 February 2006). There were no common investments with the Global Rights Development Fund at 28 February 2006.

	ProVen VCT plc £'000	The Global Rights Fund II, L.P. £'000
Ashford Colour Press Limited	1,000	-
Baby Innovations S.A. t/a Steribottle	604	-
Campden Media Limited	975	-
Cardpoint plc	438	975
Espresso Broadband Limited	1,367	-
I-Level Limited	1,000	-
JVTV Limited	200	-
Ma Potter's Limited	700	-
Mergermarket Limited	780	853
Miva Inc (Findwhat.com, Inc)	116	3,925
Oasis Healthcare plc	670	-
Pilat Media Global plc	250	-
Sports Holding Limited	800	1,670
UBC Media plc	1,101	1,002
Zenith Group Limited	853	1,279

11. Debtors

	2006 £'000	2005 £'000
Other debtors	55	8
Prepayments and accrued income	68	76
	<u>123</u>	<u>84</u>

NOTES TO THE ACCOUNTS (continued)

for year ended 28 February 2006

12. Current investments

	2006 £'000	2005 £'000
BGI Sterling Liquidity First Fund	<u>400</u>	<u>900</u>

13. Creditors: amounts falling due within one year

	2006 £'000	2005 (as restated) £'000
Trade creditors	36	6
Unallotted share capital	4,134	-
Accruals and deferred income	95	157
	<u>4,265</u>	<u>163</u>

14. Called up share capital

	2006 £'000	2005 £'000
Authorised:		
35,000,000 (2005: 35,000,000) Ordinary shares of 1p each	350	350
25,000,000 (2005: Nil) 'C' shares of 5p each	1,250	-
	<u>1,600</u>	<u>350</u>
Allotted, called up and fully paid:		
6,388,079 (2005: 6,721,295) Ordinary shares of 1p each	64	67
2,629,799 (2005: Nil) 'C' shares of 5p each	131	-
	<u>195</u>	<u>67</u>

The authorised share capital of the Company was increased to £1,600,000 by the creation of 25,000,000 'C' shares of 5p each following approval by shareholders at an extraordinary general meeting of the company held on 20 December 2005.

Between 1 January 2006 and 28 February 2006, 2,629,799 'C' shares of 5p each were issued at £1 per share pursuant to the offer for subscription by way of a prospectus. The aggregate consideration for the shares was £2,509,745 which excluded share issue costs of £66,954.

During the year the Company repurchased 333,216 Ordinary shares of 1p each for an aggregate consideration of £353,000, being an average price of 105.3p per ordinary 1p share and representing 5.0% of the issued share capital. These shares were subsequently cancelled.

NOTES TO THE ACCOUNTS (continued)
for year ended 28 February 2006

15. Reserves

	Capital redemption reserve £'000	Capital reserve - unrealised £'000	Capital reserve - realised £'000	Revenue reserve £'000	Special reserve £'000	Share premium £'000	Total £'000
At 1 March 2005	4	1,637	114	93	5,810	27	7,685
Restatement in line with FRS 21*	-	-	237	-	-	-	237
Issue of new shares	-	-	-	-	-	2,498	2,498
Share issue costs	-	-	-	-	-	(144)	(144)
Purchase of own shares	3	-	-	-	(353)	-	(350)
Management fee	-	-	(106)	-	-	-	(106)
Tax – capital	-	-	1	-	-	-	1
Gains on investments	-	1,139	291	-	-	-	1,430
Realisation of revaluations from previous years	-	(540)	540	-	-	-	-
Retained revenue	-	-	-	57	-	-	57
Distributions paid	-	-	(429)	-	-	-	(429)
	7	2,236	648	150	5,457	2,381	10,879

Split between:

Ordinary shares

	Capital redemption reserve £'000	Capital reserve - unrealised £'000	Capital reserve - realised £'000	Revenue reserve £'000	Special reserve £'000	Share premium £'000	Total £'000
At 1 March 2005	4	1,637	114	93	5,810	27	7,685
Restatement in line with FRS 21*	-	-	237	-	-	-	237
Purchase of own shares	3	-	-	-	(353)	-	(350)
Management fee	-	-	(106)	-	-	-	(106)
Tax – capital	-	-	1	-	-	-	1
Gains/(losses) on investments	-	1,139	291	-	-	-	1,430
Realisation of revaluations from previous years	-	(540)	540	-	-	-	-
Retained revenue	-	-	-	48	-	-	48
Distributions declared	-	-	(429)	-	-	-	(429)
	7	2,236	648	141	5,457	27	8,516

