ProVen Planned Exit VCT plc

Report and Accounts for the year ended 31 January 2013

Managed by
Beringea LLP

Contents

Fund Overview

Financial summary

Ordinary Shares	31 January 2013	31 January 2012
Net asset value per share ("NAV")	80.8p	88.7p
Dividends paid since launch	9.0p	3.0p
Total return (NAV plus dividends paid since launch)	89.8p	91.7p
Mid market share price	85.0p	97.0p

'A' Shares	31 January 2013	31 January 2012
Net asset value per share ("NAV")	0.1p	0.1p
Dividends paid since launch	–	–
Total return (NAV plus dividends paid since launch)	0.1p	0.1p
Mid market share price	0.1p	0.1p

Dividend history for Ordinary Shares (since launch)

Ordinary Share dividends paid in the year/period ended	pence per share
31 January 2012	3.0
31 January 2013	6.0
Cumulative dividends paid to date	9.0
Proposed dividend (payable 24 July 2013)	3.0

Chairman's Statement

Introduction

I have pleasure in presenting the second annual report for ProVen Planned Exit VCT plc (the "Company") to Shareholders for the year ended 31 January 2013.

Results

The loss on activities after taxation was £90,000 (2012: £131,000), comprising a revenue loss of £46,000 (2012: £85,000) and a capital loss of £44,000 (2012: £46,000). The net asset value total return, comprising net asset value and dividends paid since launch, was 89.8p per Ordinary Share (2012: 91.7p) and 0.1p per 'A' Share (2012: 0.1p).

Dividends

In accordance with the terms of the Offer, the Directors intend that the Company pays two dividends per year of 3p each, subject to the availability of sufficient cash reserves and distributable reserves.

The Company paid an interim dividend for the year ended 31 January 2013 of 3p per Ordinary Share on 21 November 2012 to Ordinary Shareholders on the register as at 9 November 2012.

The Company is proposing a final dividend for the year ended 31 January 2013 of 3p per Ordinary Share which will be subject to approval by Shareholders at the Annual General Meeting of the Company on 17 July 2013. The dividend will, subject to this approval, be paid on 24 July 2013 to Ordinary Shareholders on the register as at 12 July 2013.

Portfolio activity and valuation

At 31 January 2013, the Company's venture capital investment portfolio comprised three venture capital investments at a cost of £1.2 million and a valuation of £1.2 million (2012: £0.45 million and £0.45 million respectively). In addition, the Company held cash and other liquid funds of £2.2 million.

After the year end, an investment of £550,000 was made into Fjordnet Limited and £500,000 into Campden Media Limited. The investment into Fjordnet Limited was then repaid in full in May, when the company was acquired.

Further detail on our portfolio activity is provided in the Investment Manager's Review on pages 7 and 8.

Share buybacks

The Directors intend that, in the five years following the first allotment of shares, the Company will operate a policy of buying back its own shares for cancellation at a zero discount to net asset value. It should be noted, however, that a disposal of VCT shares within five years from allotment may result in the loss of the initial income tax relief. Given the intended life of the Company, it is not intended that any shares will be bought back after the fifth anniversary of the first allotment of shares.

No shares were purchased by the Company during the year.

Annual General Meeting

The Annual General Meeting ("AGM") of the Company will be held at 39 Earlham Street, London WC2H 9LT at 3.00 pm on 17 July 2013. Notice of the AGM is at the end of this Annual Report. Resolutions 1 to 8 will be proposed as ordinary resolutions and resolutions 9 and 10 will be proposed as special resolutions. Further details of the resolutions are provided in the Report of the Directors on page 14.

Shareholder presentation

I was pleased to meet a number of the Company's Shareholders at the Investment Manager's annual shareholder presentation held on 22 October 2012 at the Royal College of Surgeons in central London. The event provided an opportunity for Shareholders to hear directly from, and meet, portfolio companies, the Investment Manager, VCT directors and other Shareholders. The feedback from the event was positive and the board looks forward to this year's presentation in the autumn. Further details of the event will be communicated to Shareholders in due course.

The Board is always pleased to hear comments from Shareholders outside the AGM and shareholder event and can be contacted through the Company's registered office at 39 Earlham Street, London WC2H 9LT.

Outlook

The Company continues to seek out lower risk investment opportunities in accordance with its investment mandate. Whilst investments are being targeted, the Company has kept its assets in lower risk cash and liquid fund investments. Whilst it is still early in the Company's life, the investments are developing as planned and the Board therefore remains optimistic about meeting the stated objective for Shareholders.

Peter L R Hewitt
Chairman
28 May 2013

Investment Manager's Review

Introduction

We have pleasure in presenting our report for ProVen Planned Exit VCT plc (the "Company" or "PPE") for the year to 31 January 2013.

Beringea LLP is a specialist venture capital management company which traces its origins back over 25 years. It currently manages over £100 million of VCT funds through four VCTs and has managed VCTs since their inception in 1996. This experience gives Beringea access to interesting and potentially larger investment opportunities which may not be available to a smaller standalone VCT. The recent investment in Fjordnet Limited, completed shortly after the year end, resulted from our established relationship with the company and the ability through the VCTs to provide a flexible funding package which met its requirements.

The Company made two investments totalling £1 million in qualifying venture capital companies during the year ended 31 January 2013. Subsequent to the year end, the Company has completed another two VCT qualifying investments totalling £1.05 million and disposed of a VCT qualifying investment for a small profit.

Investment activity and portfolio valuation

As at 31 January 2013, the Company's venture capital investment portfolio comprised two VCT qualifying investments with a cost and valuation of £1 million and one non-VCT qualifying investment with a cost and valuation of £200,000. In addition, the Company had a further committed investment of £550,000, included in debtors, and held cash and other liquid funds of £2.2 million.

In February 2012, the Company completed an investment comprising a combination of equity and loan notes totalling £600,000 into Cross Solar PV Limited ("Cross Solar"). Cross Solar is a solar energy company which owns a portfolio of solar installations on the residential rooftops, over which it has a 25-year lease. This entitles Cross Solar to receive payments under the Government backed "feed-in tariff" scheme for the generation of renewable energy. Cross Solar is managed by one of the most experienced teams in this sector in the UK. PPE invested alongside ProVen VCT plc and ProVen Growth and Income VCT plc as part of a total investment by Beringea-managed VCTs of £2.6 million. The investment has been structured to provide an attractive yield, security against the assets of Cross Solar and a redemption premium on the loan notes. Cross Solar is performing in line with expectations and the investment has been valued at cost.

In April 2012, the Company completed a £400,000 investment in Long Eaton Healthcare Limited ("LEH"). LEH provides pharmacy services in an existing GP centre in Long Eaton, near Nottingham and is managed by APM Healthcare, in which other Beringea-managed VCTs have invested. APM Healthcare, through its subsidiary Community Pharmacies (UK) Limited, is establishing a number of practice-based pharmacies in conjunction with local GPs with expert support and guidance from a centralised head office. The loan element of the investment is secured over LEH's assets. The investment is valued at cost.

In April 2012, the Company's £250,000 loan to Campden Media Limited was repaid in full, in accordance with the original investment plan. The loan facility provided an attractive yield relative to the interest rates available on cash alternatives.

Eagle-i Music Limited ("Eagle-i"), in which the Company invested in January 2012, manages music publishing properties. Eagle-i has continued to add to the properties it manages throughout the year. The majority of the investment is in the form of a loan at an attractive interest rate. Eagle-i is valued at cost.

Post year end portfolio activity

In February 2013, the Company completed a VCT qualifying investment of £550,000, in a combination of equity and loan notes, into Fjordnet Limited. Fjordnet is an established digital design agency which works across many sectors, including telecommunications, media, finance and healthcare. It has worked on market leading flagship projects – including projects for the BBC, Nokia, Orange, Swisscom and Yahoo!. Fjordnet was instrumental in bringing the hugely successful award-winning BBC iPlayer to mobile. The company has offices in London, Helsinki, Berlin, Paris, Madrid, Stockholm, New York, San Francisco and Istanbul. Although it was a new investment for the Company, Fjordnet Limited has had previous rounds of funding from ProVen VCT plc and ProVen Growth and Income VCT plc since December 2008, amounting to £3 million. This latest round of funding took the total invested by all Beringea-managed VCTs to £4.5 million.

Fjordnet was acquired by Accenture Holdings B.V., a subsidiary of Accenture (NYSE: ACN) on 22 May 2013. This resulted in the full repayment of the loan notes and generated a small profit for the Company.

In April 2013, the Company provided a working capital facility of £500,000, made up of equity and loan notes, to Campden Media Limited, a magazine publisher and event organiser. The Company first invested in Campden Media in December 2011, with this funding being subsequently repaid in April 2012. The new loan facility provides an attractive yield relative to the interest rates available on cash alternatives.

Outlook

In the year to the date of this review, we have made good progress towards our goal of meeting the investment targets under the VCT legislation. The Company has until 31 January 2014 to invest, broadly, 70% of the funds raised from the initial fundraising after adjusting for net expenses and distributions. The reluctance of banks to lend to businesses is providing opportunities for alternative funders such as VCTs. In addition, the existing portfolios of the Beringea managed VCTs have provided attractive opportunities to PPE which would not be available to other VCTs. We will continue to be selective about the opportunities in which we invest with the aim of building up an attractive and robust portfolio to deliver the targeted returns to investors.

Beringea LLP
28 May 2013

Investment Portfolio
as at 31 January 2013

The following investments were held at 31 January 2013:

	Cost £'000	Valuation £'000	Valuation movement in year £'000	% of portfolio by value
Venture capital investments				
Cross Solar PV Limited[1]	600	600	–	15.2%
Long Eaton Healthcare Limited[2]	400	400	–	10.1%
Eagle-i Music Limited[3]	200	200	–	5.1%
Total venture capital investments	1,200	1,200	–	30.4%
HSBC liquidity fund		503		12.7%
Insight liquidity fund		500		12.7%
Cash at bank and in hand		1,198		30.3%
Other debtors[4]		550		13.9%
Total investments		3,951		100.0%

All venture capital investments are unquoted unless otherwise stated.

1. Cross Solar PV Limited is also held by ProVen VCT plc and ProVen Growth and Income VCT plc.

2. Long Eaton Healthcare Limited is also held by ProVen VCT plc, ProVen Growth and Income VCT plc and ProVen Health VCT plc.

3. Eagle-i Music Limited is also held by ProVen Growth and Income VCT plc. ProVen VCT plc and ProVen Growth and Income VCT plc also hold an investment in Eagle Rock Entertainment Group Limited which is a significant shareholder in Eagle-i Music Limited.

4. Other debtors of £550,000 relates to an investment in Fjordnet Limited, which completed on 21 February 2013. Fjordnet Limited was also held in ProVen VCT plc and ProVen Growth and Income VCT plc at 31 January 2013.

