



Ventus VCT plc

Half-yearly Financial Report

for the six month period ended 31 August 2012



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Ventus VCT plc invests in companies that develop, construct and operate renewable energy projects.

I am pleased to present the financial report of Ventus VCT plc (the "Company") for the six month period ended 31 August 2012.

The period has seen significant uplifts in the net asset value of both of the Company's share funds. After payment of the final dividends for the year ended 29 February 2012, the NAV per ordinary share increased by 3.5p and the NAV per "C" share increased by 12.5p.

The ordinary share fund has a portfolio of six companies with operational wind farms which are generating strong cash yields in the form of dividends and interest payments on shareholder loans.

The "C" share fund's portfolio now includes two companies with operating wind farms, a company with a wind farm in construction and four other companies developing wind farms.

In the Company's most recent annual report, which was published on 31 May 2012, the Directors set out their intentions and objectives with respect to future dividends. The Directors stated their intention to pay a minimum annual dividend of 5p per ordinary share for the next three years and an annual dividend of 3p to 4p per share per "C" share for the next two years. The directors affirm these intentions and believe that, for the year ending 28 February 2013, the Company will be in a position to pay full-year dividends in line with the statements in the most recent annual report, that is, at least 5p per ordinary share and at least 3p per "C" share. It should be stressed that these are intentions only, and no forecasts are intended or are to be inferred.

The "C" share fund has approximately £2.6 million of cash available to be invested. The Investment Manager has identified suitable

investments to invest these funds and expects the "C" share fund to be substantially invested by the end of the financial year.

Net Asset Value, Results and Dividend - Ordinary Shares

At the period end, the net asset value of the ordinary share fund of the Company stood at £18,573,000 or 113.9p per ordinary share. The revenue profit attributable to ordinary shareholders for the period was £380,000 or 2.32p per ordinary share. The capital gain attributable to ordinary shareholders for the period was £414,000 or 2.54p per ordinary share, resulting in a net gain attributable to ordinary shareholders for the period of £794,000 or 4.86p per ordinary share.

The value of investments held at 31 August 2012 in the ordinary share fund was £17,970,000 compared to £17,173,000 at 29 February 2012. The Investment Manager's report gives details of investments made during the period, together with information about the valuation of all investee company holdings within the portfolio.

The income generated in the ordinary share fund during the period comprised interest earned on loan stock and cash deposits and dividends from investee companies. The total income in the ordinary share fund for the six months to 31 August 2012 was £614,000 compared to £475,000 for the six months to 31 August 2011. The increase in income was attributable to increased dividends from investee companies.

The Company has declared an interim dividend of 2.50p per ordinary share which will be paid on 16 January 2013 to all ordinary shareholders on the register as at the close of business on 14 December 2012.

Net Asset Value, Results and Dividend – "C" Shares

At the period end, the net asset value of the "C" share fund of the Company stood at £11,793,000 or 104.1p per "C" share. The revenue profit attributable to "C" shareholders for the period was £137,000 or 1.20p per "C" share. The capital gain attributable to "C" shareholders for the period was £1,389,000 or 12.26p per "C" share, resulting in a net gain attributable to "C" shareholders for the period of £1,526,000 or 13.46p per "C" share.

The value of investments held at 31 August 2012 in the "C" share fund was £8,483,000 compared to £8,183,000 at 29 February 2012.

The income generated in the "C" share fund during the period comprised interest and fees earned on loan stock and cash on deposit. The total income in the "C" share fund for the six months to 31 August 2012 was £275,000 compared to £210,000 for the six months to 31 August 2011. The increase in income resulted from recognition of a facility fee of £90,000 on a short-term loan, offset by a reduction in interest income resulting from loan investments having been repaid during the period.

**Key Performance Indicators
Results and dividends**

For the six month period ended 31 August 2012	Ordinary Shares		"C" Shares		Total £000
	£000	Pence per share ¹	£000	Pence per share ¹	
Revenue profit attributable to equity shareholders	380	2.32	137	1.20	517
Capital gain/(loss) attributable to equity shareholders	414	2.54	1,389	12.26	1,803
Net profit attributable to equity shareholders	794	4.86	1,526	13.46	2,320
Dividends paid during the period	(285)	(1.75)	(113)	(1.00)	(398)
Total movement in equity shareholders' funds	509	3.11	1,413	12.46	1,922
		%		%	%
On-going charges ratio ²		3.32%		3.20%	3.27%

As at 31 August 2012	Ordinary Shares		"C" Shares		Total £000
	£000	Pence per share ³	£000	Pence per share ³	
Net asset value	18,573	113.9	11,793	104.1	30,366
Total shareholder return ⁴	21,922	135.7	12,019	106.1	33,941

1 The "per share" value is determined in respect of the weighted average number of shares in issue during the period, except in respect of the dividends paid in the period, which is determined on the basis of the number of shares eligible to receive dividends at the time the dividends were paid.

2 The on-going charges ratio represents the total operating expenditure during the period (excluding irrecoverable VAT, investment costs and tender costs) as a percentage of the net asset value of the Company at period end.

3 The "per share" value is determined in respect of the number of shares in issue at the period end, except in respect of the dividends paid, which is determined on the basis of the number of shares eligible to receive dividends at the time the dividends were paid.

4 The total shareholder return represents the net asset value of the Company at the period end plus the cumulative dividends paid by the Company since incorporation.

The Company has declared an interim dividend of 1.20p per "C" share which will be paid on 16 January 2013 to all "C" shareholders on the register as at the close of business on 14 December 2012.

The Company's Investment Manager, Temporis Capital LLP, continues to be actively engaged in managing the portfolio of existing investments and in identifying and negotiating potential investment opportunities to invest the share capital that has been raised. The investments

made, constitute the important events of the period.

The performance of the Company is reviewed in the Investment Manager's Report, including the Company's compliance with HM Revenue & Customs ("HMRC") Venture Capital Trust ("VCT") regulations. The Company's prospects are considered in the UK Market Outlook section of the Investment Manager's Report.

Investments

As at 31 August 2012 the ordinary share fund of the Company held investments in 13 companies, with a total value of £17.97 million. The "C" share fund held investments in eight companies with a total investment value of £8.48 million.

The Investment Manager's Report provides details of the investments held as at 31 August 2012 and transactions made since that date. All investments are structured so as to be treated as qualifying holdings for the purposes of VCT regulations, unless otherwise stated.

Principal Risks and Uncertainties

Under the Financial Services Authority's Disclosure and Transparency Rules, the Directors are required to identify those material risks to which the Company is exposed and take appropriate steps to mitigate those risks. Other than the inherent risks associated with investment activities, which are discussed in the Investment Manager's Report, the risks described below are those which the Directors consider to be material. The Directors do not expect that the risks and uncertainties presented will change significantly over the current financial year.

- > Failure to meet the investment requirements for compliance with HMRC VCT regulations

The Board mitigates this risk by regularly reviewing investment management activity with appropriately qualified advisers and by obtaining pre-approval from HMRC for each qualifying investment.

- > Inadequate control environment at service providers

The Board mitigates this risk by only appointing service providers of a high standing under agreements that set out their responsibilities and by obtaining assurances from them that all exceptions have been reported to the Board. In addition, the Board has appointed an independent internal auditor, Roffe Swayne, to report directly to the

Board in respect of the Company's internal controls undertaken by the Investment Manager.

- > Non-compliance with the Listing Rules of the Financial Services Authority, Companies Act legislation, HMRC VCT regulations and other applicable regulations

The Board mitigates this risk by employing external advisers fully conversant with applicable statutory and regulatory requirements who report regularly to the Board on the Company's compliance.

- > Reliance on the UK Government's continued support for the renewable energy sector

The future level of Government-mandated support for renewables has important implications for the industry and could impact the value of investments the Company has made in companies developing renewable projects. However, the Directors believe that any future reductions in renewable energy tariffs should not impact any existing investments in companies operating renewable energy assets, as the UK Government has a consistent history of grandfathering financial support mechanisms for existing projects.

VCT Qualifying Status

The Company retains PricewaterhouseCoopers LLP to review its compliance with VCT regulations. The Directors are satisfied that the Company has continued to fulfil the conditions for maintaining VCT status.

Responsibility Statement

The Directors acknowledge responsibility for the interim results and approve this half-yearly report. The Directors confirm that to the best of their knowledge:

- (a) the condensed financial statements have been prepared in accordance with International Accounting Standard 34 ("IAS 34") *Interim Financial Reporting* and give a true and fair view of the assets, liabilities, financial position and profit of the Company as required by Disclosure and Transparency Rule ("DTR") 4.2.4R;
- (b) the interim management report, included within the Chairman's Statement and Investment Manager's Report, includes a fair review of the information required by DTR 4.2.7R, being the significant events of the first half of the year and the principal risks and uncertainties for the remaining six months of the year; and
- (c) the financial statements include a fair review of related party transactions and changes thereto, as required by DTR 4.2.8R.

The Responsibility Statement has been approved by the Board.

David Pinckney

Chairman

29 October 2012

Temporis Capital LLP, the Company's Investment Manager, presents its review of the investment activities of the Company since the last annual report.

Ordinary share portfolio

A summary of the ordinary share fund's investment valuations as at 31 August 2012 and gains and losses during the six months ended 31 August 2012 is given below.

Ordinary Shares	Voting rights as at 31 August 2012 %	Investment value			Investment cost			Gain/(loss) in the six months to 31 August 2012 £000	Investment value Total as at 29 February 2012 £000	Investment cost Total as at 29 February 2012 £000
		Shares as at 31 August 2012 £000	Loans as at 31 August 2012 £000	Total as at 31 August 2012 £000	Shares as at 31 August 2012 £000	Loans as at 31 August 2012 £000	Total as at 31 August 2012 £000			
Operational wind										
Fenpower Limited	Q 33.33%	2,539	1,668	4,207	308	1,734	2,042	156	4,077	2,069
Craig Wind Farm Limited*	Q 37.50%	2,634	1,037	3,671	1,079	1,014	2,093	60	3,611	2,093
A7 Greendykeside Limited	Q 50.00%	1,508	645	2,153	916	620	1,536	102	2,051	1,536
Achairn Energy Limited*	Q 8.50%	512	284	796	203	260	463	23	773	463
A7 Lochhead Limited*	Q 30.00%	964	187	1,151	820	180	1,000	(13)	1,164	1,000
Greenfield Wind Farm Limited*	PQ 8.35%	638	738	1,376	334	668	1,002	374	1,002	1,002
Operational companies in the wind sector										
Broadview Energy Limited*	Q 12.80%	2,597	-	2,597	750	-	750	-	2,597	750
Firefly Energy Limited*	Q 50.00%	-	1,252	1,252	200	1,440	1,640	(142)	1,394	1,640
Operational landfill gas										
Redimo LFG Limited*	Q 50.00%	-	-	-	2,000	-	2,000	-	-	2,000
Development and pre-planning										
Redeven Energy Limited ** *	40.00%	112	282	394	-	394	394	-	390	390
Spurlens Rig Wind Limited *	40.00%	-	21	21	116	46	162	-	21	162
Eye Wind Power Limited*	50.00%	352	-	352	352	-	352	-	-	-
Wind Power Renewables Limited*	32.00%	-	-	-	-	-	-	(13)	93	248
Olgrinmore Limited*	11.80%	-	-	-	46	-	46	-	-	46
Total		11,856	6,114	17,970	7,124	6,356	13,480	547	17,173	13,399

Q Investment complies with VCT regulations on qualifying holdings.