‘C’ Shares

	Capital redemption reserve £'000	Capital reserve - unrealised £'000	Capital reserve - realised £'000	Revenue reserve £'000	Special reserve £'000	Share premium £'000	Total £'000
At 1 March 2005	-	-	-	-	-	-	-
Issue of new shares	-	-	-	-	-	2,498	2,498
Share issue costs	-	-	-	-	-	(144)	(144)
Retained revenue	-	-	-	9	-	-	9
	-	-	-	9	-	2,354	2,363

*See Note 2

The Special Reserve is a distributable reserve that allows the Company to make market purchases of its own shares and to pay distributions. The Ordinary Capital reserve – realised, Ordinary Revenue Reserve and ‘C’ Revenue Reserve are also distributable reserves.

NOTES TO THE ACCOUNTS (continued)

for year ended 28 February 2006

16. Net asset value per ordinary share

	Shares in Issue		2006 Net asset value		2005 Net asset value	
	2006	2005	pence per share	£'000	pence per share	£'000
Ordinary shares	6,388,079	6,721,295	134.3	8,580	118.9	7,989
'C' shares	2,629,799	n/a	94.9	2,494	n/a	n/a
				<u>11,074</u>		<u>7,989</u>

17. Cash flow from operating activities and returns on investments

	2006 £'000	2005 £000
Return on ordinary activities before tax	58	26
Capital management expenses	(106)	(92)
Decrease/(increase) in other debtors	8	(57)
(Decrease)/increase in accruals and other creditors	(55)	16
Capitalised interest receipts	-	(23)
Net cash outflow from operating activities and returns on investments	<u>(95)</u>	<u>(130)</u>

18. Reconciliation of new cash flow to movement in net funds

	2006 £'000	2005 £'000
Beginning of year	462	2,276
Net cash inflow/(outflow) for the year	<u>6,727</u>	<u>(1,814)</u>
End of year	<u>7,189</u>	<u>462</u>

19. Financial instruments and derivatives

The Company's financial instruments comprise investments in quoted companies, unquoted companies, cash and liquid resources and are all designated as "fair value through profit or loss". The main purpose of these financial instruments is to generate revenue and capital appreciation for the Company's operations.

The Company has not entered into any derivative transactions.

The main risks arising from the Company's financial instruments are interest rate and investment risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the financial year.

Interest rate risk profile of financial assets and financial liabilities

Financial assets and liabilities

The Company's financial assets and liabilities, other than investments, are either floating rate or non-interest bearing. Investments in listed securities are fixed rate. Venture capital investments comprise equity and loan stock, with the equity holdings having no interest rate attached to them and the loan stock being fixed rate.

NOTES TO THE ACCOUNTS (continued)

for year ended 28 February 2006

19. Financial instruments and derivatives (continued)

	Average interest rate	Average period until maturity	2006 £'000	2005 £'000
Fixed rate	6.2%	1,204 days	1,204	1,750
Floating rate	4.6%		3,836	1,283
No interest rate			6,034	4,956
			<u>11,074</u>	<u>7,989</u>

- Fixed rate assets bear interest at rates based on predetermined yield targets.
- Floating rate assets bear interest at rates based predominately on quarterly LIBOR.
- No interest rate assets includes investments in ordinary shares with no fixed dividend rate.

Financial liabilities

The Company has no financial liabilities or guarantees, other than as disclosed within the balance sheet.

Currency exposure

As at 28 February 2006, the Company had one American investment which was valued at £51,400 (2005: £184,325), and one Madeiran investment which was valued at £210,000 (2005: £220,000). These represented 2.4% of Net Assets (2005: 5.1%).

Borrowing facilities

The Company has no committed borrowing facilities as at 28 February 2006.

Investment risk

As a venture capital trust, it is the Company's specific business to evaluate and control the investment risk in its portfolio of unquoted companies, the results of which are detailed in the Chairman's Statement.