The relationship between the VCTs managed by Beringea is covered by a co-investment agreement.

All venture capital investments held at the year end are registered in England and Wales.

Further details of the investments follow:

Review of Investments
as at 31 January 2013

Cross Solar PV Limited

Cross Solar is a residential rooftop solar PV developer managed by ISIS Solar. ISIS is one of the UK's largest residential PV developers, being one of the first to market to offer installations free to homeowners. Through the scheme, homeowners receive all of their electricity for free, for up to 25 years, and in return Cross Solar benefits from 25 year guaranteed Feed In Tariffs.

www.isis-solar.com

Cost:	£600,000	**Valuation method*:**	Price of recent investment
Comprising: **A Ordinary shares:**	£180,000	**Valuation at 31/01/13:**	£600,000
Loan stock:	£420,000	**Valuation at 31/01/12:**	n/a
Audited accounts:	No accounts filed	**Dividend income:**	n/a
Turnover:		**Loan stock income:**	n/a
Profit before tax:		**Proportion of equity held:**	12.28%
Net assets:		**Diluted equity:**	12.28%

Eagle-i Music Limited

Eagle-i Music Limited is the music publishing arm of Eagle Rock Entertainment Group Limited which is a leading independent producer, publisher and distributor of music programming for broadcast, digital, and Blu-Ray/DVD distribution, comprising live concerts and documentaries. Publishing remains one of the most lucrative and valuable areas within the music industry, in part due to lower reliance on physical goods sales for revenues.

eagle-i music

www.eagle-imusic.com

Cost:	£200,000	**Valuation method*:**	Price of recent investment
Comprising: **Preferred ordinary shares:**	£33,273	**Valuation at 31/01/13:**	£200,000
Loan stock:	£166,727	**Valuation at 31/01/12:**	£200,000
Audited accounts:	No accounts filed	**Dividend income:**	£nil
Turnover:		**Loan stock income:**	£14,000
Profit before tax:		**Proportion of equity held:**	3.2%
Net assets:		**Diluted equity:**	3.0%

Long Eaton Healthcare Limited

Long Eaton Healthcare Limited provides pharmacy services in an existing centre in Long Eaton, near Nottingham and is managed by APM Healthcare. APM Healthcare, through its subsidiary Community Pharmacies (UK) Limited, is aiming to become a prominent niche player in the prescription pharmacy sector. Its premise is simple; to be located in or adjacent to the doctor's surgery.

www.apmhealthcare.co.uk

Cost:	£400,000	**Valuation method*:**	Price of recent investment
Comprising: **A Ordinary shares:**	£120,000	**Valuation at 31/01/13:**	£400,000
Loan stock:	£280,000	**Valuation at 31/01/12:**	£400,000
Audited accounts:	No accounts filed	**Dividend income:**	£nil
Turnover:		**Loan stock income:**	£32,000
Profit before tax:		**Proportion of equity:**	28.8%
Net assets:		**Diluted equity:**	28.8%

Notes:

The proportion of equity held by each investment also represents the level of voting rights held by the Company in respect of the investment. Portfolio company financial information is based on publicly available information filed at Companies House in the UK (or equivalent locations in overseas jurisdictions). Certain information may not be required to be filed, dependent, for example, on the company's size, and, in the interests of portfolio company confidentiality, is not disclosed here.

*VCT investments are measured at fair value. The initial best estimate of fair value of these investments that are not quoted in an active market is the transaction price (i.e. cost). The fair value of these investments is subsequently measured by reference to the enterprise value of the investee company, which is determined to best reflect fair value. When the board considers the investee company's enterprise value to remain unchanged since acquisition, investments continue to be held at cost less any loan repayments received.

Directors Biographies

Peter Hewitt JP, FCSI, FRSA, has enjoyed a varied and successful career over the last 35 years in property, company direction and corporate finance. He has been Chairman or Director of some 9 public companies, chairing 6 of these including 7 years as Chairman and CEO of a construction and fit out company which he founded and floated on AIM, exiting in 2004. Subsequently, he established and sold two FSA authorised private client stock broking businesses and was for 13 years a non-executive director of a £150m Close Brothers Fund. Peter is currently a Non-Executive Director of Puma VII VCT PLC; a director of Provident & Regional Estates Ltd, a company that originates and brokers alternative financial products; a director of Finance for Companies Limited a new risk capital brokerage and Premier Non Executives Limited, an associated company; a member of the Project Merlin Business Finance Roundtable; and an elected alderman in the City of London, where amongst other activities, he chairs the City's £20m Social Investment Fund. Peter is a Chartered Fellow of the Chartered Securities Institute.

Robin Chamberlayne is a Chartered Financial Planner with extensive knowledge of Venture Capital Trusts gained through his role as a partner in Progressive Strategic Solutions LLP, an investment advisory firm specialising in tax based financial solutions, the forerunner to which he founded in 1997. He has a particular interest in energy and is a director of a number of companies in this sector that operate in the solar, renewable heat incentive and STOR markets. Robin is also a Director of Downing Structured Products VCT plc and Downing Planned Exit VCT plc.

Malcolm Moss is a Senior Managing Director and founder of Beringea LLP. Over the last 20 years he has been responsible for the growth, development and management of the private equity business of Beringea in both the UK and the USA. In addition to sitting on the boards of ProVen VCT plc and ProVen Growth & Income VCT plc, he sits on the investment committees of Beringea's four other venture capital funds and as a non-executive director on several other portfolio investments. Prior to founding Beringea, Malcolm gained Europe-wide industrial, planning and analytical experience in healthcare, engineering and financial services with, respectively, Baxter International, Uniroyal Inc. and Lloyds TSB Group. Malcolm has a BA and an MBA.

All the directors are non-executive and, with the exception of Malcolm Moss, are considered to be independent of the Investment Manager and the considers that each of them has suitable experience to be able to exercise proper judgement.

Report of the Directors

The Directors submit to the members their Annual Report and Financial Statements for the year ended 31 January 2013. The Report of the Directors includes the Fund Overview, Chairman's Statement, Investment Manager's Review, Directors biographies, the Report of the Directors itself, Corporate Governance Statement and the Directors' Remuneration Report.

Principal activity and status

The Directors initially obtained provisional approval for the Company to act as a Venture Capital Trust from HM Revenue & Customs at formation. The Directors consider that the Company has conducted its affairs in a manner to enable it to continue to comply with s274 of the Income Tax Act 2007. The principal activity of the company is to invest in a diversified portfolio of smaller companies in order to generate capital growth and an investment income stream.

Business review and developments

The Company's business review and developments during the year are included in the Chairman's Statement and the Investment Manager's Review.

The total running costs of the Company exceeded revenue arising from the investments held (including cash at bank and liquidity funds) by £90,000 (2012:£131,000). This takes into account the reduction in the Investment Manager's fee by £14,000 to £59,000, as a result of the operation of the 3.5% cap on annual expenses (excluding trail commission). The total expense ratio at the year end compared to net assets, taking into account the expense cap, was 3.5%.

Share capital

The total issued share capital at 31 January 2013 was 4,818,237 Ordinary Shares of 0.1p each and 7,227,352 'A' Shares of 0.1p each. There are no other share classes in issue. Details of the rights and obligations attaching to each class of shares are included in note 13 to the accounts. The Ordinary Shares represent 40.00% by number, and 99.90% by total voting rights, of the issued share capital. The 'A' Shares represent 60.00% by number, and 0.10% by total voting rights, of the issued share capital.

Results and dividends

	£000	Pence per share
Loss for the year ended 31 January 2013	(90)	(1.9p)
Dividends paid:		
6 June 2012	145	3.0p
21 November 2012	144	3.0p
Loss for the period ended 31 January 2012	(131)	(2.9p)
Dividends paid:		
21 December 2011	145	3.0p

Subject to shareholder approval at the forthcoming AGM, it is proposed to pay a final dividend of 3p per Ordinary Share on 24 July 2013 to Shareholders on the register at 12 July 2013.

Annual General Meeting

The AGM of the Company will be held at 39 Earlham Street, London WC2H 9LT at 3.00 pm on 17 July 2013. Notice of the meeting is at the end of this document. Resolutions 1 to 8 will be proposed as ordinary resolutions, meaning that for each resolution to be passed, more than half of the votes cast at the meeting must be in favour of the resolution. Resolutions 9 and 10 will be proposed as special resolutions, meaning that for each resolution to be passed; at least 75% of the votes cast at the meeting must be in favour of the resolution.

Resolutions 8 and 9 are seeking to renew the Directors' general authority to allot shares up to a maximum nominal amount of £1,205 (representing 10% of the current issued share capital) and the Directors' authority to issue shares for cash without applying the statutory pre-emption rights. These authorities will lapse on the conclusion of the Company's next annual general meeting or 17 October 2014, whichever is the earlier.

Resolution 10 is seeking approval to renew the Company's existing authority to make market purchases of the Company's own shares. The authority will lapse on the conclusion of the Company's next annual general meeting or 17 October 2014, whichever is the earlier. Purchases will only be made on the London Stock Exchange and this authority will only be exercised in circumstances where the Board believes that it is in the best interests of the Shareholders generally. The price to be paid for a share will be the latest published net asset value per Share.

Investment objectives

ProVen Planned Exit VCT plc aims to (a) provide investors with an attractive tax-free return to Shareholders of at least 8.4% per annum over the life of the Company, on the net investment after initial tax relief of 70p per share, (b) pay dividends of 6p per share per annum, and (c) have a lower risk profile than traditional VCTs, by investing in a portfolio of Qualifying Investments, primarily being in UK unquoted companies with substantial assets or having reliable revenue streams from financially sound customers; and a portfolio of low-risk non-Qualifying Investments including cash deposits, money market funds, fixed interest securities and secured loans.

Investment policy

The Company's investment policy covers several aspects as follows:

Qualifying Investments

The Company will seek to build a diversified portfolio of investments in unquoted, primarily UK based companies, which has a lower risk profile than traditional VCTs. The Qualifying Investments will be made in companies that have a substantial asset base or which have reliable revenues from financially sound customers that can be used to provide the Company with security for its investment. Other key elements of the investment strategy for Qualifying Investments are:

- to invest in companies across several industries;
- to maximise the use of secured loans, within the conditions imposed on all VCTs;
- to target returns on each Qualifying Investment which are consistent with achieving the overall investment objectives of the Company; and
- to have a clearly defined exit route for the Company's investment.

Non-Qualifying Investments

The funds not employed in Qualifying Investments may be invested in non-Qualifying Investments which are consistent with the Company's objective of being a lower risk VCT. These investments may include cash deposits, fixed income securities, structured products, OEICs and secured loans. Fixed income securities will consist of bonds issued by the UK Government, major companies and institutions, liquidity funds or similar securities of A rating or better. Secured loans will be secured on assets held by investee companies.