PQ Part of the investment complies with VCT regulations on qualifying holdings.

* A company in which the ordinary share fund of Ventus 2 VCT plc has also invested. The Company and Ventus 2 VCT plc are managed by Temporis Capital LLP.

** Through development funding agreements entered into by Redeven Energy Limited, the Company holds the right to invest in companies which hold lease options on three sites for which Redeven Energy Limited has obtained planning permission (further details are presented below). The value of the ordinary share fund's investments includes the value attributed to Redeven Energy Limited, which derives from the value of the investment rights attached to the development funding agreements.

During the six months ended 31 August 2012, the Company's ordinary share fund advanced net new funds of £240,000 to acquire a 50% shareholding in Eye Wind Power Limited. As part of this transaction, the Company disposed of its entire interest in Wind Power Renewables Limited. This interest consisted of 32% of the ordinary shares of Wind Power Renewables Limited as well as a loan of £92,000 plus

accrued interest of £20,000. The Company's investment in Eye Wind Power Limited is recorded as £352,000, representing the cash advanced plus disposal of the Wind Power Renewables Limited loan (including accrued interest).

Summary of Investments

Details of the valuations of the investments held by the ordinary share fund are shown in the table above.

OPERATIONAL WIND

Companies with single operational wind farms

Each of the following investee companies owns and operates a single wind farm:

	Wind farm capacity (megawatts)	Operational since	Location
Fenpower Limited	10.0	May 2007	Cambridgeshire
Craig Wind Farm Limited	10.0	October 2007	Dumfries and Galloway, Scotland
A7 Greendykeside Limited	4.0	November 2007	Lanarkshire, Scotland
Achairn Energy Limited	6.0	May 2009	Caithness, Scotland
A7 Lochhead Limited	6.0	June 2009	Lanarkshire, Scotland
Greenfield Wind Farm Limited	12.3	March 2011	South Lanarkshire, Scotland

The Company's investments in companies which own an operating wind farm are valued using discounted cash flow models. The values of Fenpower Limited, Craig Wind Farm Limited, A7 Greendykeside Limited and Achairn Energy Limited increased during the six months ended 31 August 2012 primarily because the underlying project debt in each company decreased during the period and the Investment Manager amended the valuation models to reflect a more realistic distribution profile subsequent to full repayment of senior debt. The value of A7 Lochhead Limited was also impacted by these factors but decreased during the six month period because of a change in the profile of the projected cash flows combined with the impact of discounting a shorter period of projected future cash flows at 31 August 2012 than at 29 February 2012. The value of Greenfield Wind Farm Limited increased significantly during the six months ended 31 August 2012 because the investment was still held at cost as at 29 February 2012 and has subsequently been revalued on a discounted cash flow basis in line with the Company's accounting policy which is discussed in more detail below.

Set out below is a brief summary of the performance of the investee companies operating wind farms. All the companies operating wind farms experienced good availability during the six months ended 31

August 2012, however wind speeds were below average, resulting in output across the portfolio being 18% below budget. In the 12-month period ended 31 August 2012, all the wind farms operated by investee companies of the Company produced at least 95% of budgeted output, with an average across the portfolio of 100%. It should be noted that there are considerable lags between the production of electricity of a wind farm operated by an investee company and the ultimate payment of dividends from the investee company to the Company.

Fenpower Limited

The electricity production of Fenpower Limited during the six months ended 31 August 2012 was 84% of budget. The Company received dividends and mezzanine interest cash payments totalling £250,000 from Fenpower Limited in the six months ended 31 August 2012, representing a 12.3% cash yield during the six-month period on the cost of investment. Fenpower Limited repaid £26,000 of the mezzanine loan principal to the Company during the six months ended 31 August 2012 and the value of the Company's investment in Fenpower Limited increased by £156,000 during the period.

Craig Wind Farm Limited

The electricity production of Craig Wind Farm Limited during the six months ended 31 August 2012 was 83% of budget. The Company received dividends and mezzanine interest cash payments totalling £181,000 from Craig Wind Farm Limited in the six months ended 31 August 2012, representing a 8.7% cash yield during the six-month period on the cost of investment. The value of the Company's investment in Craig Wind Farm Limited increased by £60,000 during the six months ended 31 August 2012.

A7 Greendykeside Limited

The electricity production of A7 Greendykeside Limited during the six months ended 31 August 2012 was 87% of budget. The Company received dividends and mezzanine interest cash payments totalling £84,000 from A7 Greendykeside Limited in the six months ended 31 August 2012, representing a 5.5% cash yield during the six-month period on the cost of investment. The value of the Company's investment in A7 Greendykeside Limited increased by £102,000 during the six months ended 31 August 2012.

Achairn Energy Limited

The electricity production of Achairn Energy Limited during the six months ended 31 August 2012 was 78% of budget. The Company received dividends and mezzanine interest cash payments totalling £35,000 from Achairn Energy Limited in the six months ended 31 August 2012, representing a 7.6% cash yield during the six-month period on the cost of investment. The value of the Company's investment in Achairn Energy Limited increased by £23,000 during the six months ended 31 August 2012.

A7 Lochhead Limited

The electricity production of A7 Lochhead Limited during the six months ended 31 August 2012 was 78% of budget. The Company received dividends and mezzanine interest cash payments totalling £119,000 from A7 Lochhead Limited in the six months ended 31 August 2012, representing a 11.9% cash yield during the six-

month period on the cost of investment. The value of the Company's investment in A7 Lochhead Limited decreased by £13,000 during the six months ended 31 August 2012.

Greenfield Wind Farm Limited

Greenfield Wind Farm Limited began exporting electricity to the grid in January 2011 and became fully operational in March 2011. Electricity production during the six months ended 31 August 2012 was 83% of budget. The ordinary share fund of the Company received mezzanine interest cash payments totalling £181,000 from Greenfield Wind Farm Limited in the six months ended 31 August 2012, representing an 18.1% cash yield during the six-month period on the cost of investment. The value of the ordinary share fund's investment in Greenfield Wind Farm Limited increased by £374,000 during the six months ended 31 August 2012 due to a revaluation based on discounted cash flows (the valuation as at 29 February 2012 being at cost). Although Greenfield Wind Farm Limited's wind farm had been operating for over a year as at 29 February 2012, it had not been taken over because there were technical issues which had not been resolved to the satisfaction of the lender's engineer at that date. The take-over was approved by the senior lender's engineer on 30 April 2012. As take-over of Greenfield Wind Farm Limited's wind farm had not occurred as at 29 February 2012, it was not considered appropriate to revalue the investment based on discounted cash flows as at that date. See the discussion of the application of the Company's valuation policy below and in note 1 to the financial statements.

OPERATIONAL COMPANIES IN THE WIND SECTOR

Broadview Energy Limited

Broadview Energy Limited is an independent renewable energy company that develops, constructs and operates wind farms throughout the UK. In May 2012, Broadview completed the sale of two operating wind farms and one wind farm in construction (comprising 25.35 megawatts in total). The consideration received by Broadview Energy Limited for these assets has now been reported in the annual financial statements of Infinis Wind Holdings Limited as £17.4 million including £5.3 million consideration deferred until completion of the wind farm in construction. In addition to the net cash resulting from the sale of these assets and the deferred consideration, Broadview has a development portfolio comprised of two consented project with a total of eight turbines (16 to 24 megawatts in total), two further projects in the planning process (totalling nine turbines and 18 to 27 megawatts) and several other projects at earlier stages of the development process. One of the Broadview Energy Limited's consented projects, Spring Farm Ridge, was approved on appeal in July 2012, however this appeal decision is now facing a legal challenge in the High Court by local residents.

The Company's holding of ordinary shares in Broadview Energy Limited has been valued based on the reported value of the assets sold and the Investment Manager's estimate of the market value of the remaining consented wind energy projects and the development pipeline. The valuation as at 31 August 2012 is unchanged from the valuation at 29 February 2012. See note 1 to the financial statements regarding the inherent material uncertainty of the valuation of Broadview Energy Limited.

As well as the equity investment made by the ordinary share fund, the Company's "C" share fund had two mezzanine loans outstanding at 29 February 2012 to subsidiaries of Broadview Energy Limited, which were repaid in full, including accrued interest, on 4 May 2012. See the discussion of BEGL 2 Limited and BEGL3 Limited below.

Firefly Energy Limited

Firefly Energy Limited is the parent company of a group of trading subsidiaries that have entered into long term power purchase agreements with customers for 41.7 megawatts of generating capacity across five wind farm developments. The five wind farm projects are fully operational and generating revenues. Each of the five power purchase agreements expires on 31 March 2016. Firefly Energy Limited earns a margin on the five long-term power purchase agreements.

The Company has a mezzanine loan investment in Firefly Energy Limited which had a principal amount outstanding at 31 August 2012 of £1,440,000 and which accrues interest at 9% per annum. The loan is valued in the Company's accounts based on the discounted projected future cash flows from the five power purchase agreement on which the company earns a spread, net of projected administration costs. During the six months ended 31 August 2012, the Company recorded a further write down in the value of the loan of £142,000 which constitutes a realised loss. Therefore, as at 31 August 2012, the value of the loan was £1,252,000. The loan, as valued, is projected to be paid off, with interest, by the end of 2016. The Company also holds 50% of the ordinary shares of Firefly Energy Limited (cost of £200,000) which was written down to nil value in the year ended 29 February 2012.

OPERATIONAL LANDFILL GAS

Redimo LFG Limited

Redimo LFG Limited operates four landfill gas electricity generation sites in the north of England. Redimo LFG Limited is not paying dividends to the Company and has been held in the accounts at a nil valuation since late 2010. Given the senior debt commitments of the Redimo LFG Limited's subsidiaries, it is highly unlikely that the Company will recover any part of its investment in Redimo LFG Limited therefore the loss in value in respect of this investment is treated as a realised loss.

DEVELOPMENT AND PRE-PLANNING

The Company holds a development portfolio as the premiums required to acquire consented sites are high and rising. 2012 saw several planning permissions granted which, as the sites are developed and proven, will allow this development premium to be recognised in the value of the developed sites.