20. Contingencies, guarantees and financial commitments

The Company had committed £261,000 for the purchase of one investment at the year end. There were no contingencies or guarantees of the Company at the year end.

21. Controlling party and related party transactions

In the opinion of the Directors there is no immediate or ultimate controlling party.

Beringea Limited, of which Alexander Spiro Jr is a director, acted as promoter for the Offer for Subscription dated 22 November 2005 and agreed to underwrite the costs of the Offer in return for a fee of 5.5% of the monies raised. Beringea Limited was also the investment manager and provided administration services to the Company during the year. The total fees relating to these services amounted to £141,000, of which £44,000 was outstanding at the year end.

Nicholas Lewis is a director of Downing Management Services Limited, which provides administration services to the Company. During the year £9,000 (2005: £16,000) was due to Downing Management Services Limited in respect of these services which remained outstanding at the year end (2005:£16,000).

22. Post balance sheet event

Between 3 March 2006 and 5 April 2006 the Company allotted 22,350,063 Ordinary shares of 5p as part of an Offer for Subscription each at a price of £1 per share. Issue costs thereon amounted to £1,229,253.

NOTICE OF THE ANNUAL GENERAL MEETING of ProVen Growth and Income VCT plc (formerly ProVen Media VCT plc)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of ProVen Growth and Income VCT plc will be held at 39 Earlam Street, London WC2H 9LT at 12:30pm on 21 September 2006 for the transaction of the following business:

As **Ordinary Business**, to consider and, if thought fit, pass the following resolutions which will be proposed as Ordinary Resolutions:

1. To receive and adopt the Report of the Directors and Accounts of the Company for the year ended 28 February 2006, together with the report of the auditors thereon.
2. To approve the Directors' Remuneration Report.
3. To re-appoint Deloitte & Touche LLP as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at which accounts of the Company are presented and to authorise the Directors to determine their remuneration.
4. To re-elect as Director, Andrew Davison, who retires and, being eligible, offers himself for re-election.
5. To re-elect as Director, Alexander Spiro Jr., who retires and, being eligible, offers himself for re-election.

As **Special Business**, to consider and, if thought fit, pass the following resolutions:

Ordinary Resolution

6. THAT the directors be generally and unconditionally authorised in accordance with Section 80 of the Act to allot shares up to a maximum nominal amount of £125,000 (representing approximately 10% of the ordinary share capital in issue at today's date) and this authority to expire at the later of the conclusion of the Company's annual general meeting next following the passing of this resolution and the expiry of 15 months from the passing of the relevant resolution (unless previously revoked, varied or extended by the company in general meeting but so that such authority allows the company to make Offers or agreements before the expiry thereof which would or might require relevant securities to be allotted after the expiry of such authority).

Special Resolutions

7. To empower the directors pursuant to Section 95(1) of the Act to allot or make offers or agreements to allot equity securities (as defined in Section 94(2) of the Act) for cash pursuant to the authority referred to in resolution 7 as if Section 89(1) of the Act did not apply to any such allotments and so that:
 - (a) reference to allotment in this Resolution shall be construed in accordance with Section 94 of the said Act; and
 - (b) the power conferred by this Resolution shall enable the company to make any offer or agreement before the expiry of the said power which would or might require equity securities to be allotted after the expiry of the said power and the directors may allot equity securities in pursuance of such offer or agreement notwithstanding the expiry of such power.and this power, unless previously varied, revoked or renewed, shall come to an end at the conclusion of the annual general meeting of the company next following the passing of this Resolution or, if earlier, on the expiry of 15 months from the passing of this resolution.

NOTICE OF THE ANNUAL GENERAL MEETING (continued)

8. That, the Company be and is hereby generally and unconditionally authorised for the purpose of section 166 of the Act to make one or more market purchases (as defined in section 163 of the Act) of Ordinary Shares and 'C' Shares provided that:
- (i) such authority is limited to the purchase of 14.9 per cent. of the issued Ordinary Share capital prior to the passing of this resolution and 14.9 per cent. of the issued 'C' Share capital immediately following the closure of the Offers;
 - (ii) the minimum price (exclusive of expenses) which may be paid for such Ordinary Shares is 1p and for 'C' Shares is 5p per share, being the nominal amount thereof;
 - (iii) the maximum price (exclusive of expenses) which may be paid for such Ordinary Shares or 'C' Shares shall be an amount equal to 5 per cent. above the average of the middle market quotations for such class of the Company's shares, as derived from the Daily Official List of the London Stock Exchange, for the five business days immediately preceding the day on which the purchase was made;
 - (iv) the Company may make a contract to purchase its own Ordinary Shares or 'C' Shares under this authority prior to the expiry of this authority, and such contract will or may be executed wholly or partly after the expiry of this authority, and the Company may make a purchase of its own Ordinary Shares or 'C' Shares in pursuance of any such contract;