Asset Allocation

The Company will invest approximately 75% of its funds in Qualifying Investments. Initially, whilst suitable Qualifying Investments are being identified, the funds will be invested in a portfolio of low-risk non-Qualifying Investments including cash deposits, money market funds, fixed interest securities, structured products, OEICs and secured loans. Progressively, this portfolio will be realised in order to fund investments in Qualifying Investments.

Although under VCT legislation the Company must have at least 70 per cent of its funds invested in Qualifying Investments within 3 years, the Company intends to invest up to 75 per cent. Accordingly, the Company's maximum exposure to Qualifying Investments will be 75 per cent. The Company intends to retain its remaining funds in non-Qualifying Investments to fund the annual running costs of the Company, to reduce the risk profile of the overall portfolio of its funds and to fund any further investments in its investee companies.

Risk Diversification

The structure of the Company's funds and its investment strategy have been designed to reduce risk as much as possible.

The main risk management features include:

- asset backing/reliable income – each investee company will have a substantial asset base or reliable revenue streams from financially sound customers;
- portfolio of investee companies – the Company will invest in a number of different companies, thereby reducing the potential impact of poor performance by any individual investment;
- monitoring of investee companies – the Manager will closely monitor the performance of all the investments made by the Company in order to identify any issues and to enable necessary corrective action to be taken;
- control over key decisions by investee companies – the Manager will negotiate detailed legal agreements with each investee company giving it significant influence over the development of the business. Generally, one of Beringea's investment managers will be appointed to the board of each investee company.
- rigorous investment process – Beringea has established rigorous procedures for reviewing and approving potential investments, aimed at ensuring a high standard of investment decision-making.

Gearing

It is not the Company's intention to have any borrowings, although it will have the ability to borrow up to 15% of its net asset value.

Change in Investment Policy

A material change in the investment policy of the Company will only be effected with the prior approval of the Company's Shareholders in accordance with the Listing Rules.

VCT regulations

In continuing to maintain its VCT status, the Company complies with a number of regulations as set out in S274 of the Income Tax Act 2007. How the main regulations apply to the Company is summarised as follows:

- the Company holds at least 70% of its investments in qualifying companies (as defined by S274 of the Income Tax Act 2007);
- at least 30% of the Company's qualifying investments (by value) are held in "eligible shares" ("eligible shares" generally being ordinary share capital). For funds raised on or after 6 April 2011, there is a requirement to have at least 70% by value of qualifying investments in "eligible shares" which includes ordinary shares with certain preferential rights to dividends, but no preferential rights on a winding-up nor any rights to be redeemed;
- at least 10% of each investment in a qualifying company is held in "eligible shares" (by cost at time of investment);
- no investment constitutes more than 15% of the Company's total investments (by value at time of investment);
- the Company's income for each financial year is derived wholly or mainly from shares and securities;
- the Company distributes sufficient revenue dividends to ensure that not more than 15% of the income from shares and securities in any one year is retained;
- the Company's ordinary capital has throughout the period been listed on a regulated European market; and
- the Company may not, from 16 July 2012, make an investment in a company which causes that company to receive more than £5 million of State Aid investment (including from VCTs) in the twelve months ending on the date of the investment.

Borrowings

The Company currently does not have any borrowings; however, the Company's Articles do permit borrowing to give a degree of flexibility. Any such borrowing would need to be approved by the Board.

Environmental and social policy

The Board seeks to conduct the Company's affairs responsibly and considers relevant social and environmental matters where appropriate.

Investment management agreement

Beringea provides investment management services to the Company under an Investment Management Agreement dated 2 November 2010. The Investment Management Agreement is for an initial period of five years from 2 November 2010 and continues thereafter unless terminated by either party giving not less than 12 months notice in writing or at any time after the expiry of the said period of three years. Beringea is entitled to receive management fees of 1.75% per annum of the net assets of the Company calculated on a quarterly basis.

Beringea is also entitled to receive a performance related incentive payment, incentivising the Management to return at least 100p per Ordinary Share to Investors, including a total of 30p per Ordinary Share in annual tax free dividends. This performance payment is capped at 6p per Ordinary Share, once a total of 124p per Ordinary Share has been returned to Shareholders, an average of 1p per Share over the intended maximum 6 year life of the Company. The cap is to ensure that the Manager focuses on investments with a high level of capital security and modest upside potential, rather than higher-risk, higher-return investments.

If the following conditions are met (equivalent to a tax-free return of 7.6% per annum over the life of the Fund):

- dividends of 6p per Ordinary Share per annum are paid to Shareholders for 5 years
- at least 100p per Ordinary Share (including dividends) is returned to Shareholders

then the Management, as a result of its holding of Management A Shares, will receive 20% of all further returns to Shareholders until Investors have received 124p per £1 invested in the Offer, at which point 99.9% of all further returns will go to Ordinary Shareholders.

Administration and company secretarial services

Beringea is also entitled to receive an annual fee of £55,000 plus VAT per annum for accounting, administration and company secretarial services. Beringea waived its entitlement to these fees for the year ended 31 January 2013.

Annual running costs cap

The Company's annual running costs (including irrecoverable VAT but excluding any performance fees payable to the Manager and trail commissions) are capped at 3.5% of the net assets at the year end. Any excess will be paid by Beringea by reducing their fees payable. As previously stated, Beringea's fee was capped for the year under review, with the total fee due being reduced by £14,000.

Directors

The Directors of the Company during the year and their beneficial interests in the issued shares of 0.1p each, were as follows:

	At the date of this report		31 Jan 2013	
Director	Ordinary Shares	A Shares	Ordinary Shares	A Shares
Peter Hewitt	10,350	10,350	10,350	10,350
Robin Chamberlayne	20,900	20,900	20,900	20,900
Malcolm Moss	5,225	647,655	5,225	647,655

In accordance with developments in corporate governance practice, the Board has decided that it is best practice for all Directors to retire at each Annual General Meeting. Accordingly, all the Directors will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election. The Board recommends that Shareholders take into consideration each Director's considerable experience in VCTs and other areas, as shown in their respective biographies on page 12, in order to support the resolutions to re-appoint all three Directors.

Each of the Directors has signed a service contract with the Company. The Directors' appointments are on a continuous basis unless otherwise terminated at the discretion of either party upon three months written notice. Each Director is required to devote such time to the affairs of the Company as the Board reasonably requires and their powers are bound by the Company's Articles of Association.

The Company provides Directors' and Officers' liability insurance, giving appropriate cover for legal action brought against its Directors, and has also agreed to indemnify Directors in circumstances where they are not considered to be culpable. The indemnity, which is a qualifying third party indemnity provision for the purpose of the Companies Act, is for the benefit of all of the Company's current Directors.

VCT status

The Company retains PricewaterhouseCoopers LLP ("PwC") to advise it on compliance with VCT requirements, including evaluation of investment opportunities, as appropriate and regular review of the portfolio.

A summary of the VCT Regulations is included in the Company's Investment Policy as shown on page 16.

Compliance with the main VCT regulations as at 31 January 2013 and for the year then ended, is summarised as follows:

• 70% of its investments in qualifying companies	n/a[1]
• at least 30% of the Company's qualifying investments in "eligible shares"	n/a[1]
• at least 10% of each investment held in "eligible shares"	Complied
• no investment constitutes more than 15% of the Company's portfolio	Complied
• income is derived wholly or mainly from shares and securities;	Complied
• no more than 15% of the income from shares and securities is retained;	Complied
• the Company's ordinary capital has throughout the period been listed on a regulated European market	Complied
• the Company has not made an investment since 16 July 2012 which causes a breach of the £5 million investment limits condition.	Complied

[1] The Company has until 31 January 2014 to comply with this test.

Creditor payment policy

The Company's policy is to pay all suppliers' invoices in accordance with agreed terms. Trade creditors and creditor days of the Company at the year end were £3,000 and nil days respectively.

Key performance indicators

The Board considers the main key performance indicators for the Company are Net Asset Value Total Return (NAV plus cumulative dividends paid to date) and dividends per share (see page 4).

In addition, the Board considers the Company's performance in relation to other VCTs.

These are monitored by the Board at each Board meeting, and are also kept under review by the Investment Manager.

Principal risks and uncertainties

The principal financial risks faced by the Company, which include market risks, credit risks and liquidity risks are disclosed within note 19 to the financial statements.

In addition to these risks the Board considers the following to be risks to the Company:

Investment risk

This is the risk of investment in poor quality assets which reduce the capital and income returns to Shareholders and negatively impact on the Company's reputation. By nature, smaller unquoted businesses, such as those that qualify for venture capital trust purposes are more fragile than larger, long-established businesses.

To reduce the risk, the Board places reliance upon the skills and expertise of the Investment Manager and its track record. In addition, the Investment Manager operates a formal and structured investment process, which includes a formal investment committee. Investments are actively and regularly monitored by the Investment Manager and the Board receives detailed reports on each investment as part of the Investment Manager's report at regular Board meetings.

Compliance risk

As a venture capital trust, and a fully listed company on the London Stock Exchange, the Company operates in a complex regulatory environment and, therefore, faces a number of related risks. A breach of the VCT regulations could result in the loss of VCT status and consequent loss of tax reliefs currently available to Shareholders and the Company being subject to capital gains tax. Serious breaches of other regulations, such as the UKLA Listing Rules and the Companies Act 2006, could lead to suspension from the London Stock Exchange and damage to the Company's reputation.

The Company's compliance with the VCT regulations is continually monitored by the Investment Manager, who reports regularly to the Board on the current position. The Company also retains PricewaterhouseCoopers LLP to provide regular reviews and advice in this area. The Board considers that this approach reduces the risk of a breach of the VCT regulations to a minimal level. Board members have considerable experience of operating at senior levels within quoted and unquoted businesses. The Company employs Beringea LLP as Company Secretary to ensure that compliance with UK Listing Rules is maintained and seeks legal and regulatory advice from appropriate third-party experts when required.

The Board reviews and agrees policies for managing each of these risks. It receives quarterly reports from the Investment Manager, which monitor the compliance of these risks, and places reliance on the Investment Manager to give updates in the intervening period. These policies have remained unchanged since the beginning of the year.

Substantial shareholdings

As at 31 January 2013 and at the date of this report, the Company was not aware of any individual shareholdings exceeding 3 per cent of the issued share capital.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Report of the Directors, the Directors' Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that year.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- so far as each director is aware there is no relevant audit information of which the company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' statement pursuant to the Disclosure and Transparency Rules

Each of the Directors, whose names are listed on page 12, confirms that, to the best of his or her knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and
- the management report contained in the Chairman's Statement, Investment Manager's Review and Report of the Directors includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Electronic publication

The financial statements are published on www.provenvcts.co.uk (maintained by the Investment Manager).

Corporate governance

The Company's compliance with The AIC Code of Corporate Governance (www.aic.co.uk) is shown on pages 21 to 26.