Redeven Energy Limited

Through development funding agreements entered into by Redeven Energy Limited, the Company holds investment rights in three companies intending to develop and operate wind farms in East Anglia. Each of the three companies holds a lease option over a site for which planning permission has been sought and received. The planning permissions on the three sites total nine turbines. The Company is working with the three development companies to proceed with the building out of the projects as soon as possible.

Spurlens Rig Wind Limited

Spurlens Rig Wind Limited is the developer of a six-turbine site in the Scottish Borders which was refused for planning in December 2011. There are no plans to appeal the planning refusal, so the proposed six-turbine project is no longer viable. As such, the Company's holding of 60% of the ordinary shares of in Spurlens Rig Wind Limited was written down to £21,000 in the previous financial period and remains at that level as at 31 August 2102. The valuation of Spurlens Rig Wind Limited is equal to the company's net current assets which primarily comprise VAT receivable. The Spurlens Rig development team is reviewing the feasibility of applying for permission to build a smaller project on the same site which might address the reasons for refusal. The amount by which the company's value has been written down is considered to be a realised loss.

Eye Wind Power Limited

On 11 July 2012 the ordinary share funds of the Company and Ventus 2 VCT plc participated in a transaction where each acquired a 50% shareholding in Eye Wind Power Limited, a company which holds a site in Suffolk with planning consent to build a two-turbine, 6 megawatt wind farm. The pre-planning development of this site had been undertaken by Wind Power Renewables Limited, a company in which the Company previously held 32% of the ordinary shares and to which the Company had an outstanding loan of £92,000 plus accrued interest of £20,000. In executing this transaction, the Company advanced net new funds of £240,000 and disposed of its entire interest, both equity and debt, in Wind Power Renewables Limited. The Company and Ventus

2 VCT plc intend to finance Eye Wind Power Limited to allow it to construct and operate the two-turbine wind farm. The investment made in Eye Wind Power Limited prior to the period end is not a qualifying holding for the purposes of the VCT regulations. On 25 October 2012, the Company committed to invest a further £750,000 in ordinary shares of Eye Wind Power Limited and to provide a loan facility of £1,050,000. This further investment has been structured to be a qualifying holding for the purposes of the VCT regulations.

Wind Power Renewables Limited

The Company disposed of its investment in Wind Power Renewables Limited on 11 July 2012 as discussed above.

Olgrinmore Limited

Olgrinmore Limited was a potential two-turbine site in Caithness which was refused in planning and is being held at nil value. The lease option held by Olgrinmore Limited has expired and the directors are taking steps to close down the company and have it struck off the register. The Company's investment in Olgrinmore Limited was written down to nil value in the previous financial period. The amount by which the company's value has been written down is considered to be a realised loss.

INVESTMENT MANAGER'S REPORT

Continued

“C” share portfolio

A summary of the “C” share fund's investment valuations as at 31 August 2012 and gains during the six months ended 31 August 2012 is given below.

“C” Shares		Voting rights as at 31 August 2012 %	Investment value			Investment cost			Gains in the six months to August 2012 £000	Investment value Total as at 29 February 2012 £000	Investment cost Total as at 29 February 2012 £000
			Shares as at 31 August 2012 £000	Loans as at 31 August 2012 £000	Total as at 31 August 2012 £000	Shares as at 31 August 2012 £000	Loans as at 31 August 2012 £000	Total as at 31 August 2012 £000			
Operational wind											
Greenfield Wind Farm Limited*	PQ	12.50%	955	1,104	2,059	500	1,000	1,500	559	1,500	1,500
White Mill Windfarm Limited*	PQ	25.00%	1,765	812	2,577	1,000	673	1,673	904	1,673	1,673
Wind under construction											
AD Wind Farmers Limited*	Q	50.00%	1,000	-	1,000	1,000	-	1,000	-	1,000	1,000
Development and pre-planning											
Ovalau Investments 1 Limited*	Q	50.00%	1,000	-	1,000	1,000	-	1,000	-	1,000	1,000
Ovalau Investments 2 Limited*	Q	50.00%	1,000	-	1,000	1,000	-	1,000	-	1,000	1,000
Iceni Renewables Limited*		50.00%	400	17	417	400	17	417	-	400	400
Blackhaugh Wind Limited*		50.00%	20	-	20	20	-	20	-	-	-
Short-term investments with renewable energy companies											
Renewable Power Systems Limited*		0.00%	-	-	-	-	-	-	-	200	200
BEGL 2 Limited*		0.00%	-	-	-	-	-	-	-	500	500
BEGL 3 Limited*		0.00%	-	-	-	-	-	-	-	500	500
EcoGen Limited*		0.00%	-	410	410	-	410	410	-	410	410
Total			6,140	2,343	8,483	4,920	2,100	7,020	1,463	8,183	8,183

Q Investment complies with VCT regulations on qualifying holdings.

PQ Part of the investment complies with VCT regulations on qualifying holdings.

* A company in which the “C” share fund of Ventus 2 VCT plc has also invested. The Company and Ventus 2 VCT plc are both managed by Temporis Capital LLP.

During the six months ended 31 August 2012, the Company's "C" share fund invested £17,500 in Icen Renewables Limited and has made an initial investment of £20,000 in Blackhaugh Wind Limited. During the period, the Company received payment of £1,200,000 plus accrued interest with respect to short-term investments with renewable energy companies. These short-term investments, in the form of secured loans, had been made in order to generate investment yields for the Company during the "C" share investment period as the wind investment portfolio was developed. The interest on these secured loans has helped defray the "C" share fund's running costs and allowed the Company to pay dividends to holders of "C" shares. There is one remaining short-term investment outstanding, a secured loan to EcoGen Limited in the amount of £410,000 plus accrued interest of 12% per annum. This loan is scheduled for repayment on 31 December 2012.

The Company's "C" share fund has approximately £2.6 million of cash and cash equivalents available to be invested. The Investment Manager has identified suitable investments to invest these funds and expects the "C" share funds to be substantially invested by the end of the current financial year.

OPERATIONAL WIND

Each of the following investee companies owns and operates a single wind farm:

	Wind farm capacity (megawatts)	Operational since	Location
Greenfield Wind Farm Limited	12.3	March 2011	South Lanarkshire, Scotland
White Mill Windfarm Limited	14.35	August 2012	Cambridgeshire

The Company's investments in companies which own an operating wind farm are valued using discounted cash flow models. The values of Greenfield Wind Farm Limited and White Mill Windfarm Limited increased during the six months ended 31 August 2012. Each investment was valued using a discounted cash flow model as at 31 August 2012, whereas at 29 February 2012 each investment was held at cost.

Summary of Investments

Details of the valuations of the investments held by the "C" share fund are shown in the table above.

Greenfield Wind Farm Limited

This investment is held by both the ordinary and "C" share funds and is discussed above. The "C" share fund of the Company received mezzanine interest cash payments totalling £271,000 from Greenfield Wind Farm Limited in the six months ended 31 August 2012, representing an 18.1% cash yield during the six-month period on the cost of investment. The value of the "C" share fund's investment in Greenfield Wind Farm Limited increased by £559,000 during the six months ended 31 August 2012.

White Mill Windfarm Limited

White Mill Windfarm Limited began exporting electricity to the grid in May 2012 and became fully operational in August 2012. The Company did not receive dividends or mezzanine interest cash payments from White Mill Windfarm Limited in the six months ended 31 August 2012. The value of the Company's investment in White Mill Windfarm Limited increased by £904,000 during the six months ended 31 August 2012.

WIND UNDER CONSTRUCTION

AD Wind Farmers Limited

The Company's investment of £1,000,000 in AD Wind Farmers Limited was completed in December 2011. The Company owns 50% of the ordinary share capital of AD Wind Farmers Limited. AD Wind Farmers Limited is an investor in Allt Dearg Wind Farmers LLP, which is constructing a 10.2 megawatt wind farm near Lochgilphead, Scotland. The wind farm will operate 12 Vestas V52 turbines. Construction of the wind farm commenced in December 2011 and is currently on schedule and on budget. The turbines have been erected and the wind farm is scheduled for takeover in December 2012.

DEVELOPMENT AND PRE-PLANNING

Ovalau Investments 1 Limited

Ovalau Investments 2 Limited

In February 2012, the Company invested £1,000,000 in Ovalau Investments 1 Limited and £1,000,000 in Ovalau Investments 2 Limited. These two companies have been established to construct wind farms on identified sites which have planning consent. Ovalau Investments 1 Limited and Ovalau Investments 2 Limited are currently in negotiations with turbine suppliers and civil works contractors in connection with the construction of two wind farms. The development of these sites by the companies is dependent on the outcome of commercial negotiations which have not yet been concluded.

Icen Renewables Limited

Through Icen Renewables Limited, the Company has invested £417,000 for the development of two wind energy development projects in Scotland. The first, named Craigannet, is a six-turbine project which was submitted for planning on 27 January 2012. The other site is known as Merkins and was also submitted for planning on 27 January 2012. Lomond Energy Limited is the development manager of these sites. Determination of both these planning applications is expected before the end of 2012, although further delays are possible. The investment in Icen Renewables

Limited is not a qualifying holding for the purposes of the VCT regulations.

Blackhaugh Wind Limited

During the six months ended 31 August 2012, the Company acquired a 50% interest in Blackhaugh Wind Limited, a company which intends to apply for planning permission to construct a wind farm in the Scottish Borders. The investment in Blackhaugh Wind Limited is not a qualifying holding for the purposes of the VCT regulations.

SHORT-TERM INVESTMENTS WITH RENEWABLE ENERGY COMPANIES

Renewable Power Systems Limited

The loan from the Company's "C" share fund to Renewable Power Systems Limited, which had a balance of £200,000 at 29 February 2012, was repaid in full, along with accrued interest, on 3 August 2012.

BEGL 2 Limited and BEGL 3 Limited

The loans from the Company's "C" shares fund to BEGL 2 Limited and BEGL 3 Limited, which each had a balance of £500,000 at 29 February 2012, were repaid in full, along with accrued interest, on 4 May 2012.

EcoGen Limited

The Company has provided a loan facility of £410,000 to EcoGen Limited, a developer and operator of wind energy projects. This loan, together with a matching loan made by the "C" share fund of Ventus 2 VCT plc, is secured against EcoGen Limited's one third shareholding in Fenpower Limited, a company in which the Company's ordinary share fund holds an investment (please refer to the section in the ordinary share report above for further details).

The loan accrues interest at the rate of 12% per annum. The loan, together with accrued interest, is to be repaid in full no later than 31 December 2012. The loan to EcoGen Limited is not a

qualifying holding for the purposes of the VCT regulations.