and this power, unless previously varied, revoked or renewed, shall come to an end at the conclusion of the Annual General Meeting of the Company next following the passing of this resolution or, if earlier, on the expiry of 15 months from the passing of this resolution.

By order of the Board



Grant Whitehouse
Secretary

Registered Office
69 Eccleston Square
London SW1V 1PJ

2 June 2006

Notes

- (a) Any member of the Company entitled to attend and vote at the meeting may appoint a proxy to attend and, on a poll, vote instead of that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company.
- (b) To be valid the instrument appointing a proxy and authority under which it is executed must be deposited at Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not less than 48 hours before the time of the Meeting.
- (c) Completion and return of a form of proxy will not preclude a member of the Company from attending and voting in person.
- (d) Copies of the Directors' consultancy agreements, the Register of Directors' interests in the ordinary shares of the Company kept in accordance with Section 325 of the Companies Act 1985 and a copy of the Memorandum and proposed Articles of Association of the Company will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturday and Public Holidays excluded) from the date of this notice, until the end of the Annual General Meeting for at least 15 minutes prior to and during the meeting.

FORM OF PROXY

ProVen Growth and Income VCT plc (formerly ProVen Media VCT plc)

For use at the Annual General Meeting of the above-named Company to be held on 21 September 2006, at 39 Earlham Street, London, WC2H 9LT at 12:30pm.

I/ We*
(in BLOCK CAPITALS please)

of

being the holder(s)* of ordinary shares of 1p/ 'C' shares of 5p each* in the capital of the above-named Company, hereby appoint the Chairman of the meeting (see note 1)

or

of

as my/our* proxy to attend for me/us* on my/our* behalf at the Annual General Meeting of the Company to be held at 39 Earlham Street, London, WC2H 9LT on 21 September 2006 or at any adjournment thereof.

I/ We* desire to vote on the resolutions as indicated in the appropriate column below. Please indicate with an "X" how you wish your vote to be cast.

Details of the resolutions are set out in the Notice of the Annual General Meeting.

	FOR	AGAINST	WITHELD
ORDINARY BUSINESS			
1. To receive and adopt the Directors' report and accounts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To approve the Directors' Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To re-appoint the auditors and authorise the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To re-elect Andrew Davison as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. To re-elect Alexander Spiro as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SPECIAL BUSINESS			
6. To authorise the directors to allot shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. To disapply Section 89(1) of the Companies Act 1985.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. To authorise the Company to make market purchases of its shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated this day of 2006

Signature(s)/.....

Notes:

- If you wish to appoint a proxy of your own choice delete the words "the Chairman of the Meeting" and insert the name and address of the person whom you wish to appoint in the space provided. A proxy need not be a member of the Company.
- In the case of a corporation this form must be executed under its common seal or signed on its behalf by its attorney or a duly authorised officer of the corporation.
- In the case of joint shareholders any one of them may sign. The vote of the person whose name stands first in the register of members will be accepted to the exclusion of the votes of the other joint holders.
- If you do not indicate the way you desire your proxy to vote, you will be deemed to have authorised your proxy to vote or abstain from voting at his/ her discretion.
- To be valid this form of proxy must be completed and deposited (together with any power of attorney, or other authority under which it is signed) with Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not less than 48 hours before the time fixed for holding the meeting or adjourned meeting.
- Completion of this form will not preclude you from attending and voting at the meeting if you so wish.
- Any alteration made to the form of proxy must be initialled.

* Delete as appropriate



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CAPITA REGISTRARS
Registrars for
PROVEN GROWTH AND INCOME VCT PLC
The Registry
34 Beckenham Road
BECKENHAM
Kent
BR3 4TU

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First fold