Auditor

In accordance with S489(4) of the Companies Act 2006, a resolution to reappoint Grant Thornton UK LLP as auditor and to authorise the directors to fix their remuneration will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

Peter LR Hewitt
Chairman
Registered Office:
39 Earlham Street
London WC2H 9LT

28 May 2013

Corporate Governance Statement

The Board of ProVen Planned Exit VCT plc has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to investment companies.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to Shareholders.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration;
- the appointment of a senior independent director ; and
- the need for an internal audit function.

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of ProVen Planned Exit VCT plc, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

The Board

At the date of this report, the Company had a Board of three directors. As a whole the Board comprises an appropriate balance of skills, experience and tenure. Peter Hewitt and Robin Chamberlayne are considered to be independent directors by the Board. Biographical details of all Board members are shown on page 12. The Company has no staff other than the Directors and Officers and does not have a chief executive officer. In the event of the resignation or retirement of a director, the Board's overriding priority in the appointment of a new director would be to identify the candidate with the best range of skills and experience to complement the remaining directors and having due regard to diversity considerations.

The Chairman, Peter Hewitt, is responsible for setting the board's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chairman also promotes a culture of openness and debate by facilitating the effective contribution of non-executive directors and liaison with the Company's advisers where appropriate.

Directors are not appointed for specified terms but are subject to re-election by Shareholders. In accordance with developments in corporate governance practice, the Board has decided that it is best practice for all Directors to retire at each Annual General Meeting. Accordingly, all the Directors will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

All non-executive directors have signed contracts. Directors' contracts are available for inspection by Shareholders immediately before and after the Company's Annual General Meeting.

Directors are provided with key information on the Company's activities including regulatory and statutory requirements and internal controls by the Investment Manager. The Investment Manager, in the absence of explicit instructions from the Board, is empowered to exercise discretion in the use of the Company's voting rights. Shareholdings are generally voted at the Investment Manager's discretion, with the objective of seeking to maximise shareholder value by constructive use of votes at company meetings and by endeavouring to use its influence as an investor with a principled approach to corporate governance. The Board has direct access to company secretarial advice through the Company Secretary, which is responsible for ensuring that Board procedures are followed.

All Directors are able to take independent professional advice in furtherance of their duties if necessary. In accordance with the AIC Code, the Company has in place Directors' and Officers' liability insurance. On appointment any new Director will be given a comprehensive introduction to the Company's business including meeting the Company's key advisers where appropriate.

The Board is responsible to Shareholders for the proper management of the Company and meets at least four times annually. The Code states that the Board should have a formal schedule of matters specifically reserved to it for decision, to ensure that it has firm direction and control of the Company. This is achieved by a management agreement between the Company and the Investment Manager, which sets out the matters over which the Investment Manager has authority and the limits above which Board approval must be sought. All other matters including strategy, investment and dividend policies, gearing and corporate governance proceedings are reserved for the approval of the Board of Directors.

A resolution will be put to Shareholders at the forthcoming AGM to authorise the Board to make market purchases of the Company's own shares.

A resolution will be put to Shareholders at the forthcoming AGM to authorise the Board to issue new shares of up to 10% of the current issued share capital.

The Company's capital structure is disclosed on page 13. Details of the rights and obligations attaching to each class of shares are included in note 13 to the accounts.

Committees to the Board

The Company has an Audit Committee and Remuneration Committee, both of which have defined terms of reference and duties, which are available from the Company Secretary. A Management Engagement Committee has not been constituted with matters thereon being dealt with by the Board as a whole. The Board has not appointed a Nomination Committee as it considers the Board to be small. Appointments of new directors are reserved for the full Board. The independent directors were appointed to the Board because they have experience which is both relevant to the VCT industry and to the types of investments in which the Company might seek to invest. It is anticipated that, should the need arise, the Board would look to appoint further directors or to replace existing directors, on a similar basis.

Audit Committee

The Company's Audit Committee is a fully constituted committee of the Board of Directors, established to perform the duties set out below and to report on those matters to the Board.

- to monitor the integrity of the Company's financial statements including its annual and half yearly reports and review significant financial reporting judgements contained in them;
- to review the Company's internal controls and risk management systems;
- to review the need for an internal audit function;

- to make recommendations to the Board for it to put to Shareholders for their approval at the AGM, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- to discuss, and to report to the Board on, any matters arising from the external audit and any matter the auditor may wish to discuss;
- to develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken; and
- the chairman shall attend the AGM of the Company prepared to respond to any shareholder questions on the Committee's activities.

The Audit Committee comprises all directors and is chaired by Robin Chamberlayne. The Board has deemed it appropriate that all directors sit on the Audit Committee due to their experience in such matters. The Audit Committee is aware of its responsibilities and all matters relating to the Audit Committee have been reported to the Board at the Board meetings and by ad hoc informal communication to the Board.

The Audit Committee reviews the performance and continued suitability of the Company's auditors. In advance of each audit, Grant Thornton UK LLP ("Grant Thornton") provide an audit strategy plan for consideration by the Committee, including confirmation of Grant Thornton's compliance with the Ethical Standards of the Auditing Practices Board and of the audit and non-audit fees chargeable to the Company. Grant Thornton liaise directly with the Investment Manager during the audit process and attend the Audit Committee meeting at which the Annual Report is considered. Grant Thornton provides a detailed Audit Committee Report outlining their audit process and setting out their findings. The Audit Committee and Investment Manager are able to assess the quality of Grant Thornton's work and of Grant Thornton's understanding of the business. Based on these procedures, the Audit Committee has obtained sufficient assurance as to Grant Thornton's independence and performance and it therefore recommends to Shareholders that Grant Thornton be re-appointed as Auditor for the forthcoming year.

The Audit Committee safeguards the objectivity and independence of the auditor by reviewing the nature and extent of non-audit services supplied by the external auditors of the Company, seeking to balance objectivity and value for money.

Remuneration Committee

The Company's Remuneration Committee is a fully constituted committee of the Board of Directors, established to perform the duties set out below and to report on those matters to the Board.

- to consider the levels and make up of remuneration which are sufficient to attract, retain and motivate directors of the quality required and which are needed to run the Company successfully;
- to ensure that provisions regarding disclosure of remuneration including pensions are fulfilled;
- to produce an annual report of the remuneration policy which will form part of the Company's Annual Report and Accounts and ensure that each year it is put to Shareholders for approval at the AGM; and
- the chairman shall attend the AGM of the Company prepared to respond to any shareholder questions on the Committee's activities and directors' remuneration.

The Remuneration Committee comprises all directors and is chaired by Robin Chamberlayne. The Committee's annual report can be found on pages 27 and 28 of this report.

Board and Committee meetings

The following table sets out the Directors' attendance at full Board and Committee meetings held during the year ended 31 January 2013.

	Board meetings		Audit Committee meetings		Remuneration Committee meetings	
Director	held	attended	held	attended	held	attended
Peter Hewitt	4	4	2	2	1	1
Robin Chamberlayne	4	4	2	2	1	1
Malcolm Moss	4	4	2	2	1	1

The Board is in regular contact with the Investment Manager between Board meetings.

Whistle blowing

The Board has considered the Code's recommendations in respect of arrangements by which staff of the Investment Manager may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. It has concluded that adequate arrangements are in place for proportionate and independent investigation of such matters, and where necessary, for appropriate follow up action to be taken.

Board performance

The performance of the Board and individual directors was evaluated for the period since the Company's launch through an assessment process led by the Chairman. The performance of the Chairman was evaluated through an assessment process led by the by the chairman of the Audit Committee.

The Board considered whether to introduce an external facilitator to manage the evaluation but concluded that the Company Secretary and the Chairman were well placed to ensure a full and frank discussion around any concerns raised. The outcome of this process has confirmed that the Directors consider the Board to have a good balance of skills and to be working effectively.

Financial reporting

The Directors' Responsibilities Statement for preparing the accounts is set out in the Directors' Report on page 19, and a statement by the Auditor about their reporting responsibilities is set out in the Auditor's Report on page 29.

Relations with Shareholders

The Company welcomes the views of Shareholders and places great importance on communication with its Shareholders. Shareholders have the opportunity to meet the Board and representatives of the management team at the Annual General Meeting. All Shareholders are welcome to attend the meeting and to ask questions of the Directors. The Investment Manager also holds an annual investor day for the VCTs it manages and Shareholders are welcome to attend.

The Board is also happy to respond to any written queries made by Shareholders during the course of the year. All communication from Shareholders is recorded and reviewed by the Board to ensure that shareholder enquiries are promptly and adequately resolved. As disclosed in the Report of the Directors on page 19, at the year end there were no Shareholders holding a substantial interest in the Company.

Separate resolutions are proposed at the AGM on each substantially separate issue. Proxy votes are collated 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 UK Corporate Governance 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, and are published immediately following the AGM. The notice of the next AGM and proxy form can be found at the end of these financial statements.

The Company also communicates with Shareholders through annual and half yearly reports. The Board as a whole approves the terms of the Chairman's Statement and the Investment Manager's Review which form part of these reports in order to ensure that they present a balanced and understandable assessment of the Company's position. The Company also releases quarterly interim management statements, and other information as required, to the London Stock Exchange.

Internal control

The Board acknowledges that it is responsible for the Company's internal control systems and for reviewing their effectiveness. In accordance with the UK Corporate Governance Code, the Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. Internal controls are designed to manage the particular needs of the Company and the risks to which it is exposed. The internal control systems aim to ensure the maintenance of adequate accounting records, the reliability of the financial information upon which business decisions are made and which is used for publication, and that the assets of the Company are safeguarded. They can by their nature only provide reasonable and not absolute assurance against material misstatement or loss. The controls operated by the Board include the authorisation of the investment strategy and regular reviews of the results and investment performance.

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, i.e. investment management, administration functions (including the financial reporting process) and cash management to Beringea. This contract was entered into after full and proper consideration by the Board of the quality and cost of services offered. The Board receives and considers regular reports from the Investment Manager. Ad hoc reports and information are supplied to the Board as required. It remains the role of the Board to keep under review the terms of the management agreement with the Investment Manager and to evaluate the performance of the Investment Manager. The Board has reviewed its contracts and considers its investment management contract with Beringea as essential to the business. Further information on Beringea is available from www.provenvcts.co.uk.

An annual review of the control systems is carried out which covers consideration of the key risks in a number of areas. Each risk is considered with regard to the likelihood that the risk may occur, the impact of the risk on the performance and reputation of the Company should it occur, and the controls exercised over that risk. The Investment Manager reports to the Board on the operation of the controls; in addition the external auditor may report on control weaknesses identified during the course of the audit as part of its Audit Committee Report.

The main aspects of the internal controls that were in place during the year to 31 January 2013 were:

- all proposed investments are approved by the Beringea Investment Committee and signed off by the Beringea Managing Partner;
- an independent review of portfolio valuations is undertaken by the Board on a quarterly basis;
- monthly bank reconciliations are performed by the Investment Manager; and
- the annual and half year reports, interim management statements and any changes to net asset value are approved by the Board prior to publication.