Valuation of Investments

It is the accounting policy of the Company to hold its investments at fair value. In this report, the Company's investments in investee companies which operate renewable energy assets are valued using a discounted cash flow methodology, unless material uncertainties exist as to the future receipt of cash flows, in which case an investment is valued at cost subject to an impairment review. In prior periods, the Company had applied its valuation policy in a manner such that investments in companies operating renewable energy assets were valued at cost until a deemed satisfactory period of operations of between six and 18 months had passed. Based on the Company's experience over the past seven years with investee companies developing wind projects, and given that the projects of such investee companies use well-established technology and benefit from manufacturer and contractor warranties, manufacturer performance guarantees and insurance, the Investment Manager and the Board believe that the satisfactory operation of such projects should be determined based on the specific circumstances and that an arbitrary waiting period of six to 18 months is unnecessarily prudent. The impact of the change in application of this policy resulted in unrealised gains of £904,000 reported in the current period.

The key assumptions that have a significant impact on discounted cash flow valuations for these assets are the discount rate used, the price at which the power and associated benefits can be sold, the amount of electricity the investee companies' generating assets are expected to produce and operating costs.

The fair value of the Company's investments in project companies which have not passed an initial satisfactory operational period, or are engaged in seeking planning permission, are determined to be the price of investment subject to a periodic impairment review.

The Company's valuation of its holding in Broadview Energy Limited is discussed above. The Company's valuation policy, including the change to the application of the policy in respect of the time period to determine satisfactory operations, is discussed in more detail in note 1 of the financial statements.

Investment Policy

The Company is focused on investing in companies developing renewable energy projects with installed capacities of two to 20 megawatts, although larger projects may also be considered. Given the target investment size, investments will generally be in companies developing projects initiated by specialist small-scale developers and smaller projects which are not attractive to large development companies and utilities.

Asset Allocation

The Investment Manager seeks to allocate the Company's investments in equity securities and loan stock of companies owning renewable energy projects, primarily wind energy. Up to 10% of net proceeds raised from the initial share offer and the "C" share offer, respectively, may be allocated to development funding for early stage renewable energy projects prior to planning permissions being obtained.

The Company's policy is to maintain cash reserves of at least 5% of net proceeds raised from the initial share offer and the "C" share offer for the purpose of meeting operating expenses and purchasing its shares in the market. Circumstances may arise which would require the Company to hold less than 5% of net proceeds in cash for a limited period of time.

In order to comply with VCT requirements, at least 70% by value of the Company's investments are required to be comprised of qualifying investments.

The Company typically owns 25% to 50% of the equity share capital of each investee company and a portion of its investment in each investee company may be in the form of loan stock.

The Company's uninvested funds are placed on deposit or invested in short-term fixed income securities until suitable investment opportunities are found.

Risk Diversification

The geographical focus of the portfolio is the UK and the majority of investments made to date are in the wind sector. Funds are invested with a range of small-scale independent developers so project risk is not concentrated on only a few developers. The portfolio contains projects at different stages of the asset lifecycle, ranging from pre-planning to construction and then into operation. Investments are made via subscriptions for new share capital, or acquiring existing share capital, or via loan stock instruments in order to secure a negotiated level of return from the project. The majority of investments are made in special purpose companies set up specifically to develop each project and bank debt financing is non-recourse to the Company. The Company intends to continue to have a portfolio concentrated on wind energy assets.

The returns from projects depend on the UK Government's continued support for renewable energy, primarily under the Renewables Obligation and Feed-in Tariff mechanisms. The effects of any negative change to this policy are mitigated by the UK Government's historic practice of grandfathering financial support mechanisms for existing assets. This risk is further mitigated by the Company typically negotiating fixed and/or floor price mechanisms into the power purchase agreements entered into by project companies for the sale of their generated output.

Gearing

The Company does not intend to borrow funds for investment purposes. However the Company is exposed to gearing through its investee companies which typically fund the construction costs of each project through senior bank debt finance. The Investment Manager is involved in

assisting investee companies in negotiating the terms of this finance to ensure competitive terms are achieved. The interest rate is typically fixed via an interest rate swap for the duration of the bank loan so that investee companies are not exposed to changes in market interest rates.

To the extent that borrowing should be required by the Company for any purpose, the Directors shall restrict the borrowings of the Company. The aggregate principal amount at any time outstanding in respect of money borrowed by the Company shall not, without the previous sanction of an ordinary resolution of the Company, exceed a sum equal to 10% of the adjusted share capital and reserves of the Company in accordance with its Articles.

Maximum Exposures

In order to gauge the maximum exposure of the funds to various risks, the following can be used as a guide:

- i) Investments in qualifying holdings
70-95% of the funds will be invested in qualifying holdings no later than three years after the date that provisional approval by HMRC of the Company's status as a VCT becomes effective. The relevant compliance date for the initial share offer was 1 March 2008 and for the first "C" share offer and ordinary share "top-up" offer was 1 March 2012. The relevant compliance date for the second "C" share offer is 1 March 2013.
For the purposes of the 70% qualifying holdings requirement, disposals of qualifying investments for cash may be disregarded for a period of six months. Where a VCT breaches one or more of the requirements due to factors outside of its control, it may apply to HMRC for a determination that the breach will be disregarded for a period of 90 days while the breach is remedied.
- ii) Concentration limits
Under VCT regulations no more than 15% of the Company's total assets should be in a

single investee company at the time the investment is made in that investee company.

- iii) Investments in pre-planning projects

In accordance with the Company's investment policy, a maximum of 10% of the net funds raised from each of the initial share offer and "C" share offer respectively may be invested in pre-planning projects.

VCT Regulations

The Finance Bill 2012, which became law on 19 July 2012, includes measures to increase limits on certain restrictions relating to VCT Qualifying Investments in respect of investments made on or after 6 April 2012. The limit on the number of employees of an investee company has increased from 50 to 250, the limit on gross assets immediately prior to investment has increased from £7 million to £15 million, the limit on gross assets immediately after investment has increased from £8 million to £16 million and the limit on the amount of that can be invested in an individual company in any 12-month period has increased from £2 million to £5 million. The £5 million limit on the amount of funds an investee company can receive in any 12-month period must take into account VCT funding from all sources, as well as EIS investment and other state-aided investment. The Finance Bill 2012 also removed the annual £1 million limit on the amount a VCT can invest in a Qualifying Investment, except where the investee company trades through a partnership or joint venture. Finally, the Finance Bill 2012 has provisions relating to a "disqualifying purpose" test, which will enable HMRC to deny Qualifying Investment status for investments structured specifically in a way to access VCT tax reliefs when the investment would otherwise not have been a Qualifying Investment.

Market Outlook

According to the Department of Energy and Climate Change (DECC), approximately one-fifth of the UK's electricity generating capacity will shut down over the next decade as old coal and

nuclear power stations close. DECC predicts that more than £110 billion in investment is needed to replace this generation capacity and upgrade the grid. In the longer term, by 2050, DECC expects electricity demand to double, as the UK shifts more transport and heating onto the electricity grid. This would likely create upward pressure on wholesale electricity prices in the long term.

Although the renewable energy industry in the UK benefits from the favourable long-term price outlook for electricity, the industry continues to operate in a state of political uncertainty. There is clear disagreement within the governing coalition on how renewable energy policy should be implemented, with a significant group of Conservative MPs, including certain ministers, having expressed public opposition to onshore wind. On the positive side, the Government has consistently re-affirmed the concept that existing projects will always be "grandfathered" with respect to future changes in tariffs. Furthermore, the Scottish Government (where a significant portion of the Company's investments are based) continues to provide strong support for renewables.

In May of this year, the UK Government published legislation for electricity market reform (EMR) and stated that it expects the provisions in the reform package to begin taking effect in 2014. The proposed law is meant to encourage the development of a balanced portfolio of renewable generation capacity, new nuclear generation capacity and carbon capture and storage (CCS) and to ensure that these technologies can compete in the market-place. Many industry observers are sceptical about the timeline for implementation of the reforms or even whether the reforms as set out will be implemented. Recent developments in the nuclear sector have added to uncertainty about the implementation of EMR, as RWE and E.ON have announced their withdrawal from the nuclear sector in the UK, and industry sources estimate that a Government-backed floor price of £120 to £150 per megawatt-hour will be required in order to support new nuclear plant.

In July, the Government confirmed the level of support for new onshore wind projects at 0.9 Renewables Obligation Certificates ("ROCs") per megawatt-hour from 1 April 2013 to 31 March 2014, although the level of ROCs for onshore wind beyond 31 March 2014 will be subject to further consultation. Although the level of ROCs for onshore wind is important for the industry, the level of ROCs for new wind farms does not impact on any existing wind farms operated by the Company's investee companies. The Investment Manager's analysis of any future investments by the Company always take into account the level of ROCs expected to be available for projects operated by investee companies at the time of commissioning. Because the Company's target returns remain unchanged, any future changes in ROC banding for onshore wind will be reflected in the price the Company will pay for investments.

Wholesale electricity prices have been reasonably stable in 2012. The Company has relatively little exposure to short-term wholesale electricity prices, as its investee companies sell their electricity output pursuant to power purchase agreements with wholesale electricity prices that are fixed over the medium term.

Turbine prices (primarily denominated in Euros) have remained relatively stable over the past year. The UK market for turbines has been tight in the past year as developers have rushed to order turbines to be built and commissioned prior to 1 April 2013, when ROCs for onshore wind will be reduced by 10%. Although orders for turbines to be commissioned prior to 1 April 2013 have already been placed, there may well be a further period of tightening in the UK turbine market as developers endeavour to commission projects prior to 1 April 2014, as there is uncertainty as to the level of ROCs for onshore wind beyond that date. (See above for a discussion of the ROC regime for onshore UK wind projects). On the positive side, the recent strength of Sterling against the Euro has been favourable for UK operators acquiring turbines with prices denominated in Euros.

The banking market for renewable energy projects remains challenging. There is limited availability of senior debt finance for renewable energy projects of 5 to 20 megawatts, which is the typical size range for investee companies of the Company. Lending margins and arrangement fees remain very wide by historical standards and banks are unable to lend over the same term as they had previously. Although the debt market has made it more difficult to finance renewable energy projects, the shortage and cost of senior debt has created an opportunity for the Company to invest greater amounts of equity in companies with lower leverage (which has been facilitated by the recent changes in the VCT rules removing the annual £1 million limit on the amount a VCT can invest in a portfolio company). Investments in portfolio companies with lower leverage should reduce the volatility in dividends from those companies compared to the dividends from portfolio companies with higher leverage. Existing investments of the Company are not impacted by the current lending environment for renewable energy projects.

Temporis Capital LLP

Investment Manager

29 October 2012

DIRECTORS AND ADVISERS

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David Williams
Rick Abbott

Company Secretary

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We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six month period 31 August 2012 which comprises the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this 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 for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 1, the annual financial statements of the Company are prepared in accordance with IFRSs as adopted by the

European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting," as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 August 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Emphasis of matter - valuation of investments

We draw attention to note 1 to the condensed set of financial statements which describes the uncertainty related to the valuation of the investment in Broadview Energy Limited. Our opinion is not qualified in respect of this matter.