The Board has identified no significant problems with the Company's internal controls that warrant disclosure in the annual report.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chairman's Statement on page 5, the Investment Manager's Review on page 7, and the Report of the Directors on page 13. The financial position of the Company, its cash flows and liquidity position are shown in the Cash Flow Statement on page 33. In addition, notes 18 to 20 to the financial statements include the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

In accordance with "Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009", issued by the Financial Reporting Council, the Board has assessed the Company's operation as a going concern. The Company has considerable financial resources both at the year end and at the date of this report comprising of cash, liquidity funds and fixed asset investments. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they believe that the Company continues to be a going concern and that it is appropriate to apply the going concern basis in preparing the financial statements.

Statement of compliance

The Directors consider that the Company has complied throughout the year ended 31 January 2013, and continues to comply at the date of this report, with all the relevant provisions set out in the AIC Code of Corporate Governance, subject to the exceptions noted above.

By order of the Board

Beringea LLP
Secretary
39 Earlham Street
London WC2H 9LT

28 May 2013

Directors' Remuneration Report

Introduction

The Board has prepared this report, in accordance with the requirements of Section 420 of the Companies Act 2006. A resolution to approve this report will be put to the members at the AGM to be held on 17 July 2013.

Under the requirements of Section 497, 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 pages 29 and 30.

Remuneration Committee

The Remuneration Committee comprises all members of the Board and is chaired by Robin Chamberlayne. The Board considers it appropriate that all directors are part of the committee given the size of the company and the Board.

The Remuneration Committee, which is a committee of the Board, meets at least annually, to consider the Directors' remuneration and to make recommendations thereon to the Board. The secretary provides a comparison of the Directors' remuneration with that of venture capital trusts of similar size. This comparison, together with the consideration of any alteration in Directors' responsibilities, is used to consider whether any change in remuneration is necessary.

Policy on Directors' fees

The Board's policy is that the remuneration of directors should be fair and comparable with that of other venture capital trusts of similar size. The level of remuneration should be sufficient to attract and retain the directors required to effectively oversee the Company.

In addition, it should reflect the specific circumstances of the Company, the duties and responsibilities of the Directors and the value and amount of time committed to the Company's affairs. It is intended that this policy will continue in force.

The fees for the Directors are determined within the limits set out in the Company's Articles of Association. The present aggregate limit for directors' remuneration is £100,000 per annum and the approval of Shareholders at a general meeting would be required to change this limit.

Directors' agreements

Each of the Directors has an agreed letter of appointment 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. The Directors' appointments are on a continuous basis unless otherwise terminated at the discretion of either party upon three months written notice.

Directors' remuneration (audited)

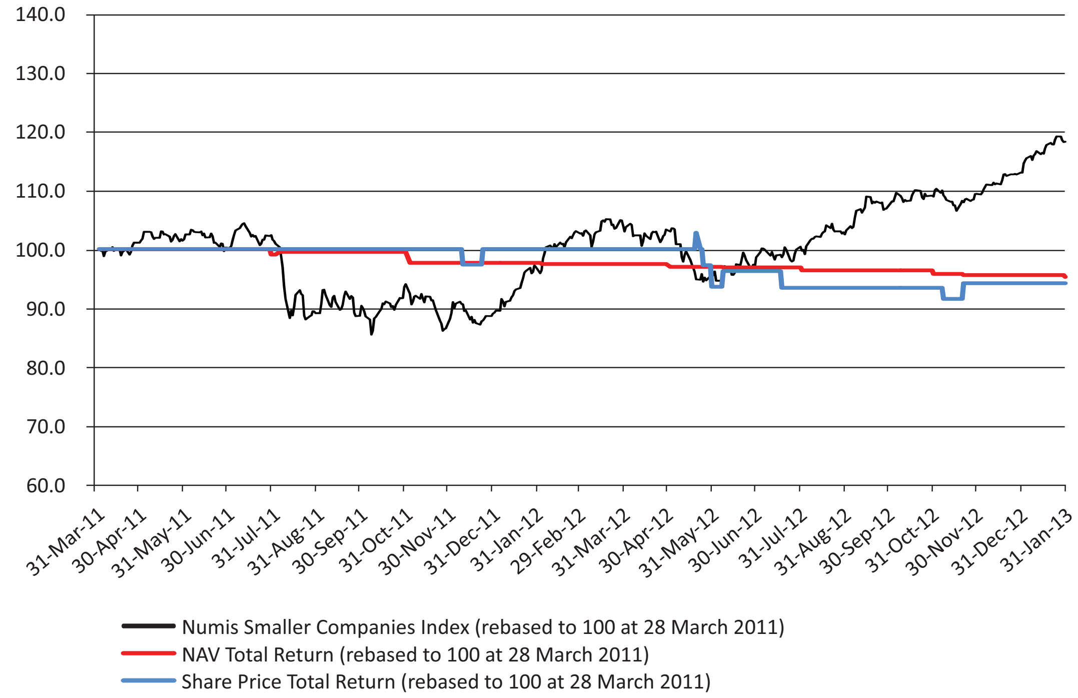
Director	2013 £	2012 £
Peter Hewitt	12,500	15,625
Robin Chamberlayne	10,000	12,500
	22,500	28,125

No other emoluments, pension contributions or life assurance contributions were paid by the Company to, or on behalf of, any Director.

The Company does not have any share options in place and no performance incentive fees are due to the Directors. During the year Beringea waived its entitlement to receive fees, amounting to £10,000 plus VAT, in respect of the provision of the services of Malcolm Moss to the Company as a non-executive director.

Performance graph

The chart below represents the Company's Ordinary Share performance over the reporting periods since launch of the share classes on 28 March 2011 and compares the net asset value total return and share price total return to the Numis Smaller Companies Index (excluding investment companies) ("Numis"). The Company's net asset value total return is calculated as the net asset value with dividends reinvested at the net asset value prevailing on the date the dividends were paid. The Company's Ordinary Share price total return is calculated as mid market share price with dividends reinvested at the mid market price prevailing on the date the dividends were paid. The graph does not take into account the initial tax benefits on subscription received by Shareholders. There are no options, issued or exercisable, in the Company which would distort the graphical representation below. Numis is not considered to be a benchmark for the Company but has been selected as it is considered to be the most relevant publicly available index. The series has been rebased to 100 at 28 March 2011.



By order of the Board

Beringea LLP
Secretary
39 Earlham Street
London WC2H 9LT

28 May 2013

Independent Auditors' Report to the Members of ProVen Planned Exit VCT plc

We have audited the financial statements of Proven Planned Exit VCT plc for the year ended 31 January 2013 which comprise the Income Statement, Reconciliation of Movement in Shareholders' Funds, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement on page 19, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules, we are required to review:

- the directors' statement, on page 26, in relation to going concern;
- the part of the Corporate Governance Statement relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review; and
- certain elements of the report to the Shareholders by the Board on directors' remuneration.

Tracey James (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountant
OXFORD

28 May 2013

Income Statement

for the year ended 31 January 2013

		2013			2012		
	Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income	2	66	–	66	13	–	13
Investment management fees	3	(15)	(44)	(59)	(12)	(37)	(49)
Other expenses	4	(97)	–	(97)	(86)	(9)	(95)
Losses on ordinary activities before tax		(46)	(44)	(90)	(85)	(46)	(131)
Tax on ordinary activities	6	–	–	–	–	–	–
Losses attributable to equity Shareholders		(46)	(44)	(90)	(85)	(46)	(131)
Basic and diluted loss per share	8	(1.0p)	(0.9p)	(1.9p)	(1.9p)	(1.0p)	(2.9p)

All revenue and capital items in the above statement derive from continuing operations. The total column within the Income Statement represents the profit and loss account of the Company.

The Company has no recognised gains or losses other than the results for the year as set out above.

Reconciliation of Movements in Shareholders' Funds

		2013	2012
	Note	£'000	£'000
Opening Shareholders' funds		4,281	–
Proceeds from share issues		–	4,714
Share issue costs		–	(157)
Total recognised losses for the year/period		(90)	(131)
Dividends paid	7	(289)	(145)
Closing Shareholders' funds		3,902	4,281

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

Balance Sheet

as at 31 January 2013

	Note	2013 £'000	2012 £'000
Fixed assets			
Investments	9	1,200	450
Current assets			
Debtors	10	563	10
Investments	11	1,003	380
Cash at bank and in hand	17	1,198	3,523
		2,764	3,913
Creditors: amounts falling due within one year	12	(62)	(82)
Net current assets		2,702	3,831
Net assets		3,902	4,281
Capital and reserves			
Called up Ordinary Share capital	13	5	5
Called up 'A' Share capital	13	7	7
Share premium account	14	–	–
Special distributable reserve	14	4,111	4,400
Capital reserve – realised	14	(90)	(46)
Revenue reserve	14	(131)	(85)
Total equity Shareholders' funds		3,902	4,281
Basic and diluted net asset value per share			
Ordinary Share	15	80.8p	88.7p
'A' Share	15	0.1p	0.1p

These financial statements were approved by the Board of Directors on 28 May 2013 and were signed on its behalf by:

Peter L R Hewitt
Chairman
Company number: 7333086

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

Cash Flow Statement

for the year ended 31 January 2013

	Note	Year ended 31 January 2013 £'000	Period ended 31 January 2012 £'000
Net cash outflow from operating activities	16	(663)	(59)
Capital expenditure:			
Purchase of investments		(1,000)	(450)
Repayment of loan		250	–
Net cash outflow from capital expenditure		(750)	(450)
Equity dividends paid		(289)	(145)
Management of liquid resources:			
Purchase of current investments held as liquidity funds		(623)	(500)
Withdrawal from liquidity funds		–	120
Net cash outflow from liquid resources		(623)	(380)
Net cash outflow before financing		(2,325)	(1,034)
Financing:			
Proceeds from Ordinary Share issues		–	4,707
Proceeds from 'A' Share issues		–	7
Proceeds from Preference Share issues		–	50
Redemption of Preference Shares		–	(50)
Share issue costs		–	(157)
Net cash inflow from financing		–	4,557
(Decrease)/increase in cash	17	(2,325)	3,523

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

Notes to the Accounts

for the year ended 31 January 2013

1. Accounting policies

Basis of accounting

The Company has prepared its financial statements under UK Generally Accepted Accounting Practice ("UK GAAP") and in accordance with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" revised January 2009 ("SORP").

The Company's accounting policies remain unchanged from the prior year. The financial statements are prepared under the historical cost convention except for certain financial instruments measured at fair value.

In accordance with "Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009", issued by the Financial Reporting Council, the Board has assessed the Company's operation as a going concern. The Company has considerable financial resources both at the year end and at the date of this report comprising of cash, liquidity funds and fixed asset investments. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they believe that the Company continues to be a going concern and that it is appropriate to apply the going concern basis in preparing the financial statements.

The Company implements new Financial Reporting Standards ("FRS") issued by the Accounting Standards Board when required.

Presentation of Income Statement

In accordance with the SORP, 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 S274 of the Income Tax Act 2007.

Fixed assets investments

Investments, including equity and loan stock, are designated as "fair value through profit or loss" assets due to investments being managed and performance evaluated on a fair value basis. A financial asset is designated within this category if it is both acquired and managed, with a view to selling after a period of time, in accordance with the Company's documented investment policy. The fair value of an investment upon acquisition is deemed to be cost. Thereafter investments are measured at fair value in accordance with International Private Equity and Venture Capital Valuation Guidelines ("IPEVCVG") issued in September 2009 together with FRS26.

The valuation methodologies used by the Directors for assessing the fair value of unquoted investments are as follows:

- investments are usually retained at cost for an appropriate period following investment, except where a company's performance against plan is significantly below the expectations on which the investment was made in which case a provision against cost is made as appropriate;
- where a company is in the early stage of development it will normally continue to be held at cost, reviewed for impairment on the basis described above;

- where a company is well established after an appropriate period, the investment may be valued by applying a suitable earnings or revenue multiple to that company's maintainable earnings or revenue. The multiple used is based on comparable listed companies or a sector but discounted to reflect factors such as the different sizes of the comparable businesses, different growth rates and the lack of marketability of unquoted shares;
- where a value is indicated by a material arms-length transaction by a third party in the shares of the company, the valuation will normally be based on this, reviewed for impairment as appropriate; and
- where alternative methods of valuation, such as net assets of the business or the discounted cash flows arising from the business are more appropriate, then such methods may be used.

The methodology applied takes account of the nature, facts and circumstances of the individual investment and uses reasonable data, market inputs, assumptions and estimates in order to ascertain fair value. Methodologies are applied consistently from year to year except where a change results in a better estimate of fair value.

Where an investee company has gone into receivership or liquidation, or there is little likelihood of a recovery from a company in administration, the loss on 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 Income Statement except to the extent of any dividends or interest accrued. This is in accordance with the SORP that does not require portfolio investments to be accounted for using the equity method of accounting.

Current asset investments

Current asset investments, which comprise investments in liquidity funds with AAA rating, are held at fair value through profit or loss and are marked-to-market. Liquidity funds are mutual funds that invest in high quality short-term money market instruments enabling investors to access a highly diversified and liquid portfolio. These assets are purchased and redeemed under a contract and the assets are recognised and derecognised on the trade date. These assets are initially measured at fair value which equates to cost and subsequently continue to be valued at fair value, being the closing price of the fund as issued by the provider.

Income

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

Interest income is accrued on a time apportioned basis, by reference to the principal outstanding and at the effective interest rate applicable and only where there is reasonable certainty of collection.

Expenses

All expenses are accounted for on an 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 acquisition of an investment are deducted from the Capital Account;
- expenses which are incidental to the disposal of an investment are deducted from the disposal proceeds of the investment; and
- 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 has 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.

Taxation

The tax effects on different items in the Income Statement are allocated between capital and revenue on the same basis as the particular item to which they relate, using the Company's effective rate of tax for the accounting period.

Due to the Company's status as a Venture Capital Trust and the continued intention to meet the conditions required to comply with S274 of the Income Tax Act 2007, no provision for taxation is required in respect of any realised or unrealised appreciation of the Company's investments which arises.

Deferred taxation assets are 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, as 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 accounts.

Cash

Cash, for the purposes of the cash flow statement, comprises cash in hand and deposits repayable on demand.

Debtors

The Company's debtors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Liabilities

The Company's financial liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Issue costs

Issue costs in relation to share issues have been deducted from the share premium account.

2. Income

	2013 £'000	2012 £'000
Income from investments		
Loan stock interest	45	3
Liquidity funds interest	4	1
	49	4
Other income		
Deposit interest	17	9
	66	13

3. Investment management fees

	2013 £'000	2012 £'000
Investment management fees	59	49

Investment management fees are payable to Beringea and are 1.75% per annum of the net assets of the Company, calculated on a quarterly basis. These fees are not subject to VAT.

The annual running costs of the Company for the year are subject to an expenses cap of 3.5% of the Company's net assets, based on the balance sheet date. Annual running costs exceeding the cap are borne by the Investment Manager and its investment management fee is reduced accordingly. The net position, after accounting for the annual running costs cap is therefore disclosed in the table above.

4. Other expenses

	2013 £'000	2012 £'000
Directors' remuneration	23	28
Auditors' remuneration for audit	13	16
Other administrative expenses	61	51
	97	95

5. Directors' remuneration

The Company had no employees (other than Directors) during the year. Directors' remuneration is disclosed in note 4 above and within the Directors' Remuneration Report. No other emoluments or pension contributions were paid by the Company to, or on behalf of any Directors.

6. Tax on ordinary activities

		2013 £'000	2012 £'000
(a)	**Tax charge for the year**		
	UK corporation tax at 20%	–	–
	Charge for the year	–	–
(b)	**Factors affecting tax charge for the year**		
	Return on ordinary activities before taxation	(90)	(131)
	Tax charge calculated on return on ordinary activities before taxation at the applicable rate of 20% (2012: 26.66%)	(18)	(35)
	Effects of:		
	Expenses disallowed for tax purposes	–	2
	Losses available to carry forward	18	33
	Charge for the year	–	–

(c) A deferred tax asset has not been recognised in respect of timing difference relating to excess management expenses carried forward as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £43,000 and would only be recovered were the Company to make sufficient taxable profits in the future.

7. Dividends

	2013 £'000	2012 £'000
Paid in the year		
Interim dividend of 3.0p per Ordinary Share paid on 21 December 2011	–	145
Final dividend of 3.0p per Ordinary Share paid on 6 June 2012	145	–
Interim dividend of 3.0p per Ordinary Share paid on 21 November 2012	144	–
	289	145
Dividends proposed/paid post year end		
Final dividend 3.0p per Ordinary Share payable on 24 July 2013	145	–
Final dividend 3.0p per Ordinary Share payable on 6 June 2012	–	145

8. Loss per share

	Weighted average number of shares in issue	Revenue loss per share (pence)	Revenue loss £'000	Capital loss per share (pence)	Capital loss £'000
Year ended 31 January 2013					
Ordinary Shares	4,818,237	(1.0p)	(46)	(0.9p)	(44)
'A' Shares	7,227,354	–	–	–	–
Year ended 31 January 2012					
Ordinary Shares	4,552,965	(1.9p)	(85)	(1.0p)	(46)
'A' Shares	5,625,410	–	–	–	–

9. Fixed assets – investments

	Unlisted investments £'000
Opening cost at 1 February 2012	450
Gains/(losses) at 1 February 2012	–
Opening fair value at 1 February 2012	450
Movements in the year:	
Purchases at cost	1,000
Loan Repayment	(250)
Closing fair value at 31 January 2013	1,200
Closing cost at 31 January 2013	1,200
Gains/(losses) at 31 January 2013	–
Closing fair value at 31 January 2013	1,200

10. Debtors

	2013 £'000	2012 £'000
Prepayments and accrued income	13	10
Other debtors	550	–
	563	10

Included in other debtors is the amount paid across for the investment in Fjordnet Limited, which was completed on 21 February 2013, as disclosed in note 21.

11. Current investments

	2013 £'000	2012 £'000
HSBC liquidity fund	503	380
Insight liquidity fund	500	–
	1,003	380

12. Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Trade creditors	3	3
Social security and other taxation	3	3
Accruals and deferred income	56	76
	62	82

13. Called up share capital

	2013 £'000	2012 £'000
Allotted, called up and fully-paid		
4,818,237 Ordinary Shares of 0.1p each	5	5
7,227,352 'A' Shares of 0.1p each	7	7
	12	12

Dividends and other distributions or a return of capital (otherwise than on a market purchase by the Company of any of its shares) shall be applied as follows:

- payments will be made as to 99.9% to Ordinary Shareholders and 0.1% to 'A' Shareholders, pro rata to their nominal capital, until and unless the following conditions are met (i) the payment by the Company of a dividend of at least 6p per Ordinary Share per annum in respect of each of the financial years starting on 1 February 2011 to 1 February 2015 and (ii) the payment by way of dividends (including the dividends paid in (i)) and tender offers of at least 100p per Ordinary Share;
- after these conditions have been met, the balance of such amounts shall be applied as 40% to Ordinary Shareholders and 60% to 'A' Shareholders, until total payments to investors reach 124p per £1 invested, after which;
- payments will be made as 99.9% to Ordinary Shares and 0.1% to 'A' Shares.

The Ordinary Shareholders and 'A' Shareholders are entitled to receive notice of, to attend, speak and vote at any general meeting. Every Ordinary Shareholder present in person or by proxy has one thousand votes for each Ordinary Share held. Every 'A' Shareholder present in person or proxy has one vote for each 'A' Share held.

On a winding up, the capital and assets of the Company shall be divided amongst the Ordinary Shareholders and the 'A' Shareholders in accordance with the policy on dividends and other distributions described above.

14. Reserves

	Share premium account £'000	Special distributable reserve £'000	Capital reserve – realised £'000	Revenue reserve £'000	Total £'000
At 1 February 2013	–	4,400	(46)	(85)	4,269
Loss for the year	–	–	(44)	(46)	(90)
Dividend paid	–	(289)	–	–	(289)
At 31 January 2013	–	4,111	(90)	(131)	3,890

The special reserve was created on 24 October 2011 by the cancellation of the share premium account following court approval. The special reserve is available to the Company to enable the purchase of its own shares in the market without affecting its ability to pay capital distributions and for other corporate purposes. The special reserve and revenue reserve are both distributable reserves.

15. Net asset value per share

	2013 Shares in issue	2012 Shares in issue	2013 Pence per share	2012 Pence per share	2013 Net asset value £'000	2012 Net asset value £'000
Ordinary Shares	4,818,237	4,818,237	80.8	88.7	3,895	4,274
'A' Shares	7,227,352	7,227,352	0.1	0.1	7	7
Net assets					3,902	4,281

The Directors allocate the assets and liabilities of the Company between the Ordinary Shares and 'A' Shares such that each share class has sufficient net assets to represent its dividend and return of capital rights as described in note 13.