PKF (UK) LLP
London, UK

29 October 2012

STATEMENT OF COMPREHENSIVE INCOME

for the six month period ended 31 August 2012 (unaudited)

	Note	Ordinary Shares			"C" Shares			Total		
		Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Realised losses on investments	8	-	(154)	(154)	-	-	-	-	(154)	(154)
Net unrealised gains on investments	8	-	701	701	-	1,463	1,463	-	2,164	2,164
Income	2	614	-	614	275	-	275	889	-	889
Investment management fees	3	(56)	(169)	(225)	(33)	(98)	(131)	(89)	(267)	(356)
Other expenses	4	(132)	(4)	(136)	(62)	-	(62)	(194)	(4)	(198)
Profit before taxation		426	374	800	180	1,365	1,545	606	1,739	2,345
Taxation	6	(46)	40	(6)	(43)	24	(19)	(89)	64	(25)
Profit and total comprehensive income for the period attributable to shareholders		380	414	794	137	1,389	1,526	517	1,803	2,320
Return per share:										
Basic and diluted return per share (p)	7	2.32	2.54	4.86	1.20	12.26	13.46			

The Company has only one class of business and derives its income from investments made in the UK.

The total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards as adopted by the European Union. The revenue and capital columns shown above constitute supplementary information prepared under the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" 2009 ("SORP") published by the Association of Investment Companies.

The accompanying notes on pages 23 to 35 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

for the six month period ended 31 August 2011 (unaudited)

	Note	Ordinary Shares			"C" Shares			Total		
		Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Realised losses on investments	8	-	(112)	(112)	-	-	-	-	(112)	(112)
Net unrealised gains on investments	8	-	588	588	-	-	-	-	588	588
Income	2	475	-	475	210	-	210	685	-	685
Investment management fees	3	(56)	(167)	(223)	(33)	(98)	(131)	(89)	(265)	(354)
Other expenses	4	(84)	-	(84)	(61)	(4)	(65)	(145)	(4)	(149)
Profit/ (loss) before taxation		335	309	644	116	(102)	14	451	207	658
Taxation	6	(45)	33	(12)	(23)	20	(3)	(68)	53	(15)
Profit/(loss) and total comprehensive income for the period attributable to shareholders		290	342	632	93	(82)	11	383	260	643
Return per share:										
Basic and diluted return per share (p)	7	1.77	2.09	3.86	0.82	(0.73)	0.09			

The Company has only one class of business and derives its income from investments made in the UK.

The total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards as adopted by the European Union. The revenue and capital columns shown above constitute supplementary information prepared under the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" 2009 ("SORP") published by the Association of Investment Companies.

The accompanying notes on pages 23 to 35 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 29 February 2012 (audited)

	Note	Ordinary Shares			"C" Shares			Total		
		Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000	Revenue £000	Capital £000	Total £000
Realised losses on investments	8	-	(399)	(399)	-	-	-	-	(399)	(399)
Net unrealised gains on investments	8	-	1,612	1,612	-	-	-	-	1,612	1,612
Income	2	867	-	867	442	-	442	1,309	-	1,309
Investment management fees	3	(109)	(326)	(435)	(65)	(194)	(259)	(174)	(520)	(694)
Other expenses	4	(175)	-	(175)	(107)	(65)	(172)	(282)	(65)	(347)
Profit/(loss) before taxation		583	887	1,470	270	(259)	11	853	628	1,481
Taxation	6	(120)	85	(35)	(71)	51	(20)	(191)	136	(55)
Profit/(loss) and total comprehensive income for the period attributable to shareholders		463	972	1,435	199	(208)	(9)	662	764	1,426
Return per share:										
Basic and diluted return per share (p)	7	2.83	5.94	8.77	1.76	(1.85)	(0.09)			

The Company has only one class of business and derives its income from investments made in the UK.

The total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards as adopted by the European Union. The revenue and capital columns shown above constitute supplementary information prepared under the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" 2009 ("SORP") published by the Association of Investment Companies.

The accompanying notes on pages 23 to 35 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

as at 31 August 2012 (unaudited)

	Note	As at 31 August 2012			As at 31 August 2011			As at 29 February 2012		
		Ordinary Shares £000	"C" Shares £000	(unaudited) Total £000	Ordinary Shares £000	"C" Shares £000	(unaudited) Total £000	Ordinary Shares £000	"C" Shares £000	(audited) Total £000
Non-current assets										
Investments	8	17,970	8,483	26,453	16,747	5,533	22,280	17,173	8,183	25,356
Trade and other receivables	9	-	90	90	98	164	262	18	47	65
		17,970	8,573	26,543	16,845	5,697	22,542	17,191	8,230	25,421
Current assets										
Trade and other receivables	9	330	261	591	523	291	814	657	509	1,166
Cash and cash equivalents	10	365	3,044	3,409	287	4,574	4,861	397	1,700	2,097
		695	3,305	4,000	810	4,865	5,675	1,054	2,209	3,263
Total assets		18,665	11,878	30,543	17,655	10,562	28,217	18,245	10,439	28,684
Current liabilities										
Trade and other payables	11	(92)	(85)	(177)	(127)	(49)	(176)	(160)	(59)	(219)
Net current assets		603	3,220	3,823	683	4,816	5,499	894	2,150	3,044
Net assets		18,573	11,793	30,366	17,528	10,513	28,041	18,085	10,380	28,465
Equity attributable to equity holders										
Share capital	12	4,076	2,832	6,908	4,096	2,832	6,928	4,096	2,832	6,928
Capital redemption reserve	12	1,587	-	1,587	-	-	-	-	-	-
Share premium		5,825	7,874	13,699	1,067	7,874	8,941	1,067	7,874	8,941
Special reserve		4,024	-	4,024	10,437	-	10,437	10,437	-	10,437
Capital reserve – realised		(4,494)	(514)	(5,008)	(1,513)	(314)	(1,827)	(4,052)	(440)	(4,492)
Capital reserve – unrealised		7,174	1,463	8,637	3,149	-	3,149	6,318	-	6,318
Revenue reserve		381	138	519	292	121	413	219	114	333
Total equity		18,573	11,793	30,366	17,528	10,513	28,041	18,085	10,380	28,465
Basic and diluted net asset value per share (p)										
	13	113.9	104.1		107.0	92.8		110.4	91.6	

Approved by the Board and authorised for issue on 29 October 2012.

David Pinckney
Director

Ventus VCT plc. Registered No: 05205442

The accompanying notes on pages 23 to 35 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
for the six month period ended 31 August 2012 (unaudited)

Ordinary Shares	Share capital £000	Capital redemption reserve £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
At 1 March 2012	4,096	-	1,067	10,437	(4,052)	6,318	219	18,085
Shares issued in the year	1,567	-	4,824	-	-	-	-	6,391
Issue Costs	-	-	(66)	-	-	-	-	(66)
Shares repurchased in the period	(1,587)	1,587	-	(6,346)	-	-	-	(6,346)
Transfer from special reserve to revenue reserve	-	-	-	(67)	-	-	67	-
Transfer of unrealised losses on investment to realised losses on investment	-	-	-	-	(155)	155	-	-
Profit and total comprehensive income for the period	-	-	-	-	(287)	701	380	794
Dividends paid in the period	-	-	-	-	-	-	(285)	(285)
At 31 August 2012	4,076	1,587	5,825	4,024	(4,494)	7,174	381	18,573

"C" Shares	Share capital £000	Capital redemption reserve £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
At 1 March 2012	2,832	-	7,874	-	(440)	-	114	10,380
Profit and total comprehensive income for the period	-	-	-	-	(74)	1,463	137	1,526
Dividends paid in the period	-	-	-	-	-	-	(113)	(113)
At 31 August 2012	2,832	-	7,874	-	(514)	1,463	138	11,793

Total	Share capital £000	Capital redemption reserve £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
At 1 March 2012	6,928	-	8,941	10,437	(4,492)	6,318	333	28,465
Shares issued in the period	1,567	-	4,824	-	-	-	-	6,391
Issue costs	-	-	(66)	-	-	-	-	(66)
Shares repurchased in the period	(1,587)	1,587	-	(6,346)	-	-	-	(6,346)
Transfer from special reserve to revenue reserve	-	-	-	(67)	-	-	67	-
Transfer of unrealised losses on investment to realised losses on investment	-	-	-	-	(155)	155	-	-
Profit and total comprehensive income for the period	-	-	-	-	(361)	2,164	517	2,320
Dividends paid in the period	-	-	-	-	-	-	(398)	(398)
At 31 August 2012	6,908	1,587	13,699	4,024	(5,008)	8,637	519	30,366

All amounts presented in the statement of changes in equity are attributable to equity holders. The revenue reserve and realised capital reserve are distributable reserves. The special reserve may be used to fund buy-backs of ordinary shares and pay dividends as and when it is considered by the Board to be in the interests of the shareholders. During the six months ended 31 August 2012, £67,000 was transferred from the special reserve to the revenue reserve to provide sufficient reserves from which to pay a dividend.

The accompanying notes on pages 23 to 35 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
for the six month period ended 31 August 2011 (unaudited)

	Share capital £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
Ordinary Shares							
At 1 March 2011	4,096	1,067	10,437	(1,267)	2,561	264	17,158
Profit and total comprehensive income for the period	-	-	-	(246)	588	290	632
Dividends paid in the period	-	-	-	-	-	(262)	(262)
At 31 August 2011	4,096	1,067	10,437	(1,513)	3,149	292	17,528

	Share capital £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
"C" Shares							
At 1 March 2011	2,832	7,874	-	(232)	-	28	10,502
Profit and total comprehensive income for the period	-	-	-	(82)	-	93	11
At 31 August 2011	2,832	7,874	-	(314)	-	121	10,513

	Share capital £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
Total							
At 1 March 2011	6,928	8,941	10,437	(1,499)	2,561	292	27,660
Profit and total comprehensive income for the period	-	-	-	(328)	588	383	643
Dividends paid in the period	-	-	-	-	-	(262)	(262)
At 31 August 2011	6,928	8,941	10,437	(1,827)	3,149	413	28,041

The accompanying notes on pages 23 to 35 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
for the year ended 29 February 2012 (audited)

Ordinary Shares	Share capital £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
At 1 March 2011	4,096	1,067	10,437	(1,267)	2,561	264	17,158
Transfer of unrealised losses on investment to realised losses on investment	-	-	-	(2,145)	2,145	-	-
Profit and total comprehensive income for the year	-	-	-	(640)	1,612	463	1,435
Dividends paid in the year	-	-	-	-	-	(508)	(508)
At 29 February 2012	4,096	1,067	10,437	(4,052)	6,318	219	18,085