16. Reconciliation of return on ordinary activities before taxation to net cash flow from operating activities

	2013 £'000	2012 £'000
Return on ordinary activities before taxation	(90)	(131)
Increase in debtors	(553)	(10)
(Decrease)/increase in creditors	(20)	82
Net cash outflow from operating activities and returns on investments	(663)	(59)

17. Analysis of changes in cash during the year

	2013 £'000	2012 £'000
Beginning of year	3,523	–
Net cash outflows/inflows	(2,325)	3,523
End of year/period	1,198	3,523

18. Financial instruments and derivatives

The Company's financial instruments comprise investments measured at fair value through profit or loss, liquidity funds, cash deposits and short term debtors and creditors arising from its operations. The main purpose of these financial instruments is to generate cash flow, revenue and capital appreciation for the Company's operations. The Company has no gearing or other financial liabilities apart from short term creditors and does not use any derivatives.

The company has categorised its financial instruments at fair value through profit and loss using the fair value hierarchy as follows:

Level 1 Reflects financial instruments quoted in an active market (liquidity fund investments);

Level 2 Reflects financial instruments that have prices that are observable either directly or indirectly (no such investments currently held);

Level 3 Reflects financial instruments that are not based on observable market data (unquoted equity investments and loan note investments).

	2013				2012			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Loan notes	–	–	867	867	–	–	417	417
Unquoted investments	–	–	333	333	–	–	33	33
Liquidity funds	1,003	–	–	1,003	380	–	–	380
	1,003	–	1,200	2,203	380	–	450	830

The Company's financial assets and liabilities are summarised as follows:

	2013 £'000	2012 £'000
Financial assets designated as Fair value through profit or loss		
Unquoted investments	867	417
Investments in liquidity funds	1,003	380
Loans and receivables		
Cash and cash equivalents	1,198	3,523
Interest, dividends and other receivables	13	10
Other debtors	550	–
Financial liabilities measured at amortised cost		
Trade creditors	3	3
Social security and other taxation	3	3
Accruals and deferred income	56	76

Interest rate profile of financial assets and liabilities

The Company receives interest on its cash deposits at a rate agreed with its bankers and on liquidity funds at rates based on the underlying investments. A summary of the interest rate profile of the Company's investments is shown below.

There are three categories in respect of interest which are attributable to the financial instruments held by the Company as follows:

- "Fixed rate" assets represent investments held with predetermined yield targets and comprise cash at bank.
- "Floating rate" assets predominantly bear interest at rates linked to Bank of England base rate or LIBOR and comprise cash at bank and liquidity fund investments.
- "No interest rate" assets do not attract interest and comprise receivables (excluding cash at bank) and other financial liabilities.

	Average interest rate	Average period to maturity	2013 £'000	2012 £'000
Fixed rate	4.0%	516 days	2,601	3,920
Floating rate	0.3%	–	1,017	400
No interest rate			284	(39)
			3,902	4,281

The interest rate represents the average interest rate over the year. Based on the assumption that the yield of all floating rate financial instruments would change by an amount equal to the movement in prevailing interest rates, it is estimated that an increase of 1% in interest rates would have increased total return before taxation for the year by £12,000. As the Bank of England Base Rate stood at 0.5% per annum throughout the year, it is not believed that a reduction from this level is likely.

Financial liabilities

The Company had no financial liabilities or guarantees other than the creditors disclosed within the Balance Sheet.

Currency exposure

As at 31 January 2013, the Company had no foreign currency exposures.

Borrowing facilities

The Company had no committed borrowing facilities as at 31 January 2013.

19. Principal financial risks and management objectives

The Company's investment activities expose the Company to a number of risks associated with financial instruments and the sectors in which the Company invests. The principal financial risks arising from the Company's operations are:

- market risks;
- credit risk; and
- liquidity risk.

The Board regularly reviews these risks and the policies in place for managing them. There have been no significant changes to the nature of the risks that the Company is exposed to over the year and there have also been no significant changes to the policies for managing those risks during the year.

The risk management policies used by the Company in respect of the principal financial risks and a review of the financial instruments held at the year end are provided below:

Market risks

As a VCT, the Company is exposed to market risks in the form of potential losses and gains that may arise on the investments it holds. The key market risk to which the Company is exposed is market price risk. The Company has undertaken sensitivity analysis on its financial instruments, split into the relevant component parts, taking into consideration the economic climate at the time of review in order to ascertain the appropriate risk allocation.

Market price risk

Market price risk arises from uncertainty about the future prices of financial instruments held in accordance with the Company's investment objectives. It represents the potential loss that the Company might suffer through changes in the fair value of unquoted investments.

It is not the Company's policy to use derivative instruments to mitigate market risk, as the Board believes that the effectiveness of such instruments does not justify the cost involved.

The sensitivity analysis below assumes that each of the sub categories of financial instruments (ordinary shares, preference shares, loan stocks and liquidity funds) held by the Company produces an overall movement of 20%. Shareholders should note that equal correlation between these sub categories is unlikely to be the case in reality, particularly in the case of loan stock instruments. This is because the loan stock instruments would not share in the impact of any increase in share prices to the same extent as the equity instruments, as the returns are set by reference to interest rates and premiums agreed at the time of the initial investment. Similarly, where share prices are falling, the equity instrument could fall in value before the loan stock instrument. It is not considered practical to assess the sensitivity of the loan stock instruments to market price risk in isolation.

Sensitivity	2013 – 20% fall			2012 – 20% fall		
	Risk exposure £'000	Impact on net assets £'000	Impact on NAV per Ordinary Share Pence	Risk exposure £'000	Impact on net assets £'000	Impact on NAV per Ordinary Share Pence
Venture capital investments	1,200	(240)	(4.9p)	450	(90)	(1.9p)
Liquidity fund	1,003	(201)	(4.1p)	380	(76)	(1.5p)
	2,203	(441)	(9.0p)	830	(166)	(3.4p)

Credit risk

Credit risk is the risk that a counterparty to a financial instrument is unable to discharge a commitment made under that instrument. The Company is exposed to credit risk through its holdings of investments in loan stock, liquidity funds, cash deposits and debtors.

The Company's exposure to credit risk is summarised as follows:

	2013 £'000	2012 £'000
Investments in loan stock	867	417
Investments in liquidity funds	1,003	380
Cash and cash equivalents	1,198	3,523
Interest, dividends and other receivables	563	10
	3,631	4,330

Credit risk in respect of loan stock is managed with a similar approach as described under 'market risks' above.

Credit risk in respect of the investment in liquidity funds is minimised by investing in AAA-rated funds.

Cash is mainly held by HSBC Bank plc and Natwest Bank plc which are AA- and AA rated financial institutions respectively. Consequently, the Directors consider that the risk profile associated with cash deposits is low.

Liquidity risk

Liquidity risk is the risk that the Company encounters difficulties in meeting obligations associated with its financial liabilities. As the Company only ever has a low level of creditors and no borrowings, the Board believes that the Company's exposure to liquidity risk is minimal, given the current large cash balance.

20. Management of capital

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to continue to provide returns for Shareholders.

The requirement of the Venture Capital Trust Regulations and the fact that the Company does not have any borrowings mean that there is limited scope to manage the Company's capital structure. However, to the extent it is possible; the Company can maintain or adjust its capital structure by adjusting the amount of dividends paid to Shareholders, purchasing its own shares or issuing new shares.

As the Company has a low level of liabilities, the Board considers the Company's net assets to be its capital. The Company does not have any externally imposed capital requirements.

21. Post balance sheet events

Two VCT qualifying investments totalling £1.05 million were completed after the year end.

On 21 February 2013, an investment of £550,000, comprising £55,000 in ordinary shares and £495,000 in loan stock, was made in Fjordnet Limited.

Fjordnet was acquired by Accenture Holdings B.V., a subsidiary of Accenture (NYSE: ACN) on 22 May 2013. This resulted in the full repayment of the loan notes and generated a small profit for the Company.

On 22 May 2013, an investment of £500,000, comprising £150,000 in ordinary shares and £350,000 in loan stock, was made in Campden Media.

22. Contingencies, guarantees and financial commitments

At 31 January 2013, the Company had no contingencies, guarantees or financial commitments.

23. Controlling party and related party transactions

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

24. Transactions with Investment Manager

Beringea LLP, of which Malcolm Moss is a partner, acted as promoter to the offers for subscription launched in November 2010. Beringea LLP received 5.5% of the gross proceeds of the offers, out of which it paid the costs of the offers including initial commissions. No issue costs were outstanding at the year end. Beringea LLP was also the investment manager and administrator during the year. The fees relating to these services amounted to £59,000, of which £21,000 was outstanding at the year end.

Shareholder Information

Share price

The Company's share prices can be found on various financial websites, including the London Stock Exchange (www.londonstockexchange.com) with the following TIDM/EPIC codes:

	Ordinary Shares	'A' Shares
TIDM/EPIC code	PPE	PPEA
Latest share price (28 May 2013)	85.0p per share	0.1p per share

Financial calendar

June 2013	Release of interim management statement to 30 April 2013
17 July 2013	Annual general meeting
24 July 2013	Payment of final dividend (subject to shareholder approval)
September 2013	Announcement of half yearly results to 31 July 2013
December 2013	Release of interim management statement to 31 October 2013
April 2014	Announcement of full year results and release of annual report to 31 January 2014

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 therefore be directed to the Company's registrar, Computershare Investor Services plc, on 0870 707 1657 (calls charged at national rate), or by writing to them at The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ.

Selling shares

The Company's shares can be bought and sold in the same way as any other company listed on the London Stock Exchange using a stockbroker. Shareholders are advised to seek advice from their tax adviser, before selling shares. The Company currently operates a policy of buying its own shares for cancellation as they become available. Any shareholder wishing to sell their shares should contact Beringea LLP, the Company Secretary, on **020 7845 7820**.

Unsolicited calls to shareholders

We are aware of cases of Shareholders in other VCTs having received unsolicited phone calls, e-mails or correspondence concerning investment matters. Please note that it is very unlikely that the Company, Beringea or the Company Registrar, Computershare Investor Services plc, would make unsolicited telephone calls, or send e-mails, to Shareholders. Shareholders can, however, expect official documentation in connection with the Company and may receive details of investment activity and new VCT offers from the Investment Manager. Furthermore, please be assured that the Company limits access to its share register to the maximum extent permissible under the Companies Act 2006. If you receive either an unexpected phone call or correspondence about which you have concerns, please contact Beringea LLP, the Company Secretary, on **020 7845 7820**.

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, Computershare Investor Services plc, under the signature of the registered holder.

Websites

Latest financial information, including information on recent investment transactions, newsletters and electronic copies of Annual Reports, Half-Yearly Reports and Interim Management Statements can be found on the Investment Manager's website: www.provenvcts.co.uk. Shareholders can also check details of their shareholdings using Computershare Investor Services plc's website www.investorcentre.co.uk. Please note that to access this facility investors will need to quote the reference number shown on their share/dividend certificate.