"C" Shares	Share capital £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
At 1 March 2011	2,832	7,874	-	(232)	-	28	10,502
Loss and total comprehensive income for the year	-	-	-	(208)	-	199	(9)
Dividends paid in the year	-	-	-	-	-	(113)	(113)
At 29 February 2012	2,832	7,874	-	(440)	-	114	10,380

Total	Share capital £000	Share premium £000	Special reserve £000	Capital reserve realised £000	Capital reserve unrealised £000	Revenue reserve £000	Total £000
At 1 March 2011	6,928	8,941	10,437	(1,499)	2,561	292	27,660
Transfer of unrealised losses on investment to realised losses on investment	-	-	-	(2,145)	2,145	-	-
Profit and total comprehensive income for the year	-	-	-	(848)	1,612	662	1,426
Dividends paid in the year	-	-	-	-	-	(621)	(621)
At 29 February 2012	6,928	8,941	10,437	(4,492)	6,318	333	28,465

The accompanying notes on pages 23 to 35 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
for the six month period ended 31 August 2012 (unaudited)

	Six months ended 31 August 2012 (unaudited)			Six months ended 31 August 2011 (unaudited)			Year ended 29 February 2012 (audited)		
	Ordinary Shares £000	"C" Shares £000	Total £000	Ordinary Shares £000	"C" Shares £000	Total £000	Ordinary Shares £000	"C" Shares £000	Total £000
Cash flows from operating activities									
Investment income received	911	479	1,390	716	70	786	1,095	113	1,208
Deposit interest received	1	6	7	1	14	15	1	24	25
Investment management fees paid	(225)	(131)	(356)	(223)	(131)	(354)	(435)	(259)	(694)
Other cash payments	(162)	(60)	(222)	(91)	(48)	(139)	(158)	(138)	(296)
Cash generated from/(used in) operations	525	294	819	403	(95)	308	503	(260)	243
Taxes paid	-	-	-	-	-	-	(67)	54	(13)
Net cash inflow/ (outflow) from operating activities	525	294	819	403	(95)	308	436	(206)	230
Cash flows from investing activities									
Purchases of investments	(369)	(37)	(406)	(14)	(1,873)	(1,887)	(64)	(5,298)	(5,362)
Proceeds from investments	119	1,200	1,319	-	300	300	360	1,075	1,435
Net cash inflow/ (outflow) from investing activities	(250)	1,163	913	(14)	(1,573)	(1,587)	296	(4,223)	(3,927)
Cash flows from financing activities									
Ordinary shares issued	32	-	32	-	-	-	13	-	13
Ordinary shares issue costs	(54)	-	(54)	-	-	-	-	-	-
Dividends paid	(285)	(113)	(398)	(262)	-	(262)	(508)	(113)	(621)
Net cash outflow from financing activities	(307)	(113)	(420)	(262)	-	(262)	(495)	(113)	(608)
Net increase/ (decrease) in cash and cash equivalents	(32)	1,344	1,312	127	(1,668)	(1,541)	237	(4,542)	(4,305)
Cash and cash equivalents at the beginning of the period	397	1,700	2,097	160	6,242	6,402	160	6,242	6,402
Cash and cash equivalents at the end of the period	365	3,044	3,409	287	4,574	4,861	397	1,700	2,097

The accompanying notes on pages 23 to 35 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the six month period ended 31 August 2012 (unaudited)

1. Accounting convention and policies

Accounting convention

The half-yearly financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") to the extent that they have been adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies under IFRS. The half-yearly financial statements have been prepared under IAS 34 *Interim Financial Reporting*.

The accounting policies used in the preparation of the half-yearly financial statements are consistent with those adopted in the financial statements for the year ended 29 February 2012 and those that will be adopted in the financial statements for the year ending 28 February 2013, except for a change in the application of the investment valuation policy. In prior periods, the Company had applied its valuation policy in a manner such that investments in companies operating renewable energy assets were valued at cost until a deemed satisfactory period of operations of between six and 18 months had passed. Given that the projects of such investee companies use well-established technology and benefit from manufacturer and contractor warranties, manufacturer performance guarantees and insurance, the Investment Manager and the Board believe that the satisfactory operation of such projects should be determined based on the specific circumstances and that the previous application of the policy whereby an arbitrary waiting period was applied of six to 18 months was unnecessarily prudent. The change in the implementation of the valuation policy has not had any impact on the valuations of the investments as at 29 February 2012 because there were no investments which were held using the "price of recent investment" methodology, reviewed for impairment, at that date which would have otherwise been valued using the "discounted cash flows from underlying business" methodology. The impact of the change in application of the policy has resulted in an increase in total comprehensive income and net assets of £904,000 in the current period.

Where presentational guidance set out in the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" 2009 ("SORP") is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

The financial information contained in this half-yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The financial statements

for the year ended 29 February 2012 have been filed with the Registrar of Companies. The auditor's report on these accounts included a reference to matters to which the auditor drew attention by way of emphasis without qualifying their report. The auditor's report did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

Income

Income on investments is stated on an accruals basis, by reference to the principal outstanding and at the effective interest rates applicable. Interest receivable on cash and non-equity investments is accrued to the end of the period. No tax is withheld at source on interest income.

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

Expenses

All expenses are accounted for on an accruals basis. In respect of the analysis between revenue and capital items presented within the Statement of Comprehensive Income, all expenses have been presented as revenue items except when expenses are split and charged partly as capital items where a connection with the maintenance or enhancement of the value of the investments held can be demonstrated. The investment management fee is 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.

Expenses have been allocated between the ordinary and "C" share funds on the basis of the number of shares in issue during the period, except when expenses are directly attributable to a particular share fund.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the period end date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying

amounts of assets or liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Due to the Company's status as a Venture Capital Trust, no provision for deferred taxation is required in respect of any realised or unrealised appreciation in the Company's investments.

The carrying amount of deferred tax assets is reviewed at each period end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates enacted or substantively enacted at the period end date. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Financial Instruments

Financial assets and financial liabilities are recognised on the Company's Statement of Financial Position when the Company has become a party to the contractual provisions of the instrument.

Trade and other receivables

Trade and other receivables are initially recognised at fair value. They are subsequently measured at their amortised cost using the effective interest method less any provision for impairment. A provision for impairment is made where there is objective evidence (including counterparties with financial difficulties or in default on payments) that amounts will not be recovered in accordance with the original terms of agreement. A provision for impairment is established when the carrying value of the receivable exceeds the present value of the future cash flow discounted using the original effective interest rate. The carrying value of the receivable is reduced through the use of an allowance account and any impairment loss is recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank and other short-term deposits held by the Company with maturities of less than three months. These short-term deposits are classified under cash equivalents as they meet

NOTES TO THE FINANCIAL STATEMENTS

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the definition in IAS 7 “Cash Flow Statements” of a short-term highly liquid investment that is readily convertible into known amounts of cash and subject to insignificant risk of change in value.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received amount, net of direct issue costs.

Special reserve

The special reserve was created by approval of the High Court to cancel the Company’s share premium account in respect of the shares issued in the initial offer for the Company’s ordinary shares. The special reserve may be used to fund buy-backs of shares and pay dividends as and when it is considered by the Board to be in the interests of the shareholders.

Capital reserve - realised

This reserve includes gains and losses compared to cost on the realisation of investments and expenses, together with the related taxation effect, allocated to this reserve in accordance with the above policy on expenses.

Capital reserve – unrealised

This reserve includes increases and decreases in the valuation of investments held at fair value.

Investments

As the Company’s business is investing in financial assets with a view to profiting from their total return in the form of interest, dividends and increases in fair value, all investments are designated as “fair value through profit or loss” on initial recognition. A financial asset is designated within this category if it is acquired, managed and evaluated on a fair value basis in accordance with the Company’s documented investment policy. In the year of acquisition, investments are initially measured at cost, which is considered to be their fair value. Thereafter, the investments are measured at subsequent

reporting dates on a fair value basis in accordance with IFRS. Gains or losses resulting from revaluation of investments are taken to the capital account of the Statement of Comprehensive Income.

Investments in unquoted companies and equity based derivatives are valued in accordance with International Private Equity and Venture Capital Valuation Guidelines, using the most appropriate valuation methodology as determined by the Board. Where there has been a recent arm’s length transaction between knowledgeable, willing parties, the “price of recent investment” methodology is used to determine the value of the investment. In the absence of a recent market transaction, unquoted investee companies with renewable energy generating plant constituting a substantial portion of their assets and which have proved stable operational performance are valued using the “discounted future cash flows from the underlying business” methodology, excluding interest accrued in the accounts to date, unless uncertainties exist which would make the “price of recent investment” methodology, reviewed for impairment, more appropriate. Generally, renewable energy generating plant will be considered to be operating when it has been taken-over by the investee company, although specific circumstances could cause a plant to be considered operating satisfactorily earlier than formal take-over by the investee company. Notwithstanding the above, the Board may determine that an alternative methodology should be used where this more appropriately reflects the fair value of an investment.

When an investee company has gone into receivership or liquidation, the investment, although physically not disposed of, is treated as being realised.

The Company has taken the exemption, permitted by IAS 28 *Investments in Associates* and IAS 31 *Interests in Joint Ventures*, from equity accounting for investments where it has significant influence or joint control.

The majority of money held pending investment is invested in financial instruments with same day or two-day access and as such is treated as cash and cash equivalents.

Key assumptions and key sources of estimation uncertainty

The preparation of the financial statements requires the application of estimates and assumptions which may affect the results reported in the financial statements. The

estimates and assumptions are consistent with those adopted in the financial statements for the year ended 29 February 2012 except for the change in the application of the valuation policy as referred to above.

The valuation of the Company’s holding of ordinary shares in Broadview Energy Limited (£2,597,000 in the ordinary share fund) is based on key assumptions which are subject to material uncertainty. Broadview Energy Limited announced on 8 May 2012 that it had sold three of its wind farms to Infinis Wind Holdings Limited. The consideration received by Broadview Energy Limited for these assets has now been made public (whereas it had not been at the time the Company’s annual financial statements for the year ended 29 February 2012 were published). The assets sold represented a major part of Broadview Energy Limited’s value. However, in valuing the Company’s holding in the ordinary shares of Broadview Energy Limited, the Investment Committee and the Board have made assumptions about the market value of the remaining assets held by Broadview Energy Limited. This analysis by the Investment Committee and the Board has been based on applying reasonable assumptions regarding the assets, but without access to independent evidence to support the assumptions made. The valuation of Broadview Energy Limited on a net asset basis is based to a material extent on this analysis. Although the price at which the assets sold to Infinis Wind Holdings Limited is now known, there remains an inherent uncertainty in the valuation of the remaining assets of Broadview Energy Limited and a risk that the valuation of Broadview Energy Limited could vary to a material extent, in the context of the Company’s portfolio, from a valuation that might be carried out using more complete information.

Dividends payable

Dividends payable are recognised as distributions in the financial statements when the Company’s liability to make payment has been established.

Segmental Reporting

The Directors consider that the Company has engaged in a single operating segment as reported to the chief operating decision maker which is that of investing in equity and debt. The chief operating decision maker is considered to be the Board.

2. Income

Six months ended 31 August 2012 (unaudited)	Ordinary Shares £000	"C" Shares £000	Total £000
Income from investments			
Loan stock interest	342	179	521
Dividends	271	-	271
Other investment income	-	90	90
	613	269	882
Other income			
Bank deposit interest	1	6	7
	614	275	889

Six months ended 31 August 2011 (unaudited)	Ordinary Shares £000	"C" Shares £000	Total £000
Income from investments			
Loan stock interest	363	196	559
Dividends	111	-	111
	474	196	670
Other income			
UK treasury bill income	-	6	6
Bank deposit interest	1	8	9
	475	210	685

Year ended 29 February 2012 (audited)	Ordinary Shares £000	"C" Shares £000	Total £000
Income from investments			
Loan stock interest	725	418	1,143
Dividends	141	-	141
	866	418	1,284
Other income			
UK treasury bill income	-	6	6
Bank deposit interest	1	18	19
	867	442	1,309

3. Investment management fees

The Company pays the Investment Manager an annual management fee equal to 2.5% of the Company's net assets. The fee is not subject to VAT and is payable quarterly in advance. The annual management fee is allocated 75% to capital and 25% to revenue.

The amount paid to the Investment Manager for the six months ended 31 August 2012 in respect of net asset value attributable to ordinary shareholders was £225,000 (six months ended 31 August 2011: £223,000; year ended 29 February 2012: £435,000). The amount paid to the Investment Manager for the six months ended 31 August 2012 in respect of the net assets attributable to the "C" shareholders was £131,000 (six months ended 31 August 2011: £131,000; twelve months ended 29 February 2012: £259,000).

NOTES TO THE FINANCIAL STATEMENTS

Continued

4. Other expenses

	Ordinary Shares £000	"C" Shares £000	Total £000
Six months ended 31 August 2012 (unaudited)			
<i>Revenue expenses:</i>			
Directors' remuneration	19	13	32
Fees payable to the Company's Auditor for:			
- <i>Audit of the Company's annual accounts</i>	7	5	12
- <i>Other services relating to taxation</i>	3	2	5
- <i>Other services pursuant to legislation</i>	3	2	5
Tender costs	41	-	41
Other expenses	59	40	99
	132	62	194
<i>Capital expenses:</i>			
Investment costs	4	-	4
	136	62	198
Six months ended 31 August 2011 (unaudited)			
Directors' remuneration	19	13	32
Fees payable to the Company's Auditor for:			
- <i>Audit of the Company's annual accounts</i>	10	7	17
- <i>Other services relating to taxation</i>	1	-	1
- <i>Other services pursuant to legislation</i>	3	2	5
Other expenses	51	39	90
	84	61	145
<i>Capital expenses:</i>			
Investment costs	-	4	4
	84	65	149
Year ended 29 February 2012 (audited)			
Directors' remuneration	38	27	65
Fees payable to the Company's Auditor for:			
- <i>Audit of the Company's annual accounts</i>	17	12	29
- <i>Other services relating to taxation</i>	2	2	4
- <i>Other services pursuant to legislation</i>	5	4	9
Other expenses	113	62	175
	175	107	282
<i>Capital expenses:</i>			
Investment costs	-	65	65
	175	172	347

Other services relating to taxation were in respect of tax services provided by the Company's Auditor relating to corporation tax compliance. The other services pursuant to legislation provided by the Company's Auditor related to reviews of the half-yearly report.

5. Directors' Remuneration

Six months ended 31 August 2012 (unaudited)	Ordinary Shares £000	"C" Shares £000	Total £000
D Pinckney	7	5	12
D Williams	6	4	10
R Abbott	6	4	10
Aggregate emoluments	19	13	32

Six months ended 31 August 2011 (unaudited)	Ordinary Shares £000	"C" Shares £000	Total £000
D Pinckney	7	5	12
D Williams	6	4	10
C Conner	6	4	10
Aggregate emoluments	19	13	32

Year ended 29 February 2012 (audited)	Ordinary Shares £000	"C" Shares £000	Total £000
D Pinckney	15	10	25
D Williams	11	9	20
R Abbott	6	4	10
C Conner	6	4	10
Aggregate emoluments	38	27	65

6. Taxation

The half-yearly tax charge in the ordinary share fund of £6,000 (six months ended 31 August 2011: tax charge £12,000; year ended 29 February 2012: tax charge £35,000) and a tax charge of £19,000 in the "C" share fund (six months ended 31 August 2011: tax charge £3,000; year ended 29 February 2012: tax charge £20,000). The charges have been accrued assuming an effective tax rate of 24%, however dividends and capital gains are not subject to tax resulting in a lower effective tax rate than the standard applicable rate in the UK.

7. Basic and diluted return per share

For the six months ended 31 August 2012 (unaudited)		Ordinary Shares	"C" Shares
Revenue return for the period	<i>p per share</i>	2.32	1.20
<i>Based on:</i>			
Revenue return for the period	£'000	380	137
Weighted average number of shares in issue	<i>number of shares</i>	16,318,891	11,329,107
Capital gain for the period	<i>p per share</i>	2.54	12.26
<i>Based on:</i>			
Capital gain for the period	£'000	414	1,389
Weighted average number of shares in issue	<i>number of shares</i>	16,318,891	11,329,107
Net profit for the period	<i>p per share</i>	4.86	13.46
<i>Based on:</i>			
Net gain for the period	£'000	794	1,526
Weighted average number of shares in issue	<i>number of shares</i>	16,318,891	11,329,107

NOTES TO THE FINANCIAL STATEMENTS

Continued

7. Basic and diluted return per share (continued)

For the six months ended 31 August 2011 (unaudited)		Ordinary Shares	"C" Shares
Revenue return for the period	<i>p per share</i>	1.77	0.82
<i>Based on:</i>			
Revenue return for the period	<i>£'000</i>	290	93
Weighted average number of shares in issue	<i>number of shares</i>	16,384,793	11,329,107
Capital gain/(loss) for the period	<i>p per share</i>	2.09	(0.73)
<i>Based on:</i>			
Capital gain/(loss) for the period	<i>£'000</i>	342	(82)
Weighted average number of shares in issue	<i>number of shares</i>	16,384,793	11,329,107
Net profit for the period	<i>p per share</i>	3.86	0.09
<i>Based on:</i>			
Net gain for the period	<i>£'000</i>	632	11
Weighted average number of shares in issue	<i>number of shares</i>	16,384,793	11,329,107
<hr/>			
For the year ended 29 February 2012 (audited)		Ordinary Shares	"C" Shares
Revenue return for the year	<i>p per share</i>	2.83	1.76
<i>Based on:</i>			
Revenue return for the year	<i>£'000</i>	463	199
Weighted average number of shares in issue	<i>number of shares</i>	16,384,793	11,329,107
Capital gain/(loss) for the year	<i>p per share</i>	5.94	(1.85)
<i>Based on:</i>			
Capital gain/(loss) for the year	<i>£'000</i>	972	(208)
Weighted average number of shares in issue	<i>number of shares</i>	16,384,793	11,329,107
Net profit/(loss) for the year	<i>p per share</i>	8.77	(0.09)
<i>Based on:</i>			
Net gain/(loss) for the year	<i>£'000</i>	1,435	(9)
Weighted average number of shares in issue	<i>number of shares</i>	16,384,793	11,329,107

There were no differences between basic and diluted return per "C" share because no dilutive instruments had been issued or granted.

8. Investments

Six months ended 31 August 2012 (unaudited)	Ordinary Shares			"C" Shares			Total		
	Shares £000	Loan Stock £000	Total £000	Shares £000	Loan Stock £000	Total £000	Shares £000	Loan Stock £000	Total £000
Opening position									
Opening cost	6,940	6,459	13,399	4,900	3,283	8,183	11,840	9,742	21,582
Closing realised losses	(2,362)	(182)	(2,544)	-	-	-	(2,362)	(182)	(2,544)
Opening unrealised gains/ (losses)	6,334	(16)	6,318	-	-	-	6,334	(16)	6,318
Opening fair value	10,912	6,261	17,173	4,900	3,283	8,183	15,812	9,544	25,356
During the period									
Purchases at cost	353	16	369	20	17	37	373	33	406
Investment proceeds	-	(119)	(119)	-	(1,200)	(1,200)	-	(1,319)	(1,319)
Realised losses	(13)	(141)	(154)	-	-	-	(13)	(141)	(154)
Unrealised gains	604	97	701	1,220	243	1,463	1,824	340	2,164
Closing fair value	11,856	6,114	17,970	6,140	2,343	8,483	17,996	8,457	26,453
Closing position									
Closing cost	7,124	6,356	13,480	4,920	2,100	7,020	12,044	8,456	20,500
Closing realised losses	(2,361)	(323)	(2,684)	-	-	-	(2,361)	(323)	(2,684)
Closing unrealised gains	7,093	81	7,174	1,220	243	1,463	8,313	324	8,637
Closing fair value	11,856	6,114	17,970	6,140	2,343	8,483	17,996	8,457	26,453

Six months ended 31 August 2011 (unaudited)	Ordinary Shares			"C" Shares			Total		
	Shares £000	Loan Stock £000	Total £000	Shares £000	Loan Stock £000	Total £000	Shares £000	Loan Stock £000	Total £000
Opening position									
Opening cost	6,940	6,755	13,695	900	3,060	3,960	7,840	9,815	17,655
Opening unrealised gains/ (losses)	2,599	(38)	2,561	-	-	-	2,599	(38)	2,561
Opening fair value	9,539	6,717	16,256	900	3,060	3,960	10,439	9,777	20,216
During the period									
Purchases at cost	-	14	14	1,000	873	1,873	1,000	887	1,887
Investment proceeds	-	-	-	-	(300)	(300)	-	(300)	(300)
Realised losses	-	(112)	(112)	-	-	-	-	(112)	(112)
Unrealised gains	586	2	588	-	-	-	586	2	588
Closing fair value	10,125	6,621	16,746	1,900	3,633	5,533	12,025	10,254	22,279
Closing position									
Closing cost	6,940	6,769	13,709	1,900	3,633	5,533	8,840	10,402	19,242
Closing realised losses	-	(112)	(112)	-	-	-	-	(112)	(112)
Closing unrealised gains/ (losses)	3,185	(36)	3,149	-	-	-	3,185	(36)	3,149
Closing fair value	10,125	6,621	16,746	1,900	3,633	5,533	12,025	10,254	22,279