Company Information

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Robin Chamberlayne
Malcolm Moss
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Notice of the Annual General Meeting

of ProVen Planned Exit VCT plc

NOTICE IS HEREBY GIVEN that the Annual General Meeting of ProVen Planned Exit VCT plc (“the Company”) will be held at 39 Earlham Street, London WC2H 9LT at 3.00 pm on 17 July 2013 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 31 January 2013 together with the report of the Auditor thereon.
2. To approve the Directors’ Remuneration Report.
3. To approve the payment of a final dividend of 3.0p per Ordinary Share.
4. To re-appoint Grant Thornton UK LLP as Auditor 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.
5. To re-elect as Director, Peter Hewitt, who retires and, being eligible, offers himself for re-election.
6. To re-elect as Director, Robin Chamberlayne, who retires and, being eligible, offers himself for re-election.
7. To re-elect as Director, Malcolm Moss, 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

8. That, in substitution for all existing authorities, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the “Act”) to exercise all the powers of the Company to allot

   (i) Ordinary Shares of 0.1p each in the capital of the Company (“Ordinary Shares”), or to grant rights to subscribe for, or to convert any securities into Ordinary Shares, up to aggregate maximum nominal amount of £481.82 (representing approximately 10% of the Ordinary Share capital in issue at today’s date); and

   (ii) ‘A’ Shares of 0.1p each in the capital of the Company (“‘A’ Shares”),, or to grant rights to subscribe for, or to convert any securities into ‘A’ Shares, up to a maximum nominal amount of £722.73 (representing approximately 10% of the ‘A’ Share capital in issue at today’s date);

   this authority to expire at the earlier of the conclusion of the Company’s next annual general meeting, or on the expiry of 15 months following the passing of this resolution (unless previously revoked, varied or extended by the Company in a general meeting), but so that this authority shall allow the Company to make before the expiry of this authority, offers or agreements which would or might require shares to be allotted or rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant rights pursuant to any such offers or agreements as if this authority had not expired.

Special Resolutions

9. That, conditional upon the passing of Resolution 8 set out in this Notice, in substitution for any existing authority, but without prejudice to the exercise of any such power prior to the date hereof, the Directors be and are hereby empowered, during the year commencing on the passing of this resolution and expiring at the conclusion of the Company's next annual general meeting, or on the expiry of 15 months following the passing of this resolution, whichever is the earlier (unless previously revoked, varied or extended by the Company in a general meeting), to allot or make offers or agreements to allot equity securities (as defined in Section 560(1) of the Act) for cash pursuant to the authority conferred by Resolution 8 above, as if Section 561(1) of the Act did not apply to any such allotment but so that this authority shall allow the Company to make offers or agreements before the expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the powers conferred hereby had not so expired.

10. That, in substitution for existing authorities, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares and 'A' Shares provided that:

    (i) the maximum number of Ordinary Shares hereby authorised to be purchased shall not exceed 722,254 Ordinary Shares and the maximum number of 'A' Shares hereby authorised to be purchased shall not exceed 1,083,380 'A' Shares;

    (ii) the minimum price which may be paid for an Ordinary Share and/or an 'A' Share is 0.1p, exclusive of all expenses, being the nominal amount thereof;

    (iii) the maximum price which may be paid for an Ordinary Share and/or 'A' Share is the higher of (1) an amount, exclusive of all expenses, equal to 105% of the average of the middle market quotations for the Ordinary Shares and/or 'A' Shares as derived from the Daily Official List of the London Stock Exchange, for each of the five business days immediately preceding the day on which the Ordinary Share and/or 'A' Share is contracted to be purchased, and (2) the amount stipulated by Article 5(1) of the Buyback and Stabilisation Regulation (EC No. 2273/2003); and

    (iv) the Company may validly make a contract to purchase Ordinary Shares and/or 'A' Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may validly make a purchase of Ordinary Shares and/or 'A' 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

Beringea LLP
Secretary
Registered Office:
39 Earlham Street
London WC2H 9LT
28 May 2013

Information regarding the Annual General Meeting, including the information required by section 311A of the Companies Act 2006 (the "Act"), is available from www.provenvcts.co.uk.

Notes

(a) Any member of the Company entitled to attend and vote at the Annual General Meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of that member. A member may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company but must attend the Annual General Meeting in order to represent his appointer. A member entitled to attend and vote at the Annual General Meeting may appoint the Chairman or another person as his proxy although the Chairman will not speak for the member. A member who wishes his proxy to speak for him should appoint his own choice of proxy (not the Chairman) and give instructions directly to that person. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in these Notes. Please read Note (h) below. Under section 319A of the Act, the Company must answer any question a member asks relating to the business being dealt with at the Annual General Meeting unless:

- answering the question would interfere unduly with the preparation for the Annual General Meeting or involve the disclosure of confidential information;
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the Annual General Meeting that the question be answered.

(b) To be valid, a Form of Proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to Beringea LLP, 39 Earlham Street, London WC2H 9LT or electronically at proxy@beringea.co.uk, in each case not less than 48 hours (excluding weekends and public holidays) before the time appointed for holding the Annual General Meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote. In the case of a poll taken more than 48 hours (excluding weekends and public holidays) after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours (excluding weekends and public holidays) before the time appointed for taking the poll, or where the poll is taken not more than 48 hours (excluding weekends and public holidays) after it was demanded, be delivered at the meeting at which the demand is made.

(c) In order to revoke a proxy instruction a member will need to inform the Company using one of the following methods:

- by sending a signed hard copy notice clearly stating the intention to revoke the proxy appointment to ProVen Planned Exit VCT plc, 39 Earlham Street, London WC2H 9LT. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- by sending an e-mail to proxy@beringea.co.uk.

In either case, the revocation notice must be received by ProVen Planned Exit VCT plc before the Annual General Meeting or the holding of a poll subsequently thereto. If a member attempts to revoke his or her proxy appointment but the revocation is received after the time specified then, subject to Note (d) directly below, the proxy appointment will remain valid.

(d) Completion and return of a Form of Proxy will not preclude a member of the Company from attending and voting in person. If a member appoints a proxy and that member attends the Annual General Meeting in person, the proxy appointment will automatically be terminated.

(e) Copies of the Directors' Letters of Appointment and the Register of Directors' interests in the Ordinary Shares and 'A' Shares 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.

(f) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those holders of the Company's shares registered on the Register of Members of the Company as at 3.00 pm on 15 July 2013 or, in the event that the Annual General Meeting is adjourned, on the Register of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the said Annual General Meeting in respect of such shares registered in their name at the relevant time. Changes to entries on the Register of Members after 3.00 pm on 15 July 2013 or, in the event that the Annual General Meeting is adjourned, on the Register of Members less than 48 hours before the time of any adjourned meeting, shall be disregarded in determining the right of any person to attend and vote at the Annual General Meeting.

(g) On 28 May 2013, the Company's issued share capital comprised 4,818,237 Ordinary Shares and 7,227,354 'A' Shares. In accordance with the Company's Articles of Association, each Ordinary Share carries one thousand votes and therefore the voting rights of the Ordinary Shares are 4,818,237 and each 'A' Share carries one vote and therefore the total voting rights of the 'A' Shares are 7,227,354.

(h) If you are a person who has been nominated under section 146 of the Act to enjoy information rights ("Nominated Person"):

- You may have a right under an agreement between you and the member of the Company who has nominated you to have information rights ("Relevant Member") to be appointed or to have someone else appointed as a proxy for the Annual General Meeting;
- If you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights;
- Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

(i) A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

(j) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Annual General Meeting.

(k) Except as provided above, members who have general queries about the Annual General Meeting should write to the Chairman at the registered office set out above.

(l) Members may not use any electronic address provided either in this notice of Annual General Meeting, or any related documents (including the Chairman's letter and Form of Proxy), to communicate with the Company for any purposes other than those expressly stated.

FORM OF PROXY – ProVen Planned Exit VCT Plc

For use at the Annual General Meeting of the above-named Company to be held on 17 July 2013 at 39 Earlham Street, London WC2H 9LT at 3.00 pm

I/We*____ (in BLOCK CAPITALS please)

of ____

being the holder(s)* of Ordinary Shares/'A' Shares of 0.1p each in the above-named Company, hereby appoint the Chairman of the meeting (see notes 1 and 2)

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 17 July 2013 at 3.00 pm 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.

ORDINARY BUSINESS	FOR	AGAINST	WITHHELD
1. To receive and adopt the Directors' Report and Accounts.			
2. To approve the Directors' Remuneration Report.			
3. To approve the payment of a final dividend.			
4. To re-appoint the Auditor and authorise the Directors to determine their remuneration.			
5. To re-elect Peter Hewitt as a Director.			
6. To re-elect Robin Chamberlayne as a Director.			
7. To re-elect Malcolm Moss as a Director.			

SPECIAL BUSINESS

8. To authorise the Directors to allot shares.			
9. To authorise the Directors to dis-apply pre-emption rights.			
10. To authorise the Company to make market purchases of its shares.			

Dated this ______________________ day of ______________________ 2013

Signature(s)* ______________________ / ______________________

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting is also entitled to appoint one or more proxies to attend, speak and vote instead of that member. A member may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company but must attend the Meeting in order to represent his appointer. A member entitled to attend and vote at the Meeting may appoint the Chairman or another person as his proxy although the Chairman will not speak for the member. A member who wishes his proxy to speak for him should appoint his own choice of proxy (not the Chairman) and give instructions directly to that person.
2. Delete "the Chairman of the meeting" if it is desired to appoint any other person and insert his or her name and address. If no name is inserted, the proxy will be deemed to have been given in favour of the Chairman of the meeting. If this Form of Proxy is returned without stating how the proxy shall vote on any particular matter the proxy will exercise his discretion as to whether, and if so how, he votes.
3. Any alterations to the Form of Proxy should be initialled.
4. To be valid, a Form of Proxy and the power of attorney or other written authority, if any, under which it is signed or an office or notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power and written authority, must be delivered to ProVen Planned Exit VCT plc, 39 Earlham Street, London WC2H 9LT or electronically at proxy@beringea.co.uk, in each case not less than 48 hours (excluding weekends and public holidays) before the time appointed for holding the Annual General Meeting or adjourned meeting at which the person named in the Form of Proxy proposes to vote. In the case of a poll taken more than 48 hours (excluding weekends and public holidays) after it is demanded, the document(s) must be delivered as aforesaid not less than 24 hours (excluding weekends and public holidays) before the time appointed for taking the poll, or where the poll is taken not more than 48 hours (excluding weekends and public holidays) after it was demanded, be delivered at the meeting at which the demand is made.
5. In the case of a corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised on that behalf.
6. In the case of joint holders, the vote of the senior holder tendering a vote will be accepted to the exclusion of the votes of the other joint holders. Seniority depends on the order in which the names stand in the register of members.
7. The completion and return of this Form of Proxy will not preclude you from attending and voting at the Meeting should you subsequently decide to do so. If a member appoints a proxy and that member attends the Meeting in person, the proxy appointment will automatically be terminated.
8. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the proxy will vote or abstain from voting at his or her discretion. The proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.

* Delete as appropriate