NOTES TO THE FINANCIAL STATEMENTS

Continued

8. Investments (continued)

Year ended ended 29 February 2012 (audited)	Ordinary Shares			"C" Shares			Total		
	Shares £000	Loan Stock £000	Total £000	Shares £000	Loan Stock £000	Total £000	Shares £000	Loan Stock £000	Total £000
Opening position									
Opening cost	6,940	6,755	13,695	900	3,060	3,960	7,840	9,815	17,655
Opening unrealised gains/ (losses)	2,599	(38)	2,561	-	-	-	2,599	(38)	2,561
Opening fair value	9,539	6,717	16,256	900	3,060	3,960	10,439	9,777	20,216
During the year									
Purchases at cost	-	64	64	4,000	1,298	5,298	4,000	1,362	5,362
Disposal proceeds	-	(360)	(360)	-	(1,075)	(1,075)	-	(1,435)	(1,435)
Realised losses	(217)	(182)	(399)	-	-	-	(217)	(182)	(399)
Unrealised losses	1,590	22	1,612	-	-	-	1,590	22	1,612
Closing fair value	10,912	6,261	17,173	4,900	3,283	8,183	15,812	9,544	25,356
Closing position									
Closing cost	6,940	6,459	13,399	4,900	3,283	8,183	11,840	9,742	21,582
Closing realised losses	(2,362)	(182)	(2,544)	-	-	-	(2,362)	(182)	(2,544)
Closing unrealised gains/ (losses)	6,334	(16)	6,318	-	-	-	6,334	(16)	6,318
Closing fair value	10,912	6,261	17,173	4,900	3,283	8,183	15,812	9,544	25,356

The shares held by the Company represent equity holdings in unquoted UK companies and equity based derivatives. The Investment Manager's Report above provides details in respect of the Company's shareholding in each investment. The investments acquired and disposed of during the period are detailed in the Investment Manager's Report.

Through development funding agreements entered into by Redeven Energy Limited, the Company holds the right to invest in companies which hold lease options on sites for which Redeven Energy Limited obtains planning permission. The Investment Manager's Report provides further details in respect of this investment. The value of the ordinary share fund's investments in shares includes the value attributed to Redeven Energy Limited, which derives from the value of the investment rights attached to the development funding agreements.

9. Trade and other receivables

	Ordinary Shares £000	"C" Shares £000	Total £000
As at 31 August 2012 (unaudited)			
Non-current assets			
Other receivables	-	90	90
	-	90	90
Current assets			
Accrued interest income	313	230	543
Other receivables	4	22	26
Prepayments	13	9	22
	330	261	591
As at 31 August 2011 (unaudited)			
Non-current assets			
Accrued interest income	99	164	263
	99	164	263
Current assets			
Accrued interest income	501	187	688
Other receivables	14	48	62
Prepayments	8	6	14
Corporation tax	-	50	50
	523	291	814
As at 29 February 2012 (audited)			
Non-current assets			
Accrued interest income	18	47	65
	18	47	65
Current assets			
Accrued interest income	594	483	1,077
Other receivables	-	19	19
Prepayments	63	7	70
	657	509	1,166

As at 31 August 2012 there were other receivables of £90,000 due after more than one year which represents a facility fee receivable from a short-term loan provided by the Company's "C" share fund (31 August 2011: £263,000; 29 February 2012: £65,000, each representing accrued interest income). The Directors consider that the carrying amounts of trade and other receivables approximate to their fair value.

NOTES TO THE FINANCIAL STATEMENTS

Continued

10. Cash and cash equivalents

The total cash and cash equivalents held in the ordinary share fund was £365,000 at 31 August 2012 (31 August 2011: £287,000; 29 February 2012: £397,000). The reduction in cash and cash equivalents during the period was attributable to the purchase of investments and payment of investment management fees and other expenses offset by income received from investments and proceeds from loan investments being repaid and deposit interest received.

The total cash and cash equivalents held in the "C" share fund was £3,044,000 at 31 August 2012 (31 August 2011: £4,574,000; 29 February 2012: £1,700,000). The increase in cash and cash equivalents during the period was due to the receipt of investment income and proceeds from investments, offset by payment of investment management fees, expenses and dividends and purchase of investments.

The Directors consider that the carrying amounts of the cash and cash equivalents approximate to their fair value.

11. Trade and other payables

	Ordinary Shares £000	"C" Shares £000	Total £000
As at 31 August 2012 (unaudited)			
Corporation tax	41	40	81
Other payables	7	27	34
Accruals	44	18	62
	92	85	177

	Ordinary Shares £000	"C" Shares £000	Total £000
As at 31 August 2011 (unaudited)			
Corporation tax	79	-	79
Other payables	-	15	15
Accruals	48	34	82
	127	49	176

	Ordinary Shares £000	"C" Shares £000	Total £000
As at 29 February 2012 (audited)			
Corporation tax	35	20	55
Other payables	27	6	33
Accruals	98	33	131
	160	59	219

The Directors consider that the carrying amounts of trade and other payables approximate to their fair value.

12. Share capital

Authorised	Ordinary Shares		"C" Shares		Total
	Number of shares of 25p each	£000	Number of shares of 25p each	£000	
At 1 March 2012 (audited)	40,000,000	10,000	20,000,000	5,000	60,000,000
Shares authorised during the period	10,000,000	2,500	-	-	10,000,000
At 31 August 2012 (unaudited)	50,000,000	12,500	20,000,000	5,000	70,000,000

Allotted, called up and fully paid	Ordinary Shares		"C" Shares		Total
	Number of shares of 25p each	£000	Number of shares of 25p each	£000	
At 1 March 2012 (audited)	16,384,793	4,096	11,329,107	2,832	27,713,900
Allotted, called up and fully paid during the period	6,268,843	1,567	-	-	6,268,843
Purchased and cancelled during the period	(6,346,089)	(1,587)	-	-	(6,346,089)
At 31 August 2012 (unaudited)	16,307,547	4,076	11,329,107	2,832	27,636,654

Authorised	Ordinary Shares		"C" Shares		Total
	Number of shares of 25p each	£000	Number of shares of 25p each	£000	
At 1 March 2011 (audited)	40,000,000	10,000	20,000,000	5,000	60,000,000
At 31 August 2011 (unaudited)	40,000,000	10,000	20,000,000	5,000	60,000,000

Allotted, called up and fully paid	Ordinary Shares		"C" Shares		Total
	Number of shares of 25p each	£000	Number of shares of 25p each	£000	
At 1 March 2011 (audited)	16,384,793	4,096	11,329,107	2,832	27,713,900
At 31 August 2011 (unaudited)	16,384,793	4,096	11,329,107	2,832	27,713,900

Authorised	Ordinary Shares		"C" Shares		Total
	Number of shares of 25p each	£000	Number of shares of 25p each	£000	
At 1 March 2011 (audited)	40,000,000	10,000	20,000,000	5,000	60,000,000
At 28 February 2012 (audited)	40,000,000	10,000	20,000,000	5,000	60,000,000

Allotted, called up and fully paid	Ordinary Shares		"C" Shares		Total
	Number of shares of 25p each	£000	Number of shares of 25p each	£000	
At 1 March 2011 (audited)	16,384,793	4,096	11,329,107	2,832	27,713,900
At 28 February 2012 (audited)	16,384,793	4,096	11,329,107	2,832	27,713,900

13. Basic and diluted net asset value per share

The net asset value per ordinary share of 113.9p at 31 August 2012 (31 August 2011: 107.0p; 29 February 2012: 110.4p) is based on net assets attributable to the ordinary shareholders of £18,573,000 (31 August 2011: £17,528,000; 29 February 2012: £18,085,000) and the number of shares in issue as at 31 August 2012 of 16,307,547 (31 August 2011: 16,384,793; 29 February 2011: 16,384,793).

The net asset value per "C" share of 104.1p at 31 August 2012 (31 August 2011: 92.8p; 29 February 2012: 91.6p) is based on net assets attributable to the "C" shareholders of £11,793,000 (31 August 2011: £10,513,000; 29 February 2012: £10,380,000) and the number of shares in issue as at 31 August 2012 of 11,329,107 (31 August 2011: 11,329,107; 29 February 2012: 11,329,107).

14. Dividends

An interim dividend of 2.50p per ordinary share has been declared for the half-year ended 31 August 2012 which will be paid on 16 January 2013 to all ordinary shareholders on the register as at close of business on 14 December 2012. A final dividend for the year ended 29 February 2012 of 1.75p per ordinary share was paid on 8 August 2012.

An interim dividend of 1.20p per "C" share has been declared which will be paid on 16 January 2013 to all "C" shareholders on the register as at close of business on 14 December 2012. A final dividend for the year ended 29 February 2012 of 1.00p per "C" share was paid on 8 August 2012.

15. Events subsequent to period end

On 25 October 2012, the Company committed to invest a further £750,000 in ordinary shares of Eye Wind Power Limited and to provide a loan facility of £1,050,000.

16. Contingencies, guarantees and financial commitments

The contingencies, guarantees and financial commitments of the Company were disclosed in the annual report and financial statements for the year ended 29 February 2012 except for a subsequent commitment to a further investment in Eye Wind Power Limited which is disclosed in note 15.

17. Related parties

The investment management fees paid to the Investment Manager during the six months ended 31 August 2012 are set out in note 3.

The investee companies in which the Company has a shareholding of 20% or more are considered to be related parties. The significant changes to the balances and transactions with these companies are presented in the Investment Manager's Report. The aggregate balances at the period end and transactions with these companies during the six months to 31 August 2012 are summarised below.

As at 31 August 2012 (unaudited)	Ordinary Shares £000	"C" Shares £000	Total £000
Balances			
Investments - shares	8,746	6,140	14,886
Investments - loan stock	5,830	1,934	7,764
Accrued interest income	299	140	439
Transactions	£000	£000	£000
Loan stock interest income	324	110	434
Dividend income	254	-	254

As at 31 August 2011 (unaudited)	Ordinary Shares £000	"C" Shares £000	Total £000
Balances			
Investments - shares	6,830	1,900	8,730
Investments - loan stock	6,341	1,673	8,014
Accrued interest income	570	3	573
Transactions	£000	£000	£000
Loan stock interest income	340	3	343
Dividend income	105	-	105

As at 29 February 2012 (audited)	Ordinary Shares £000	"C" Shares £000	Total £000
Balances			
Investments - shares	7,827	4,900	12,727
Investments - loan stock	5,976	1,673	7,649
Accrued interest income	597	301	898
Transactions			
	£000	£000	£000
Loan stock interest income	689	177	866
Dividend income	135	-	135

18. Report distribution

In accordance with the Company's commitment to environmental sustainability and to minimise costs wherever appropriate, the financial statements will continue to be made available through regulated news service providers and will also be available in the Financial Reports section of the Company's website www.ventusvct.com. Any shareholder who wishes to receive notification of reports by email or post may request this by contacting the Registrar at the Company's registered address c/o Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

Allt Dearg Wind Farm
near Lochgilphead in Argyll
(Photograph: James F. Lithgow).



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